



ANNUAL REPORT 2018



Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Club will be held at the clubhouse on Thursday, 15 November 2018 at 7.30pm.

BUSINESS

1. To receive and consider the report of the Committee, the Statement of Financial Position as at 30 June 2018 and the Statement of Income and Expenditure for the year then ended, together with the report of the Auditors.
2. To consider, and if thought fit, to pass as special resolutions the resolutions set out in the section titled "Notice of Proposed Resolutions", as shown below, which forms part of this Notice of Annual General Meeting.
3. To elect the Committee and other Officers in place of those retiring.
4. Presentation of awards.
5. To deal with any other business which under the Constitution ought to be transacted at the meeting.

By order of the Committee

James F Bull
Honorary Secretary

25 September 2018

PROXIES

A Member entitled to attend and vote at a meeting of the Club is entitled to appoint a person, including the chairperson, as proxy to attend and vote instead of that Member. The proxy form is available from the administration office of the Club and should be lodged at that office by 5pm on Tuesday, 13 November 2018.

Restricted Playing Members, Non-Playing Members (other than Special Non-Playing Members), House Members, Junior Members, Temporary Members, Honorary Members and Absentee Members are not entitled to vote or to appoint proxies.

CANDIDATES FOR OFFICE

The names of all candidates for office, together with the names of their proposers and seconders, must be in the hands of the Honorary Secretary at least 30 days before the Annual General Meeting. Each nomination must be in writing and, where practicable, be accompanied by the written consent of the candidate. Should a ballot be necessary, because the number of candidates exceeds the number of vacancies, the Honorary Secretary will forward before the date of the elections, a Ballot Paper by post to every Member entitled to vote.

NOTICE OF PROPOSED RESOLUTIONS

NOTES

This notice is enclosed with, and forms part of, the Notice of Annual General Meeting dated 25 September 2018.

This notice sets out special resolutions to be considered under Agenda item 2 and, if thought fit, to be passed as special resolutions at the Annual General Meeting of Members of the Club to be held in the clubhouse at 7.30pm on Thursday 15 November 2018.

The Explanatory Notes do not form part of the resolutions to which they relate.

Annual General Meeting continued

SPECIAL RESOLUTIONS

- i) To consider and if thought fit, to pass the following resolution as a special resolution (this clause relates to the Committee being permitted to fix a reduced or concessional Subscription for certain groups of Members):

That the Constitution be amended by amending sub-clauses 9.2(b)(iv), (v), and (vi) as follows:

- (iv) Playing Members aged 65 years or more who have been a Member for a period of not less than 25 years continuously (including any period of absence or war service), **provided that the Playing Member was admitted as a Member prior to 1 December 2019;**
- (v) Playing Members who have been a Member for a period of not less than 50 years continuously (including any period of absence or war service), **provided that the Playing Member was admitted as a Member prior to 1 December 2019;**
- (vi) Playing Members who have been a Member for a period of not less than 60 years continuously (including any period of absence or war service), **provided that the Playing Member was admitted as a Member prior to 1 December 2019.**

Explanatory Note:

With an aging population the discount structures offered to long term Members are becoming unsustainable from a financial perspective. In fact, we now have less than 45% of our current membership paying full subscriptions. Many clubs have gone down the path of reviewing the discount structures offered to Members generally to ensure the future viability of their Club.

*This Constitutional change **WILL NOT** impact on any current Member. It is designed to be a proactive means of ensuring that the current discount structures will not be applicable to any future Member admitted to the Club from 1 December 2019. This will allow the Committee time in the near future to determine whether an alternative discount structure for new Members **admitted after 1 December 2019** should be put in place that better meets the financial needs of the Club.*

- ii) To consider and if thought fit, to pass the following resolution as a special resolution:

That the Constitution be amended by deleting the current Clause 8.6 (e) and inserting the new Clause 8.6 (e) as follows:

- 8.6(e) (i) A Member aged not more than **40 years**; and
(ii) ordinarily resident in the State;

may be classified and registered as an Absentee Member for a single continuous period of not more than **five** years (unless such period is extended by the Committee), provided that such period must expire not later than the commencement of the Subscription Year following the **40th** birthday of the Member.

Explanatory Note for Absentee Membership changes:

It is fair to say that younger Members today are more transient than ever before in terms of their study and working lives. In addition, younger Members are often getting married and having families later in life, to the extent that we often hear the term "40 is the new 30". This has changed significantly the financial dynamic in many households, with schooling and mortgage costs often now more significant for Members in that 35-40 age group.

The effect of this Constitutional change is to allow the Committee more flexibility in the use of the Absentee category of membership aimed at providing an option to keep younger Members in the Club during the period in their lives when they are likely to be more transient and their financial priorities are likely to be at their most demanding.

**The blue font shown in the resolutions represents changes made to the previous clause. A full marked up version of the changes is available on the Club website.*

Office Bearers



President:
A. M. (Tony) Joubert



Vice President:
Jonathan M. Roberts



Captain:
Richard W. Ralph



Honorary Secretary:
James F. Bull



Honorary Treasurer:
George S. Colman

Committee



Sally Charles



Dianne M. Hepworth



Ross M. Kemp



Hamish J. Salmon



Amanda L. Schwilk



Loretta M. Sheales

Immediate Past President:



Drew C. Fenton

Chief Executive Officer



Stewart B. Fenton

Auditors:

Deloitte

Our Vision

Royal South Yarra Lawn Tennis Club will provide its Members with the highest quality tennis, sporting and social experience of any club in Australia.

Our Mission

Royal South Yarra Lawn Tennis Club aims to:

- Provide Members with the opportunity to participate in all levels of competition and social tennis as well as other sporting, fitness and social activities.
- Offer the best Member services and facilities;
- Uphold the history and traditions of the Club and game;
- Deliver ultimate levels of Member satisfaction in a friendly and family-oriented environment;
- Create an atmosphere which attracts and retains the highest quality staff; and
- Contribute actively to the community.

Core Values

RESPECT – uphold and build upon the history and traditions of the Club.

COURTESY – interact with others in a manner that is respectful and considerate and value a code of good sportsmanship

ACTIVE ENGAGEMENT – encourage ever increasing Member participation in the Club through tennis and other sporting and social activities

STRIVING FOR EXCELLENCE – be innovative and aspire to the highest standards in all activities, facilities and services.

Committees

FINANCE

George S. Colman (Chair)

Ian P. Jarman
Christopher H. Yencken
Stewart B. Fenton (CEO)
Tim Juusti (CFO)*

STRATEGIC MEMBERSHIP

Jonathan M Roberts (Chair)

A. M. (Tony) Joubert (President)
George S. Colman (Treasurer)
James F. Bull (Honorary Secretary)
Peter S. F. Lie
Dean R. Park
Stewart B. Fenton (CEO)
Robyn A. Baker (Membership Manager)*

MEMBERSHIP REVIEW

Jonathan M Roberts (Chair)

Elizabeth O. Bostock
John S. Dixon
Peter S. F. Lie
Carolyn Martyn
Genevieve Morgan
Dean R. Park
Sophie L. Rigg
Robyn A. Baker (Membership Manager)*

FOUNDATION

Derek P. Skues (Chair)

Jane C. J. Bell
Phillip J. M. Gray
Ian P. Jarman
A. M. (Tony) Joubert (President)
Cathy L. Moore
Stewart B. Fenton (CEO)
Tim Juusti (CFO)*

CAPTAINS

Richard W. Ralph (Chair)

Simon J. F. Brain
Caroline Szafranski
Louise Field
James R. Freeman
Richard Joubert
Jennifer L. Langford
Rebecca J. Murray
Loretta M. Sheales
Jarrad Wright (COO)*

JUNIOR TENNIS

Louise Field (Chair)

Sue F. Albert
L. Andrew Cox
Maureen A. O'Keefe-Anders
Catherine D. Park
Fiona E. Ralph
Julia Soutter
Jarrad Wright (COO)
Meagan Spicer (Sports & Administration Manager)*

CLUBHOUSE & GROUNDS

Hamish J. Salmon (Chair)

David A. Hepworth
David A. Liddle
Stewart B. Fenton (CEO)*
Jarrad Wright (COO)
Anthony Lewis (Head Curator)

ACTIVITIES & COMMUNICATIONS

Dianne M. Hepworth (Chair)

Sophie L. Rigg
Kirby A. Roper
Amanda L. Schwillk
Caroline Szafranski
Samantha Dove (Events Manager)*

YOUNG MEMBERS

Katherine M Clements (Co-Chair)

Catherine Martyn (Co-Chair)

Kester Felton
James R. Freeman
Nickolas H. R Harrison
Stuart A. McRae
Emily J. Martyn

GROUNDS ENHANCEMENT

A. M. (Tony) Joubert (Chair)

George S. Colman
Hamish J. Salmon
Andrew T. Fortey
Jonathan Long
Stewart B. Fenton (CEO)
Anthony Lewis (Head Curator)

**Secretary to Sub-Committee*

Activity Groups

SUNDAY MORNING TENNIS

David L. Sweeney
Robert Craig

LADIES MONDAY TENNIS

Virginia A. Jelbart

TUESDAY TENNIS GROUP

Elizabeth L. Jeffrey
Susan Mackay

BRIDGE

Mary Church
Judith A. Foreman
Pru M. Court
Dianne M. Hepworth

BILLIARDS

Jonathan W. Harris
Shane T. Burke

THE VERDANT GROUP

Elizabeth L. Jeffrey
Diana E. Dougall
Rosemary M. Macdonald

ARCHIVES

William C. Cameron
Richard W. Strangward



Report of the Committee



Report of the Committee

To the Members of Royal South Yarra Lawn Tennis Club

The Committee presents the accounts of the Club for the year ended 30 June 2018, and reports to you on the affairs of the Club for this period.

This year, my first as President, and the first full year under the guidance of our new Chief Executive Officer, Stewart Fenton, has been a busy year for the General Committee and executive management team. I would like to acknowledge again the retirement of former President, Drew Fenton last year for his significant efforts in guiding the Club through a difficult period. Last year also saw the retirement of Lachlan Beer as Captain who did a wonderful job in promoting participation in tennis and other events during his tenure. Richard Ralph (Captain) and Ross Kemp, who replaced Drew and Lachlan on the General Committee have both made a great contribution to the General Committee in their first year.

Your Committee have continued to work constructively towards achieving the key undertakings of the "RSY Towards 2020" Strategic Plan and the "RSY Pathway to Excellence" visions.

The key achievements in 2017/18 are:

FINANCE

The financial position and performance of the Club is detailed within the Treasurers Report. However, we are extremely pleased to report that the Club made a profit after depreciation for the first time since 2008 on the back of growing revenues, strict cost control and strong membership revenues.

Results for the year, were an operating profit of \$141,085 (2017: loss \$284,813) and more importantly cash flows from operating activities resulted in a net cash inflow of \$640,871 (2017: \$450,504). Cash of \$320,818 (2017: \$386,645) was invested in Property, Plant and Equipment.

Hospitality Revenues were higher at \$2,928,366 (2017: \$2,858,764) due to improving Member and visitor activity which was supported by reduced staff and other operational costs.

PROPERTY AND ASSETS

Last year we reported that the key focus area for the year ahead would be the Grounds Enhancement Program and improving the grass court surfaces. We are pleased to report that we have made significant headway into both of these key objectives over the past 12 months.

The Club has undertaken a significant amount of work in relation to a staged Grounds Enhancement Program. The final concept designs and vision will be presented to Members in the very near future.

Whilst a significant amount of money has been invested into the clubhouse and Mont Verdant apartments in recent years, it is fair to say over the past 50 plus years, very little has been invested into the courtside surrounds above and beyond annual maintenance.

The Grounds Enhancement Program represents a significant part of our long-term strategic vision, through a staged approach, to upgrade the courtside surrounds and general grounds into a world class courtside environment.

The grass courts have been a major focus area over the past 12 months. We have been working with renown Turf Consultant, John Neylan, to put in place a sustainable action plan designed to return our grass courts to their former reputation as amongst the best in Australia. We have made significant progress this year, but it will take a couple of growing seasons to fully realise the impact of the changes that have been made. For the first time we have not re-laid the baselines around the start of winter. We have had turf specifically selected and grown off site in Pakenham under controlled conditions, including being regularly cut down to meet our needs. It has recently been laid at RSY to coincide with the start of spring, which traditionally represents the end of dormancy for couch grass after the cold of winter. It will now be left to 'bed' down in preparation for the opening of our grass court season in November. Moving forward it is our intention to try and keep our grass courts open for longer each season (subject to favourable weather conditions).

Last year we completely rebuilt grass courts 3 and 4 and this year we will rebuild grass courts 5 and 6. Moving forward we are aiming to replace a minimum of two courts each year as part of our ongoing renovation and replacement programs.

Over the past 12 months we have also completed a number of important maintenance tasks including extensive works on beautifying the Pavilion and surrounds and finalised our LED lighting replacement program.

Key focus areas for 2018/19:

- Commencement of the Grounds Enhancement Project in 2019
- Continuing our grass court improvement program and grass court replacement program (at least two more grass courts will be levelled and resurfaced in 2019)
- Finalise the individual switching of lights on each court.

MEMBERSHIP

Membership was a big focus for the 2017/18 financial year.

As reported last year, all of the available data in Australia shows that membership-based clubs are generally experiencing declining membership numbers as the population ages, with younger people not joining clubs like they used to.

Report of the Committee continued

The days of long waiting lists are gone, and things are no different for RSYLTC and in fact most of the traditional private clubs including the city clubs and golf clubs. Whilst we have virtually no waiting list, we are very fortunate to continue to have a healthy flow of new Member applications coming in annually to meet our targets.

To remain strong and to continue to prosper well into the future, the Club must continue to change and evolve and be proactive in addressing future challenges around membership.

Membership is the lifeblood of the Club. Whilst we have had a very strong 2017/18 in relation to membership, adding to our membership base, historical membership data shows that over the past 10 years our membership has stayed largely stagnant with the number of resignations closely matching the number of new Members admitted year on year.

Membership will continue to be the most important issue facing the Club over the next few years and will be a continued focus of the General Committee and management around refining and developing long term sustainable membership strategies not only around attracting new Members but also on membership retention. This is of vital importance in ensuring the long-term survival of the Club.

All Members have an important role to play in bringing forward suitable new applicants for membership whilst at all times being mindful of retaining our strong existing tennis culture and family membership values.

This past year we have conducted the first meeting of our new Strategic Membership Sub-Committee, under the direction of our Vice President and Chair of Membership, Jonathan Roberts. Several recommendations have been made that have now been considered and approved by the General Committee and will be actioned as appropriate in coming months.

The Committee is about to finalise the simplification and digitisation of the Member nomination process. Online editable versions of nomination forms will be available on the Club website and is a key outcome of this review process.

The change in process for new Member approvals, whereby the list of new applicants is circulated to the entire membership, has been very successful and has been well received by the membership as a whole.

Key focus areas for 2018/19:

- Annual review of the current membership categories and the rules and procedures around membership
- Continuing to look at a variety of membership strategies to attract new Members and retain current Members in this challenging membership environment
- Continual review of the Member induction process to ensure a seamless transition of new Members into the Club
- Finalising our extensive membership survey

SPORTING ACTIVITIES

The Club continues to actively participate in elite Victorian tennis competitions.

We have had a very successful 2017/18 in tennis competitions and other sports which is detailed in the Sports Report. We had more teams participate than ever before with 22 Winter Pennant teams and 13 Night competition teams.

At the time of going to print we are delighted to report that RSY have won the Grade 1 Men's Winter Pennant final as well as the Grade 5 Women's final.

This is a great achievement for the Club and whilst officially this will be reported in more detail in the 2018/19 Annual Report it is an appropriate time to report and celebrate this success given the competition started in April 2018.



From L-R: Campbell Salmon, Oliver Casey, Matthew Woerndle, Aaron Leeder-Chard, Wes Neylon and Yuri Mijic (Captain)



From L-R (Back row): Stephanie Kortum, Vicky Lynagh, Fiona Ralph (Captain), Claudia Albert and Laura O'Farrell. (Front row): Virginia Wallace, Susie Salmon and Alex Ritter.

Report of the Committee continued

We also fielded three squash teams in the Squash Pennant competition. Our table tennis championships have gone from strength to strength. Our RSYLTC team won the Victorian Billiards and Snooker Association City Clubs Circuit beating Kooyong in the final. Again, whilst the final was held recently, the competition started in May 2018 and this is also a tremendous result for Club. This was our first outright victory in this competition (after the drawn final in 2002).



From L-R (Back row) Edward Burke, Stephen Crawford, Peter Zwar (emg). (Front row) Nick Armstrong, Jonathan Harris (Co-Captain), Shane Burke (Co-Captain). Absent: Alistair Alexander and Jonathan Walpole (emergency)

Key focus areas for 2018/19:

- Continuing to investigate opportunities for greater participation in sports

IT AND COMMUNICATIONS

The Club continues to investigate an upgrade of its technology applications aimed at improving Member services and operational procedures.

There has been a concerted effort throughout the year to better inform Members of what is happening around the Club. This has included the CEO Report, our new 'Happenings' E-News format, Centrecourt Magazine and ad hoc communications from the Club around significant information. This communication, which has been a focus of the CEO and General Committee has been very well received by the membership.

During the early part of the year we finalised our court reservation review and subsequently released our new online platform for tennis bookings 7 days a week from 6.00am to 10.00pm. Whilst many 'regular' players were opposed to this it was well received by many more who appreciated an understanding of who was on the courts and availability of courts across the day. Now that all Members are familiar with these arrangements the angst has certainly been removed and a happy medium has been found.

During the year we have continued our focus on improving our systems to improve the experience for Members and collect better data to assist our decision-making processes. Significant improvements have been made but there is still much work to be done in this area.

Internally, we have also improved our staff communication systems which has improved the dissemination of information and training of our staff.

Key focus areas for 2018/19:

- Introduction of our new online booking system for functions and accommodation
- Continuing improvement of our administration systems and collection of business intelligence data
- Introduction of automatic payments for monthly accounts
- Introduction of flexible payment options for annual subscriptions
- Improve security through an upgrade of our card access system
- Security camera upgrades

GOVERNANCE

As we reported last year, the appointment of our new CEO was an important step for the Club in our ongoing efforts to transition operational authority and responsibilities from the General Committee to management as we strengthen our best practice corporate governance practices.

There has been much discussion about corporate governance in society in recent years, particularly in Clubs. As professionals, it is vitally important that our Committee structure, practices and processes allow our management team to successfully undertake the day to day operational running of the Club. The Committee's responsibilities rest around the strategic task of setting the organisation's strategic goals, direction, limitations and accountability and risk management frameworks.

As a result of the desire to strengthen our governance, Stewart, in conjunction with the General Committee conducted a review of the structure, roles and responsibilities of our Sub-Committees.

The former Membership Advisory Board (MAB) was restructured and separated into a Membership Review Committee (MRC), who are the initial reference point for new Member applications, and the Strategic Membership Sub-Committee whose focus is on strategy around existing policies and procedures, attraction of new Members and retention of existing Members.

We are firmly of the view that these changes in the membership area have, in the past 12 months, strengthened our membership application process and planning around membership for the future.

Report of the Committee continued

As part of the upcoming Annual General Meeting we are seeking your support for a few relatively minor Constitutional changes designed to offer greater flexibility in relation to absentee membership and to remove the long-term Member discounts for future Members that in the years to come will be financially unsustainable. **NO** existing Member of the Club will be impacted by this change.

Key focus areas for 2018/19:

- Development of a formal succession planning policy, a skills matrix and a formal induction process for the General Committee
- Finalising our Risk Management plans
- Continuing to strengthen our best practice corporate governance practices

STAFF

There is no doubt we have great staff who genuinely care about the needs of Members.

Under Stewart's leadership a number of changes have occurred centred around improving the standards, particularly in the area of food and beverage.

To supplement these changes, a number of staff have left, but as part of a wider staff restructure we have added some tremendous new people to our team. This has included the appointment of Anthony Lewis as Head Curator, Fiona Lucas and Alex Morosan as Hospitality Managers and Greg Ward as Bar Manager.

The Committee would particularly like to thank our senior management team, under the leadership of our Executive Management team in Stewart Fenton (CEO), Tim Juusti (CFO) and Jarrad Wright (COO), for their commitment and efforts to continually improve our great Club. It has been a big year for the Club and it is appropriate to acknowledge our senior management team individually for what has been achieved in the past 12 months. To Anthony Lewis (Head Curator), Jake Ward (Executive Chef), Meagan Spicer (Administration and Sports Manager), Robyn Baker (Membership Manager), Samantha Dove (Functions and Events Manager), Fiona Lucas (Hospitality Manager), Alex Morosan (Hospitality Manager) and Greg Ward (Bar Manager) we say 'thank you'. All of our staff continue to serve our membership with great enthusiasm and they contribute significantly to our reputation as one of Australia's finest sporting clubs.

We would also like to take this opportunity to thank all of our tennis coaches from SMARTennis, headed by Andrew McLean and Conrad Lim. SMARTennis are an integral part of the Club and play a valuable role in supporting both senior and junior tennis events and initiatives at the Club.

Key focus areas for 2018/19:

- To continue to grow our reputation as an employer of choice
- To continue to support our staff through professional development opportunities

EXTERNAL RELATIONS

We have continued the progress made in recent years in strengthening our relationship with Tennis Victoria, Tennis Australia and the City of Stonnington.

It is fair to say that we now have a very strong relationship with Tennis Victoria and Tennis Australia. As one of the leading tennis clubs in Australia it is very important for tennis that RSYLTC continues to thrive and prosper for the betterment of the game. We have very much appreciated the ongoing support we have had from Tennis Australia and Tennis Victoria in relation to a number of initiatives of the Club including our Grounds Enhancement Program where both have provided significant advice and support.

We have also worked hard on continuing to strengthen our relationship with our close friends at Kooyong, Royal Melbourne Tennis Club, West Brighton Club and the City Clubs. Over the course of the year we have hosted and attended many great functions and events conducted at these Clubs.

In the last financial year, we introduced a number of new reciprocal clubs to our list including Elanora Country Club (Sydney) and The City Club (Philippines).

Many Members may not be aware that RSYLTC is a Member of the prestigious Centenary Tennis Clubs boasting some of the most prestigious and exclusive clubs in the world. This list expands regularly and is available from the Club administration office or from the website.

The Club has developed a formal Reciprocal Club Policy and we continue to expand the list of like-minded reciprocal clubs which meet the standards required by this policy. As a Club we are very active in reviewing possible reciprocal opportunities around the world and we are always grateful for Member's feedback on clubs you have visited.

RSYLTC FOUNDATION

The Foundation has been very active over the past 12 months and we thank all Members who have contributed to the Foundation for their support. The Foundation is a very important part of the Club and its future. A separate report on the work of the Foundation is included in the Annual Report and we thank Foundation Chairman, Derek Skues and his fellow Trustees for their significant contribution in administering the wonderful work that the Foundation undertakes.

Report of the Committee continued

Our Foundation is growing and going from strength to strength and will continue to become more significant in fundraising to support our longer-term vision that will require significant investment beyond what is capable of being raised from the Club's annual cashflow. This includes our upcoming Grounds Enhancement Program and our long-term vision of building a new clubhouse for our next generation.

We would ask all Members to consider donating to the Foundation (it is tax deductible through the Australian Sports Foundation) as all contributions to the Foundation are used to improve the Club's facilities for the benefit of all Members and in doing so, secure the Club's future.

GENERAL

I would like to take this opportunity to thank my fellow Directors for your efforts, support and friendship during my first 12 months as President. I would also like to thank all Members who have contributed to our Sub-Committees over the past year.

We have come a long way in the past 12 months on improving our financial position but need to continue to be proactive in addressing challenges and planning for the future. We need to understand the needs of our wider membership and plan to ensure that our facilities, both courts and clubhouse, are world class not only meeting the needs of current Members but also in attracting new Members who are the future of our great Club. We must continually strive to raise the bar and be the very best we can.

To the wider membership, thank you for your support. I am extremely proud to be a Member of RSYLTC.

A. M. (Tony) Joubert,
President

Royal South Yarra Lawn Tennis Club Foundation

TRUSTEES

Derek Skues (Chair)

Tony Joubert (Club President)

Janie Bell

Phillip Gray

Ian Jarman

Cathy Moore

ACTIVITIES

In 2017/18 the Royal South Yarra Lawn Tennis Club Foundation received further donations from a number of Members, as listed below, and pleasingly received another (anonymous) major donation.

The Foundation has taken a conservative approach to investing the Foundation Reserves which continue to be invested through a third party and at arm's length.

The General Committee have released the key outcomes of the planned Grounds Enhancement Program (initially through Centrecourt Magazine) and the Foundation has endorsed the plans and is keen to assist help raise funds to improve our facilities for Members' enjoyment.

The Foundation continued to sponsor the Club's annual Croquet Tournament in October 2017. The Chairman updated members of the solid progress the Foundation has made and presented the trophy to the winners; Michael Kirwan and Belinda Henry.

FOUNDATION RESERVES

As at 30 June 2018 the following funds were held by the Foundation, including the donations made through the Australian Sport Foundation:

	2018	2017
RSY Foundation	378,787	375,360
Australian Sport Foundation		
• Sport Development	2,400	2,400
• Capital Projects	92,736	66,135
Total	473,923	443,895

The Committee and Members of the Club acknowledge the generous donations from the Major Donors, Benefactors and Donors:

Major Bequests

- Harvey Holdenson
- Bruce Dyson
- Valerie Edwards

Major Donors (\$10,000 or more)

- Gordon L Newton
- E Mardi Sloan
- Anonymous 2

Contributors to the Foundation from 1 July 2017 to 30 June 2018: Foundation Benefactors (between \$1,000 and \$9,999)

- Trevor Giacometti
- Ian Jarman
- Jonathan & Jane Roberts
- RSY Bridge Group

Other Donors

- Richard Clifton-Jones
- Robert Craig
- Edrina Dunstan
- Graham Duncan
- Ross Paton
- RSY Calcutta

Membership

Member numbers at year end were 4,507 persons. The Club lost 205 members through death, resignation and forfeiture but gained 233 new members, resulting in an overall increase of 28. On 1 July 2017, 70 junior members, on attaining 18 years of age, became eligible for senior Playing membership status, and 51 men, 63 women, 34 boys and 27 girls from the waiting list were elevated to Playing and Junior membership of the Club.

Member numbers include 62 Temporary Members (Reciprocal, Honorary, Scholarship and Accelerated).

During the year the waiting list decreased by 93 to a total of 113 persons as at 30 June 2018.

Membership Figures as at 30 June 2018

	2018			2017		
	Men	Women	Total	Men	Women	Total
Honorary	3	2	5	2	2	4
Honorary Life	11	4	15	11	4	15
Life	17	16	33	17	16	33
Playing	1,148	1,310	2,458	1,117	1,270	2,387
Playing 26-30	89	93	182	91	99	190
Playing 21-25	122	128	250	124	130	254
Playing 18-20	84	79	163	93	87	180
Country	62	53	115	60	57	117
Junior	132	113	245	128	115	243
TOTAL PLAYING	1,668	1,798	3,466	1,643	1,780	3,423
Restricted Playing	14	56	70	16	58	74
Restricted Junior	56	40	96	51	37	88
Special Non playing	29	64	93	29	65	94
Non playing	21	65	86	21	73	94
House	9	32	41	10	38	48
Absentee – Senior	209	186	395	215	185	400
Absentee – Adult	95	99	194	88	104	192
Absentee – Junior	-	4	4	-	4	4
Temporary – Adult	28	22	50	25	20	45
Temporary – Junior	7	5	12	6	11	17
TOTAL OTHER CATEGORIES	467	573	1,040	461	595	1,056
TOTAL MEMBERSHIP	2,136	2,371	4,507	2,104	2,375	4,479

Waiting List for Playing/Junior Membership as at 30 June 2018

	2018			2017		
	Men	Women	Total	Men	Women	Total
Playing	5	6	11	33	39	72
Junior	54	48	102	69	65	134
TOTAL	59	54	113	102	104	206

Sports & Activities Reports



Sports & Activities Reports

TENNIS

During the year the Captains Committee organised the RSY Sports Dinner, RSY Foundation Croquet Tournament, Table Tennis Club Championships, President's Day, Royal Sydney Golf Club Visit, Tennis Club Championships, President's vs. Captain's Tennis Challenge, participation in Tennis Victoria tennis, the Squash Club Championships and VSRA Club Circuit, VBSA City Clubs Circuit and a group of members attended the Warrnambool Country Tournament.

The Club entered 20 teams in 2017 Tennis Victoria Pennant. Twelve men's teams and eight women's teams competed with nine teams reaching the finals.

The Warren Kennedy Memorial Trophy awarded to the best performing men's pennant player was won by Aaron Leeder-Chard and the Ethel Le Neveu Trophy awarded to the best performing women's pennant player was won by Erica Layton and Rachel McRae.

The Judy Dalton Trophy was awarded to Kirsten Mailer and Mandy Woodard who achieved the best match results over two consecutive seasons in the Mid-week Ladies' competition. The Night Tennis perpetual trophy was awarded to James Freeman and the Junior perpetual trophy was awarded to Erica Layton.

PREMIER LEAGUE

The Club entered teams in both the men's and women's 2017 Tennis Victoria Premier League. This league is the highest state based teams' competition, competing against other high-ranking players from across the state.

The men's team consisted of Chris O'Connell, Luke Saville, Andrew Harris, Aaron Leeder-Chard (Capt.), Jeremy Beale, Oliver Casey, Lewis Miles, Campbell Salmon and Matthew Leffler, finishing runners-up.

The women's team consisted of Storm Sanders (Capt.), Monika Wejnert, Taylah Mielczarek, Natasa Ilic, Pearl Jansz and Louise Field, finishing in 6th position.

MID-WEEK COMPETITION

Eight teams were entered in the 2017 Season 2 (July-November) Eastern Districts Women's Tennis Association competition. The Section 2 RSY2, RSY5 and RSY7 teams reached the semi-finals with RSY2 and RSY5 competing in the grand final. The Section 2 (RSY2) team of Miranda Lansell (Capt.), Jacinta Fish, Jacqueline Nelson, Sarah Scales, Celia Burrell and Alex Ritter won the grand final.

Eight teams were entered in the Eastern Districts Women's Tennis Association 2018 Season 1 (February-June) competition. Four teams advanced to the semi-finals, with Section 3 (RSY7) team, captained by Kirsten Mailer reaching the grand final, finishing runners-up to Doncaster Tennis Club.

SUMMER COMPETITION

The Club entered five teams in the Bayside Regional Tennis Association summer competition – three women's teams and two men's teams. The Women's Section 1 (RSY1) team captained by Rebecca Murray and the Women's Section 3 team captained by Stephanie Kortum reached the grand final, with both finishing runners-up.

NIGHT COMPETITION

The Club entered 13 teams in the 2017 spring competition and the 2018 autumn competition of the Blackburn & District Night Tennis Association.

In the spring competition nine teams advanced to the finals with three teams reaching the grand final. The Monday Open Section 2 team Court Jesters, consisting of Hugo Sampson (Capt.), Malcolm Reid, James Joseph, James Gardiner, Richard Roberts, Jeff Munro and John Richmond won the grand final defeating RSY team What a Racquet, captained by Richard Ralph. The Open Section 5 team (Stars) captained by Arabella Georges finished runners-up to East Camberwell Tennis Club. In the Wednesday competition, the Section 6 team (You've been Served) consisting of Matthew Evans (Capt.), James Carter, Ross Burney, Anthony Stuart, Anthony Smith, Mark Weber won the grand final defeating Wantirna Tennis Club.

In the autumn competition five teams advanced to the finals with three teams reaching the grand final.

The Monday Open Section 2 team (Volleys) consisting of David Dunstan (Capt.), Alex Drutchinin, Peter Lie, David Hepworth, Richard Ollerenshaw, Jonathan Roberts and Edward Fitzgerald won the grand final defeating RSY team What a Racquet, captained by Richard Charles. In the Tuesday competition, the Section 1 team (Yarras) captained by James Freeman finished runners-up to Nunawading Tennis Club.

Sports & Activities Reports continued

CLUB CHAMPIONSHIPS

The 2018 Club Championships were held in February with 308 players competing in 44 events.

The Men's Open Singles Champion and recipient of the Norman Brookes Trophy was Aaron Leeder-Chard. The Women's Open Singles champion was Monika Wejnert. Adam Freeman and Ruben Digby-Diercks won the Open Men's Doubles title, Rachel McRae and Monika Wejnert won the Open Ladies Doubles title and Alexandros Yiappos and Monika Wejnert won the Open Mixed Doubles title. Campbell Salmon won the 18/U Boys Singles and Erica Layton won the 18/U Girls Singles.

Winners and runners-up of all Club Championship events were:



Club Champions Monika Wejnert and Aaron Leeder-Chard

SENIORS

Men's Open Singles

Aaron Leeder-Chard d Oliver Casey

Ladies' Open Singles

Monika Wejnert d Erica Layton

Men's Open Doubles

Adam Freeman & Ruben Digby-Diercks d Paul Leffler & Matthew Leffler

Ladies' Open Doubles

Rachel McRae & Monika Wejnert d Caroline Szafranski & Danijela Mijic

Open Mixed Doubles

Alexandros Yiappos & Monika Wejnert d James Freeman & Danijela Mijic

Men's B Grade Singles

David Liddle d Hamish Sutton

Ladies' B Grade Singles

Zara Parker d Sophie Trotter

Men's B Grade Doubles

Robin Forster & Richard Robson d Graeme Campbell & Andrew Buchanan

Ladies' B Grade Doubles

Claudia Albert & Sue Albert d Virginia Anderson & Sue Gatford

B Grade Mixed Doubles

David Bone & Sue Albert d Rob Macdougall & Jane Murray

Men's C Grade Singles

Alasdair Fairbairn d Richard Ollerenshaw

Ladies' C Grade Singles*

Winner: Sylvie Hutchins
Runner-up: Virginia Anderson

Men's C Grade Doubles

Charles Reed & Jonathan Vickers-Willis d James Joseph & David Tehan

Ladies' C Grade Doubles

Sylvie Hutchins & Eliza Mantello d Skye Burney & Serena Gleeson

C Grade Mixed Doubles

Lawry Simpson & Sophie Trotter d Wes Albert & Claudia Albert

Men's Social Singles*

Winner: Morgan Druce
Runner-up: Trent Anderson

Ladies' Social Singles

Georgie English d Francesca Johnston

Men's Social Doubles

Roger Harley & Richard McIndoe d Andrew Fortey & David Rolleston

Ladies' Social Doubles

Alexandra Cottee & Georgie English d Kate Longbottom & Kirsten Mailer

Social Mixed Doubles

Ross Burney & Skye Burney d Peter English & Georgie English

Men's Veteran Doubles

Steve Casey & Hamish Salmon d Antony Hearnden & Peter Johnston

Ladies' Veteran Doubles*

Winners: Sue Albert & Cathy Moore
Runners-up: Ginny Aitken & Susan Mackay

Men's Senior (Over 45) Doubles

Antony Hearnden & Peter Johnston d David Liddle & Hamish Salmon

Women's Senior (Over 45) Doubles

Vicky Lynagh & Fiona Ralph d Janie Bell & Jane Murray

Men's 65 & Over Doubles*

Winners: Peter Lie & Ken Dick
Runners-up: David Dunstan & David Hepworth

Boys' Singles

Campbell Salmon d Enzo Aguiard

Girls' Singles

Erica Layton d Nikita Chumbley

Sports & Activities Reports continued

JUNIORS

Boys' 16 & Under Singles

Tom Neylon d Oscar Lynagh

Girls' 16 & Under Singles*

Winner: Vivienne Johnston

Runner-up: Chloe Cooper

Boys' 16 & Under Doubles*

Winners: Oscar Lynagh & Tom Ritter

Runners-up: Henry Campbell & Hugo Druce

Girls' 16 & Under Doubles*

Winners: Chloe Cooper & Chloe Joubert

Runners-up: Sophie Boyce & Indi Longbottom

Mixed 16 & Under Doubles

Henry Campbell & Vivienne Johnston d Harry Cooper & Chloe Cooper

Boys' 14 & Under Singles

Bailey McLean d Will Beaton

Girls' 14 & Under Singles*

Winner: Chloe Joubert

Runner-up: Grace Keating

Boys' 14 & Under Doubles*

Winners: Darcy Albert & Will Beaton

Runners-up: Lachlan Francis & Sam McLean

Girls' 14 & Under Doubles*

Winners: Marlo Hearnden & Skye Park

Runners-up: Freya Albrecht & Claudia Cameron

Mixed 14 & Under Doubles*

Winners: Toby Ralph & Grace Keating

Runners-up: Freddie Campbell & Lucy Campbell

Boys' 12 & Under Singles

Eagan Lai d Toby Ralph

Girls' 12 & Under Singles

Mietta Passon d Skye Park

Boys' 12 & Under Doubles*

Winners: Darcy Albert & Eagan Lai

Runners-up: Oli McLean & Toby Ralph

Girls' 12 & Under Doubles*

Winners: Indi Officer & Axy Park

Runners-up: Sophie Davies & Skye Park

Boys' 10 & Under Singles

Sebastian Liddle d Kalan Lai

Girls' 10 & Under Singles*

Winner: Axy Park

Runner-up: Isabella Soutter

Boys' 10 & Under Doubles*

Winners: George Cox & Eddie Millear

Runners-up: Charlie Atkins & Kalan Lai

**Round Robin Event*

Sports & Activities Reports continued

JUNIOR TENNIS

Junior tennis and activities have been more popular than ever with the following competitions and events held – the Bayside Regional Tennis Association (BRTA), Orange & Green Ball Hot Shots, Junior Round Robin Tournaments, a Teen Tennis Tournament, the Adult & Child Tennis Day, Junior Open Day, Junior Club Championships and the Year 8 Disco.

Twelve teams competed in the 2017 BRTA spring competition with three teams reaching the grand final. The Sunday Section 5 team consisting of Harvey Clements, Toby Ralph, Max Griffiths and Darcy Albert (Capt.) won their grand final, defeating Glen Eira Tennis Club, and the Section 16 team of Hugh Beggs, Luca Webb (Capt.), Eddie Millear, George Cox, Charlie Atkins, Freddie Tremlett and Tom Sangster also won their grand final, defeating St Paul's Tennis Club. The Section 9 team captained by Will Glover finished runners-up to Kings Park Tennis Club.

Thirteen teams competed in the 2018 BRTA autumn competition. The Sunday Section 2 team which consisted of Oscar Lynagh, Vivienne Johnston, Bailey McLean, Sam McLean (Capt.) and Tom Ritter won their grand final defeating Grace Park Hawthorn Tennis Club.

The Junior Club Championships were held in February with 75 players competing in 10/U, 12/U, 14/U and 16/U boys' and girls' singles, doubles and mixed doubles events (results on page 18).

The Junior Open Day was held in March with 61 children playing round robin doubles. The day included tennis activities organised by the SMARTennis coaches and off-court activities, including a tennis quiz, face painting and a "Lolly Jar" guessing competition. On this day the Stan Churchus Trophy is presented to a junior member who has represented the Club in competition tennis, shown good commitment to Club events and demonstrated good sportsmanship and demeanour. The 2018 recipient was Vivienne Johnston.

TUESDAY TENNIS

The Tuesday Ladies Tennis Group continues to attract a keen group of enthusiastic players. In December the 2017 Badge Day play-off for the *Joy Fair - Ladies Day Perpetual Trophy* was won by Mandy Woodard (Silver Competition) and Liz Bostock (Bronze Competition).

SQUASH

In the VRSA Club Circuit competition, the Club fielded four teams in A1, A2, B2 and E1 in the 2017 spring competition and three teams in A1, A2 and B2 in the 2018 autumn competition. All teams were competitive but did not reach the finals.

The Squash Club Championships saw Jack Molloy win the Men's Open event, Audrey Teo won the Women's Open event and the Handicap event was won by David McRae.

The 2018 Dick Doyle Memorial Trophy was awarded to Mark Zaloumis for achieving the best win/loss record over two consecutive pennant seasons.

TABLE TENNIS

The 2017 Table Tennis Club Championships held in October saw 72 players compete in a knockout competition in Men's and Women's Singles, Men's and Women's Doubles and Mixed Doubles events.

The Men's Singles was won by Adam Freeman, Louise Field won her third consecutive title in the Women's Singles, Adam Freeman and James Freeman won the Men's Doubles, Sylvie Hutchins and Fiona Jones won the Women's Doubles and the Mixed Doubles was won by James Bull and Marie Monterosso.

BILLIARDS & SNOOKER

The winner of the Eric J. Wells Memorial Trophy (Open Snooker) for 2017 was Tom Cameron, the Billiards Handicap event was won by Tom Cameron and the winner of the Snooker Handicap was Richard Walpole.

In the VBSA City Clubs Circuit, RSY finished on top of the ladder in an eight-team competition. The four top teams played a two-knockout final which was the pre cursor to the grand final. Both semi-finals were an even contest with each final a drawn match, resulting in a toss of the coin playoff. RSY lost to the Australian Club who played Kooyong LTC in the grand final, with Kooyong the victors.

GOLF

The Men's Golf Day was held at the Frankston Golf Club. The Derek Keble-Johnston Cup was won by Jonathan Forster and Darcy Smith.

Sports & Activities Reports continued

ACTIVITIES

The clubhouse continues to play host to a diverse range of functions and events.

The popular Vintage Lunch was held in April. Father's Day and Mother's Day breakfasts, lunches and dinners continued to attract a high number of Members and guests. The 'First Saturday' in the month dining proved to be popular for members with a discerning palate. The enticing menus are further enhanced by BYO wine. Members Last Friday of the Month Drinks have been well attended especially the EOFY.

In August members attended a Health & Wellbeing function 'Lunch and Lean CPR'.

In October the Winemakers Lunch was held, featuring an Italian theme welcomed Michael Trembath, Proprietor of Trembath & Taylor Wines and the annual black-tie dinner of the Caulfield Cup Calcutta was held for the racing aficionados.

The Christmas Party was a great success themed '*East Meets West*' with several Gin bars, fresh seafood stations, cocktail food and a Christmas photo booth.

In January, the annual visit to the Australian Open was enjoyed by members and guests. In February, the Member's Friday Drinks on the Balcony, during the Club Championships attracted many members who watched some fabulous tennis.

In March the Western Terrace hosted a Long Lunch where Tellurian wines were matched with our Executive Chef, Jake Ward magnificent grazing menu.

The Verdant Group organised nine activities for members and guests throughout the year. The first half of the year included two visits to the Tesselaar Tulip Farm, a guest speaker lunch featuring Club members, Catherine Walter AM, who is one of the first female directors to sit on the board of a major Australian listed company and Sarah Hunt who spoke about her role as one of the country's leading executive specialists. They visited the Geelong Art Gallery who featured art works of Eugene von Guerard and Frederick McCubbin and the Christmas celebratory lunch welcomed guest speaker Mary Muirhead OAM, BVSc who is Chair/Director, Co-founder and Fundraising Co-ordinator for the Learning for Life Autism Centre.

In the second half of the year the group visited the Point Leo Estate on the Mornington Peninsula viewing the amazing sculptures and lunched at the restaurant overlooking the Westernport Bay, they celebrated International Women's Day at a guest speaker lunch featuring Mandy McCracken who addressed members about how she overcame a disability which resulted in her becoming a quad amputee. In May the group visited the Australian Ballet School, showcasing talented works of students at the Arts Centre and lunched at Southbank. The final activity for the year was a visit to the National Gallery (NGV) who presented MoMA (130 years of modern and contemporary art) with lunch in the Garden Restaurant.

YOUNG MEMBERS ACTIVITIES

The Younger Members year began with a Wine & Cheese Night held in July hosted by winemaker Matthew Lugg. The Yarrayong Ball was held in August, themed Casino Royale and hosted by Kooyong, and the popular Barefoot Bowls was held in November. In February, the Tennis & Tonic event was held for members and guests who enjoyed great company, Asian Street food and social tennis. In March, the Young Members hosted another successful Long Lunch in the Members Dining Room (turned rustic Italian *caffe*), themed Italiano. The year concluded with a Disco Trivia Night held in June.

BRIDGE

The competition for the 2017 Janette Machin Duplicate Trophy was contested on the fourth Tuesday of each month and the Perpetual Trophy was won by Sally Marshall.

In 2017 Royal South Yarra won all six trophies in the bridge competitions against the Peninsula G.C., M.C.C. Kew, R.A.C.V., M.C.C (two challenges) and K.L.TC.

In May, the Bridge Charity Day for members and guests raised \$1,100 for Alzheimer's Australia Victoria.

OBITUARY

Our sincerest sympathy is extended to the families of our esteemed members who passed away during the year ended 30 June 2018.

Mrs Deirdre R. Farfor
Mr Edward (Alex) D. A. Farquharson
Count George Krasicki
Mrs Rosemarie Macdougall
Mr Andrew McArthur
Mrs Elizabeth I. Miller
Ms Suzanne Moir
Mrs Susan A. Mott
Mrs A. Betty Murray
Mrs Elizabeth A. R. Munro
Mr Noel J. Rowan
Mr Timothy J. Sherwood
Mrs Donna Snell
The Hon. Alec J. Southwell
Mr Neil M. Thomas
Mr John D. S. Uglow
Mr Andrew L. Wharton
Mrs Christine E. Wilson



ANNUAL REPORT 2018

Financial Statements

30 June 2018



Treasurer's Report

The Club achieved a much-improved financial performance in FY2018, recording a profit of \$141,085 compared to a loss of (\$285,000) in FY2017. This is our first bottom-line profit since 2008 and reflects the hard work of our management team under the energetic leadership of our new CEO, Stewart Fenton. The Club also funded \$320,818 in capital expenditure from operating cash flows during the year and remains debt free.

OPERATING RESULT

The Club's FY2018 profit result represented a turnaround of over \$425,000 from the FY2017 loss. This was driven by a 4.6% increase in sales revenue, and a 1% reduction in overheads and payroll expenses.

Hospitality remained a key focus area, and losses in this function fell by 26% due to increased patronage and cost efficiencies. Revenues rose by 2.4% and COGS gross margin was on budget at 40%. A key achievement was the delivery of improved service whilst reducing payroll costs through a restructure of the hospitality team. While results improved this year, our absolute loss in Hospitality remains unacceptably high, at almost \$380,000. The Club will continue to operate Bar and Dining as a service centre (as opposed to a profit centre) but balancing strong service levels over extended opening hours and appropriate price points with acceptable financial results remains a challenge. With largely fixed costs, usage of our food and beverage facilities by Members and guests is the key determining factor that influences the result. We implore members to assist here – for example by booking in advance wherever possible, as walk-ups greatly increase the difficulty (and cost) of managing staffing for an uncertain level of patronage.

Accommodation (Mont Verdant apartments) revenue fell by 10% in 2017 due to continued weaker occupancy levels, but overhead costs were significantly reduced, resulting in a profit that was 29% ahead of last year.

Key financial results are summarised below:

	2018 \$'000	2017 \$'000
Profit and Loss:		
Membership subscriptions	3,775	3,564
Hospitality revenue	2,928	2,859
Entrance fees received	497	417
Other Revenue	571	590
Total revenue	7,771	7,430
Operating Costs	(7,630)	(7,715)
Loss for the year	141	(285)
Cashflow:		
Cash generated from operations	641	451
Capital expenditure (net)	(318)	(387)
Financing cashflow (net)	(52)	(52)
Net change in cash	271	12

CASH FLOW AND CAPITAL EXPENDITURE

Operating cash flow in 2018 benefited from the positive trading result and favourable timing of movement in receivables. The Club remains committed to providing modern equipment and to continually improving the standard of our facilities, and again devoted funds to this end. Major items included the LED lights for courts 8 to 15 (at a cost of \$67,187), renovation of the Squash facilities (\$38,982), redevelopment work for grass courts 3 & 4 (\$44,200) and upgrades to the Swimming Pool PH control system and drain covers (\$34,700).

FINANCE COMMITTEE

My sincere thanks to Chris Yencken, who retired after many years of dedicated service on the Finance Committee, and also to Ian Jarman for his continuing involvement.

George S. Colman,
Honorary Treasurer

Committee Report

The Royal South Yarra Lawn Tennis Club is a company limited by guarantee, incorporated and domiciled in Australia. Your Committee presents their report on the Club for the financial year ended 30 June 2018.

COMMITTEE MEMBERS

The names of the Committee members in office at any time during or since the end of the year and their attendance at Committee meetings held during the year ended 30 June 2018 were:

	Meetings attended	Meetings eligible to attend
Tony Joubert	9	11
Jonathan Roberts	10	11
Richard Ralph (Appointed 16/11/17)	7	7
James Bull	8	11
George Colman	10	11
Drew Fenton (Immediate past President resigned 16/11/17)	4	4
Lachlan Beer (Resigned 16/11/17)	4	4
Sally Charles	7	11
Dianne Hepworth	11	11
Ross Kemp (Appointed 16/11/17)	5	7
Hamish Salmon	10	11
Amanda Schwilk	9	11
Loretta Sheales	9	11

PRINCIPAL ACTIVITIES AND OBJECTIVES

The principal activities of the Club were the provision of sporting, hospitality and clubhouse facilities and member accommodation. The Club's focus is on the development of tennis and increased member participation in all Club activities.

OPERATING RESULTS

Results for the year, were an operating profit of \$141,085 (2017: loss \$284,813)

REVIEW OF OPERATIONS

Club revenues increased by 4.6%, with all business segments achieving solid growth, except for Accommodation. Costs were managed effectively, with total operating costs down by 1.1%. This report discloses that the cash flows from operating activities resulted in a net cash inflow of \$640,871 (2017: \$450,504) and that cash of \$320,818 (2017: \$386,645) was invested in Property, Plant and Equipment.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Apart from the foregoing, no significant change in the Club's state of affairs occurred during the financial year.

Committee Report continued

SUBSEQUENT EVENTS

No matter or circumstance has arisen since the end of the financial year which has or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

DIVIDENDS

The Club's Memorandum of Association prohibits the payment of dividends.

FUTURE DEVELOPMENTS

No change in the operations of the Club is expected to occur which will, or may, affect the results of the Club in the next succeeding financial year.

MEMBER LIABILITY

The Club is a company limited by guarantee. If the Club is wound up, the Articles of Association state each member (all classes) is required to contribute a maximum of \$8.40 each towards meeting any outstanding liabilities of the Club. As at 30 June 2018, the number of members were 4,507 (2017: 4,479).

ENVIRONMENTAL ISSUES

The Club's operations are not regulated by any significant environmental regulation under a law of the Commonwealth of Australia or of any State or Territory.

INFORMATION ON COMMITTEE MEMBERS

– Position, Appointment, Education, Vocation

Antony (Tony) Marc Joubert, President-Director, appointed 24 November 2011, Director, B Bus (Mktg), Sales Director.

Jonathan MacKenzie Roberts, Vice President-Director, appointed 15 November 2007, B.Ec., Company Director, Retailer.

George Stephen Colman, Honorary Treasurer-Director, appointed 21 November 2013, B.Comm (Hons), FINSIA, Investment Management Principal.

Richard Ralph, Captain-Director, appointed 16 November 2017, CPA, B.Ec, Managing Director.

James Forbes Bull, Honorary Secretary-Director, appointed 19 November 2015, LLB / BA., Solicitor.

Sally Charles, Director, appointed 20 November 2014, RN, Executive Corporate Services Manager.

Dianne Hepworth, Director, appointed 20 November 2008, Cert CompOps. Retired.

Ross Kemp, Director, appointed 16 November 2017, CPA, B.Bus, Company Director

Hamish Salmon, Director, appointed 24 November 2011, CPA CFP, Company Director.

Amanda Schwilk, Director, appointed 20 November 2014, BA, Manager.

Loretta Sheales, Director, appointed 24 November 2011, B.Sc, M.Ed, Director People & Culture.

Committee Report continued

COMMITTEE INDEMNIFICATION

In addition to that specified in the Club's Constitution (clause 77), the Club has paid, during the year, a premium of approximately \$7,500 (part of the Clubs total affiliation, membership and insurance with Tennis Victoria) to insure the Committee members and Officers of the Club against liabilities incurred by them arising out of their conduct whilst acting in the capacity of Committee members and Officers, other than conduct involving a wilful breach of duty in relation to the Club. The Club has not otherwise, during or since the end of the financial year, to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

CONTRACTS WITH MEMBERS OF THE COMMITTEE

No member of the Committee has received, or has become entitled to receive, a benefit by reason of a contract made by the Club with the member of the Committee or with a firm of which he/she is a member or with a company in which he/she has a substantial financial interest.

PROCEEDINGS ON BEHALF OF CLUB

No person has applied for leave of Court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is party for the purpose or taking responsibility on behalf of the Club for all or any part of those proceedings. The Club was not a party to any such proceedings during the year.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 27.

CORPORATE GOVERNANCE

The Club is governed under its Constitution by a General Committee which is supported by Sub-Committees as appropriate. The Finance Committee is responsible for the ongoing review of the financial position and operating performance of the Club, ensuring compliance with the Club's statutory and management reporting requirements and recommending strategies to the General Committee in respect of investments and financial operations.

Dated at Melbourne, 25 September 2018

Signed in accordance with a resolution of the Committee in accordance with section 298(2) of the *Corporations Act 2001*.



A. M. (Tony) Joubert,
President



George S. Colman,
Honorary Treasurer



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The Committee

Royal South Yarra Lawn Tennis Club
Williams Road North
Toorak VIC 3142

25 September 2018

Dear Committee Members,

Royal South Yarra Lawn Tennis Club

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Committee of Royal South Yarra Lawn Tennis Club.

As the lead audit partner for the audit of the financial statements of Royal South Yarra Lawn Tennis Club for the financial year ended 30 June 2018, I declare to the best of my knowledge and belief, 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.

Yours sincerely

A handwritten signature in cursive script that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in cursive script that reads "Peter Glynn".

Peter Glynn
Partner
Chartered Accountants



Deloitte Touche Tohmatsu
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Independent Auditor's Report to the members of Royal South Yarra Lawn Tennis Club

OPINION

We have audited the financial report being a special purpose financial report, of Royal South Yarra Lawn Tennis Club (the "Entity") which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Committee's declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 3 and the *Corporations Regulations 2001*.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the 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 Committee, would be in the same terms if given to the committee 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 – BASIS OF ACCOUNTING

We draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committees' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Independent Auditor's Report to the members of Royal South Yarra Lawn Tennis Club *continued*

OTHER INFORMATION

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

Our opinion on the financial report does not cover the other information and 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 COMMITTEE FOR THE FINANCIAL REPORT

The Committee is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 3 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee 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 Committee is responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Entity or to cease operations, or has 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 judgment 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 Entity's internal control.

Independent Auditor's Report to the members of Royal South Yarra Lawn Tennis Club *continued*

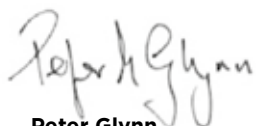
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Committee 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.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Peter Glynn
Partner
Chartered Accountants

Melbourne, 25 September 2018

Committee Declaration

As detailed in Note 1 to the financial statements, the company is not a reporting entity because in the opinion of the Committee there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this Special Purpose Financial Report has been prepared to satisfy the Committee's reporting requirements under the *Corporations Act 2001*.

The Committee of the Club declares that:

1. the financial statements and notes, as set out on pages 32 to 44, are in accordance with the *Corporations Act 2001*, and:
 - a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Club.
2. in the Committee's opinion, reasonable grounds exist to believe that the Club will be able to pay its debts as and when they become due and payable.

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

Dated at Melbourne, 25 September 2018

Signed in accordance with a resolution of the Committee in accordance with section 295(5) of the *Corporations Act 2001*.



A. M. (Tony) Joubert,
President



George S. Colman,
Honorary Treasurer

Statement of Profit or Loss and Other Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Sales Revenue	4	7,771,465	7,429,807
Less expenses:			
Administration, Courts and Clubhouse		(4,163,194)	(4,177,848)
Bar and Dining		(3,305,586)	(3,365,784)
Accommodation		(72,549)	(107,078)
Other expenses		(89,051)	(63,910)
Profit/(loss) before tax		141,085	(284,813)
Income tax expense	3(c)	-	-
Profit/(loss) for the year	5	141,085	(284,813)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		141,085	(284,813)

Notes to the financial statements are included on pages 36 to 44.

Statement of Financial Position

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	6	1,977,744	1,706,461
Trade and other receivables	7	221,642	158,716
Inventories		152,856	152,398
Other assets	8	589,314	557,120
Total Current Assets		2,941,556	2,574,695
NON CURRENT ASSETS			
Property, plant and equipment	9	7,743,469	7,996,080
Intangible assets	10	30,223	45,991
Total Non-Current Assets		7,773,692	8,042,071
Total Assets		10,715,248	10,616,766
CURRENT LIABILITIES			
Trade and other payables	11	2,840,225	2,830,683
Provisions	12	351,499	414,460
Total Current Liabilities		3,191,724	3,245,143
NON CURRENT LIABILITIES			
Provisions	12	56,939	46,123
Total Non-Current Liabilities		56,939	46,123
Total Liabilities		3,248,663	3,291,266
Net Assets		7,466,585	7,325,500
MEMBERS' EQUITY			
Retained earnings		7,466,585	7,325,500
Total Members' Equity		7,466,585	7,325,500

Notes to the financial statements are included on pages 36 to 44.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Retained earnings
	\$
Balance at 1 July 2016	7,610,313
Loss for the year	(284,813)
Other comprehensive income	-
Total comprehensive loss for the year	(284,813)
Balance at 30 June 2017	7,325,500
Balance at 1 July 2017	7,325,500
Loss for the year	141,085
Other comprehensive income	-
Total comprehensive loss for the year	141,085
Balance at 30 June 2018	7,466,585

Notes to the financial statements are included on pages 36 to 44.

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Cash flows from operating activities			
Receipts from members		7,682,239	7,605,859
Interest received		26,300	28,048
Payments to suppliers and employees		(7,067,668)	(7,183,403)
Net cash generated by operating activities	14(b)	640,871	450,504
Cash flows from investing activities			
Payment for property, plant and equipment		(320,818)	(386,645)
Payment for intangible assets		-	-
Proceeds from disposal of property, plant and equipment.		3,182	-
Net cash used in investing activities		(317,636)	(386,645)
Cash flows from financing activities			
Repayment of lease liability		(51,952)	(51,952)
Loan to the RSY Foundation		-	-
Net cash used in financing activities		(51,952)	(51,952)
Net increase/(decrease) in cash and cash equivalents		271,283	11,907
Cash and cash equivalents at beginning of year		1,706,461	1,694,554
Cash and cash equivalents at end of year	14(a)	1,977,744	1,706,461

Notes to the financial statements are included on pages 36 to 44.

Notes to and forming part of the Accounts

1. GENERAL INFORMATION & STATEMENT OF COMPLIANCE

Financial reporting framework

The Club is not a reporting entity because in the opinion of the Committee there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the Committees' reporting requirements under the *Corporations Act 2001*.

For the purposes of preparing the financial statements, the Club is a not-for-profit entity.

Statement of compliance

The financial report has been prepared in accordance with the *Corporations Act 2001*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', and AASB 1054 'Australian Additional Disclosures'.

The financial report was authorised for issue by the Committee on 25 September, 2018.

Royal South Yarra Lawn Tennis Club is a company limited by guarantee, incorporated and domiciled in Australia.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

2.1 Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 July 2017.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company include:

- AASB 1048 Interpretation of Standards
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016

The above standards have had no impact on these financial statements.

Notes to and forming part of the accounts continued

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONT'D)

2.2 New and revised Australian Accounting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the Company has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 Financial Instruments	1 January 2018	30 June 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15, and AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	1 January 2019	30 June 2020
AASB 16 Leases	1 January 2019	30 June 2020
AASB 1058 Income of Not-for-Profit Entities, and AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	30 June 2020
AASB 2008-1 Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle	1 January 2019	30 June 2020

In addition, at the date of authorisation of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued.

Standard/amendment	Effective for annual reporting periods beginning on or after
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

The Directors have not yet determined the financial impact of adopting the above Standards and Interpretations.

Notes to and forming part of the accounts continued

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair value of consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

a) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with all classes of inventory being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

b) Property, Plant and Equipment

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

Property

Buildings, plant and equipment are stated at cost less accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the expenditure is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Plant and Equipment

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value from the time the asset is held ready for use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

Depreciation rates

The depreciation rates used for each class of depreciable assets compared to the rates used last financial year are:

Class of Fixed Asset	Depreciation Rates	
	2018	2017
Motor Vehicles	20%	20%
Plant and Equipment	20 - 33%	20 - 33%
Buildings and Improvements	4 - 10%	4 - 10%

c) Income Tax

An income tax liability has not been raised as the Club's activities make its income exempt from tax pursuant to the *Income Tax Assessment Act*.

d) Trade & Other Receivables

Trade and other receivables are stated at cost less impairment losses. The average credit period on sale of goods and rendering of services is 30 days. Credit balances on members' accounts are applied to future charges, or refunded to relevant members as appropriate.

In determining the recoverability of a trade receivable, the Club considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Based on historic default rates, the Club believes that no impairment allowance is necessary in respect of trade receivables.

e) Trade & Other Payables

Trade and other payables (including accrued expenses) represents liabilities for goods and services provided prior to the end of the financial year and which are unpaid and are measured at amortised cost. The amounts are unsecured, and are paid within normal supplier trading terms, but usually no longer than 30 days.

f) Employee Benefits

A liability is recognised for employee entitlements arising from services rendered by employees to reporting date, when it is probable that settlement will be required and they are capable of being measured reliably. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries which will be settled within 12 months, have been measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Club in respect of services provided by employees up to reporting date. Contributions are made by the Club to employee superannuation funds and are charged as expenses when incurred.

g) Cash and cash equivalents

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

Notes to and forming part of the accounts continued

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation CONT'D

h) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue from membership subscriptions is recognised upon the renewal date of the subscription over the course of the membership period. Entrance Fees are recognised as revenue when received. Revenue from the sale of goods is recognised upon delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established.

i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense or;
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or pay

j) Impairment of tangible and intangible assets

At each reporting date, the Club reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In respect of not-for-profit entities, where the future economic benefits of an asset is not primarily dependent on the assets' ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciable replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

k) Working Capital

Member's subscriptions received in advance amount to \$1,832,997 (2017: \$1,916,085) and are recognised in this financial report as a liability as the revenue relates to the year ending 30 June 2019. The consequence of this treatment is a net working capital deficiency of \$250,168 (2017: net deficit \$670,448). This liability will be transferred to revenue in the following financial year ending 30 June 2019 thereby restoring the Club's working capital position.

l) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments and estimates made by management in the application of the company's accounting policies are disclosed where applicable, in the relevant notes to the financial statements.

Property, plant and equipment

As described in note 3(b), the Company reviews the estimated useful lives of property, plant and equipment at each reporting period. No changes to the useful lives were determined during the current year.

Employee entitlements

Management judgment is applied in determining the following key assumptions used in the calculation of employee provisions at reporting date:

- Future increases in salaries and wages;
- Future on cost rates; and
- Experience of employee departures and expected period of service.

Notes to and forming part of the accounts continued

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

4. REVENUE

Membership income	3,774,746	3,563,879
Sporting facilities hire, fitness and crèche	341,180	346,728
Hospitality sales	2,928,366	2,858,764
Entrance fees received	496,909	416,815
Interest received	26,300	28,048
Rents received	203,964	215,573
Total revenue	7,771,465	7,429,807

5. LOSS FOR THE YEAR

Profit/(loss) for the year has been arrived at after charging the following expenses:		
Expenses		
Cost of Sales	1,175,571	1,137,767
Employee benefits expenses	3,940,590	4,015,544
Depreciation of non-current assets		
- buildings	265,857	267,710
- plant and equipment	307,571	263,810
Total depreciation	573,428	531,520
Total auditors remuneration	24,000	23,300

The auditors have not received any other benefits. The auditor is Deloitte Touche Tohmatsu.

6. CASH ASSETS

Cash on hand	2,670	2,670
Cash at bank	974,547	403,005
At call investments and bank bills	1,000,527	1,300,786
	1,977,744	1,706,461

Notes to and forming part of the accounts continued

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

7. RECEIVABLES

Members' House accounts	221,642	158,716
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8. OTHER ASSETS

Short Term Loan – RSYLTC Foundation	75,453	75,453
Prepayments	39,938	37,772
Monies held on trust – RSYLTC Foundation	473,923	443,895
	589,314	557,120

9. PROPERTY, PLANT AND EQUIPMENT

Freehold land at:		
- cost	2,500,275	2,500,275
Buildings and improvements at:		
- cost	13,063,650	13,063,650
Less accumulated depreciation	(8,620,317)	(8,354,459)
	4,443,333	4,709,191
Total land and buildings	6,943,608	7,209,466
Plant and equipment at:		
- cost	3,557,793	3,228,191
Less accumulated depreciation	(2,794,023)	(2,517,779)
	763,770	710,412
Capital works in progress	36,091	76,202
Total property, plant and equipment	7,743,469	7,996,080

10. INTANGIBLE ASSETS

Website and software	78,842	78,842
Accumulated Amortisation	(48,619)	(32,851)
	30,223	45,991

Notes to and forming part of the accounts continued

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

11. PAYABLES

Trade creditors	98,491	119,329
Gym lease obligation	8,659	60,612
Subscriptions paid in advance	1,832,997	1,916,085
Accrued expenses	411,709	290,762
RSY Foundation funds held on trust (note 15)	488,369	443,895
	2,840,225	2,830,683

12. PROVISIONS

Current		
Annual leave	203,530	207,937
Long service leave	147,969	206,523
	351,499	414,460
Non Current		
Long service leave	56,939	46,123
	408,438	460,583

13. MEMBERS' LIABILITY

The Club is a company limited by guarantee. If the Club is wound up, the Constitution states that each member is required to contribute a maximum of \$8.40 each towards meeting any outstanding liabilities of the Club.

As at 30 June 2018, the number of members was 4,507 (2017: 4,479).

Notes to and forming part of the accounts continued

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

14. CASH AND CASH EQUIVALENTS

a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2018	2017
	\$	\$
Cash on hand	2,670	2,670
Cash at bank	974,547	403,005
At call investments and bank bills	1,000,527	1,300,786
	1,977,744	1,706,461

b) Reconciliation of loss for the year to net cash flows from operating activities

	2018	2017
	\$	\$
Loss for the year	141,085	(284,813)
Depreciation	573,428	531,520
Amortisation	15,768	15,768
Profit on sale of fixed assets	(3,182)	-
Unpaid donations to RSY Foundation	14,445	-
(Decreases)\increases provisions		
Annual leave	(4,407)	3,082
Long service leave	(47,738)	(130)
(Increases)\decreases in assets		
Other Assets	(2,166)	1,017
Receivables	(62,926)	7,767
Inventories	(458)	(36,550)
Increases\decreases in liabilities		
Payables	100,110	16,510
Subscriptions in advance	(83,088)	196,333
Net cash generated by operating activities	640,871	450,504

Notes to and forming part of the accounts continued

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

15. ROYAL SOUTH YARRA LAWN TENNIS CLUB FOUNDATION

The Royal South Yarra Lawn Tennis Club Foundation was established to accumulate funds so that the Club will be in a position to fund significant improvements to Club facilities, and to develop tennis, without the financial burden falling solely upon future generations of Members.

The purposes of the Foundation include the receipt of donations, bequests and grants, and the application of those funds solely for the benefit of the Club.

The Foundation is administered in accordance with the RSYLTC Foundation Trust Deed dated 16th November 2006.

	2018	2017
	\$	\$
Foundation cash assets	473,923	443,895

16. EVENTS SUBSEQUENT TO REPORTING DATE

No material events have occurred subsequent to 30 June 2018 that may affect the Club.

17. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Royal South Yarra Lawn Tennis Club
310 Williams Road North
Toorak VIC 3142

Tennis is the satisfaction of a perfectly struck groundstroke and the satisfying “punch” of a volley, timed and executed to perfection, the satisfaction of winning a close match, and paradoxically, the pleasure of losing a close match that you played to the limit of your ability.

Tennis is encouraging your partner and congratulating your opponents, win or lose. Tennis is elation, despair and determination, all in one. It is the most enjoyable of pastimes and as such deserves to be enjoyed in the excellent surroundings, in good company and in the best of spirits.

This is how tennis is played at Royal South Yarra Lawn Tennis Club

The traditions of a great club are so much more than merely its history. Traditions flow from the behaviour, the beliefs and the character of the individuals who were instrumental in creating history. There is a living quality in tradition... a quality that is passed on from one generation of members to the next.

Royal South Yarra has been an integral part of the Melbourne scene since the 1880's. Born in an age of grace and style and manners, the Club has succeeded in retaining those qualities for over 130 years. It has been our long-standing tradition that enjoyment of the game is the principal aim of playing. The unwritten laws of sportsmanship and behaviour are still as important to us as the official playing rules. Our members embrace this philosophy whole-heartedly. They play the game competitively, remembering always, that it is only a game. Therein lies the true difference between history and tradition.

Since 1884, some of the greatest names in tennis have graced the courts and the honour boards of our Club. So today, when you step onto a court at Royal South Yarra you may well be treading the path of players who made this country such a dominant force in world tennis. And while your forehands may not flow as freely as theirs, or your serves devastate your opponents so completely, you can at least aspire to enjoy the game and the magnificent facilities every bit as much as they did.

The Committee of Management and the Club's professional staff of 60 personnel maintain the Club to sustain the traditions, with a philosophy that places emphasis on quality and service.

A private sporting club in the traditional sense, Royal South Yarra Lawn Tennis Club welcomes members and their guests seven days a week, throughout the year.



THE SOUTH YARRA TENNIS CLUB, 1891



Royal South Yarra Lawn Tennis Club

A.C.N. 004 119 733 | A.B.N. 77 004 119 733

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