



# Financial Accounts & Reports

for the year ended 31st December 2009

To be presented at the  
Thirty-Eighth Annual General Meeting  
Sunday 28th March 2010 at 10am



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# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notice of Annual General Meeting

Notice is hereby given that the Thirty Eighth Annual General Meeting of Members of the Mittagong RSL Club Limited will be held in the Clubhouse on Sunday 28th March, 2010 at 10.00 am.

### BUSINESS

1. Apologies.
2. To confirm the Minutes of the previous General Meeting on Sunday 29th March, 2009.
3. To receive, consider and adopt the reports of the President and the General Manager.
4. To receive, consider and adopt the Financial Statement of the Company for the year ended 31st December, 2009 together with the Reports therein of the Directors and Auditors.
5. Notice of Special Resolutions.
6. Notice of Ordinary Resolutions.
7. Declaration of the Ballot for the Board of Directors.
8. Appointment of Patron or Patrons.
9. Deal with any business of which due notice has been given.
10. General Business: to transact any other business that may be lawfully brought forward.

BY THE ORDER OF THE BOARD  
Dated this 10th February 2010

CRAIG MADSEN  
General Manager

### Election of the Board Directors

Nominations for the Board of Directors were called for a fourteen day period closing at 5.00 pm on Thursday 4th February, 2010.

PRESIDENT: One (1) nomination:  
MILLBANK, Graham  
Graham Millbank is therefore elected President, unopposed.

VICE PRESIDENTS: Two (2) nominations:  
COLE, Roger F  
COWLEY, Ross J  
Roger Cole and Ross Cowley are therefore elected Vice Presidents, unopposed.

DIRECTORS: Five nominations – four to be elected:  
BLAKE, Anthony  
JONES, Robert  
SMITH, Brian  
CUPITT, John (Mick)  
MOSCATT, Phillip

NOTE: A ballot for positions on the ballot paper was conducted on Thursday 4th February, 2010 at 7.00 pm by Robert W Tomlin.

CRAIG MADSEN  
General Manager

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Chairman's Report

For the Year Ended 31 December 2009



It gives me great pleasure to present the 2009 Annual Report, my 3<sup>rd</sup> as Chairman. Our trading during 2009 was stronger than anticipated which was pleasing given that the economy was expected to slow dramatically due to the world economic crisis. The Club recorded a profit of \$423,318 and this was seen as a respectable outcome, particularly when compared to the previous year's financial result.

We should remember that last year all of the improvements that were done at the Club were paid for from cash flow, with this including \$479,000 expended on the al fresco gaming area. This area has proven to be a great success with the members and visitors who utilize the facility and has added to the amenity of the Club.

After 18 months to 2 years of planning and consolidation, the Board has employed the services of ABE0 Design, an architectural firm to redesign the main lounge area of the Club. We believe that the end result will be equal to, or better than, any other facility that we have visited during the planning process. Some of the design concepts for this area will include booth, tiered, lounge and table seating, something for everyone to enjoy. During the year your Directors and Managers have attended various courses that are relevant to the corporate governance and best practices within the industry. This industry education is paramount in assisting Directors manage the business aspects of the Club in a responsible manner in a challenging financial and corporate environment.

Craig and I attended a Corporate Governance course run by the C.M.A. over 4 days, which contained the educational equivalent of a unit of a Business Degree. After assessing the content and best practice involved in these courses and through discussion with all of the Directors, we have structured various sub committees of the Board which include Audit, Strategic Planning and Environmental Sustainability Committees, all of which report back to the full Board of Directors. We deemed it necessary to form these sub committees as best practice to assist with the various Corporate and Government legislation, which we believe will result in a high level of industry compliance which we have to achieve.

After 29 years employment with the Club, John Lyons our Operations Manager retired. John has been replaced by the very energetic and capable Liz Beszant. Daniel Marmont was also promoted to Marketing Manager during the year. Both Liz and Daniel have added a new and fresh dimension to the Club since taking up their new roles.

A big thank you to our fantastic staff for their efforts throughout the year, with a special mention going to Roland Nestler and Brad Stokes who have reached the final 12 of the ClubsNSW Chef's Table Competition. If you want a first class meal prepared by first class chef's at better than reasonable prices, try the Mineral Springs Restaurant, you won't beat it.

Once again Craig our General Manager has led us through another year with the gratitude of the Board and staff. It is a pleasure working with this man, the effort and dedication that he puts in does not go unnoticed by the staff, managers or the Board. Thanks Craig.

Our Sub-Branch continues to grow and is one of the strongest branches in the league. The Club has no hesitation in helping this truly great organisation to achieve any of their goals.

Congratulations must go to our Ladies Auxiliary who this year celebrates 65 years of dedication to welfare for the benefit of those less fortunate than the rest of us. What a brilliant effort from a truly magnificent group of ladies, who work extremely hard raising funds for various groups.

To the Board, thank you for your valued input and professionalism. Whilst decisions at times can be difficult and complicated the Board members always seem to come through with the correct one. Again, many thanks. To our members, all 14,000, thank you for making your Club the best one in the Southern Highlands.

Graham Millbank  
Chairman

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## General Managers Report

For the Year Ended 31 December 2009



Dear Members,

It is with pleasure that I am able to submit my report to the members for the 2009 financial year of the Mittagong RSL Club.

Although the past year has again been one that has presented its challenges for the business, we have seen an improvement in the Club's profitability with a surplus of \$423,318 recorded for the year ending 31<sup>st</sup> December 2009. This result is a significant improvement, when compared to the previous year, and in part can be attributed to a release of pressure on household disposable income, with fuel costs and mortgage interest rates stabilising during 2009. The initiatives to introduce al fresco gaming and full ticket in ticket out technology on our gaming installation have also been major factors of improved trading given the rebound of gaming income in the last 12 months.

In analysing the main trading departments it is pleasing to note that the Club recorded revenue increases of 9.9% in gaming and 1.9% in catering sales. Beverage sales at the various bars recorded a drop of 1% in revenue with Bottle Shop sales dropping by over 15%. I would like to take the opportunity to remind members that our bottle shop is a facility that we have in place for members and that it is competitively priced. The introduction of the large take away bottle shops to the local area has affected this part of our business, with a clear perception that these chains provide products at a cheaper rate. Next time you are in the Club please take the time to have a look at our bottle shop selection, we think you will be pleasantly surprised. Detailed accounts of the Club's trading position are contained in other areas of your annual report.

During the course of the year there were some significant changes within the management team, with long term employee and Operations Manager John Lyons retiring after 29 years with the Club. John's contribution to the Club over the years cannot be underestimated and we thank him for his valued service.

One goal of this business has been to develop the competency levels of our employees so that when opportunity arises they are encouraged to take the next step forward in the organisation. It was recognised that upon John's retirement we had the ideal Operations Manager already working with us and it was with a great deal of confidence that we appointed Liz Beszant to this position. In her short tenure Liz has done an outstanding job, bringing enthusiasm and energy to the role as well as being well respected by all staff members. We are sure that Liz will continue to be a great success in her role well into the future.

With Liz moving onwards in the organisation the role as Duty Manager was filled by another of our employees, Dianne Morton who, whilst on a steep learning curve, is also making a great contribution in her new role. Dianne is to be congratulated on her efforts to date.

Early in 2009 it was assessed that to ensure that the business maintained forward momentum it would be advantageous to employ a Marketing Manager. Again the Club was able to fill this role internally through the promotion of Daniel Marmont, who had just completed his Degree in Bachelor of Business Studies through Wollongong University. As with Liz and Dianne, Daniel has attended to his new role with a degree of enthusiasm and energy that will see him succeed beyond our expectations and to the benefit of the Club and its members.

At the time of writing this report the Board of Directors and Management are considering a range of necessary capital improvements to maintain the amenity and viability of the Club for our members. These improvements include:

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## General Managers Report

For the Year Ended 31 December 2009

### Replacement of Lighting

During the course of the year the Club undertook a Level 3 Energy Audit with the assistance of the NSW Department of Environment & Climate Change. This energy audit was very comprehensive in the measurement of the Club's energy usage with a series of key recommendations coming from this report which the Club will implement over a period of 1 to 3 years. One of the main recommendations that we can do now is replace the clubs 1355 fifty watt halogen down lights with 9 watt led down lights. The capital cost of this project is approximately \$70,000 but importantly the business will reduce its power costs by \$5000 to \$6000 per month and significantly reduce its carbon footprint in the process. Members will see this work progress in the very near future.

The Directors and management are very mindful that there is a community expectation that businesses need to operate in a responsible and environmentally sustainable manner and as such we are incorporating environmental sustainability in our business reporting and planning. There is no doubt that in the future businesses, who do not adapt their practices to incorporate sustainability initiatives, will bear the brunt of increasing environmental compliance costs. We will keep our members up to date through the Mittagong Messenger of our initiatives to do our bit to reduce greenhouse gas emissions.

### Replacement of Air Conditioning & Refrigeration Plant

For some time now we have had concerns regarding the serviceability of the Club's refrigeration and air-conditioning plant, with these concerns being exacerbated by noise complaints from a neighbouring property. At the time of writing this report the Club has moved forward with planning for the replacement of this equipment during the first half of 2010. The benefits to the replacement and relocation of this equipment is that we will avoid the numerous service call outs that currently exist due to break down, eliminate risk to legionella exposure as well as reduce noise and energy costs as the new equipment will be more efficient to operate. The Board and management of the Club also see the replacement and relocation of the equipment as the initial step in progressing with the proposed Back of House improvements, for which we have had an approved development application since 2005.

### Lounge Refurbishment

During the latter half of 2009 the Board of Directors have been busy updating the Strategic Plan and Masterplan for the Club premises. Through this process it has been recognised that it is time to start to revamp some of the facilities in the club for our members. To this end it has been assessed that the main lounge area of the club is in need of an overhaul so that we can continue to reach the expectations of our customer base and encourage new members, particularly in the 30 to 50 year age demographic to join the Club. We have initially commissioned architectural and interior designers ABEO to develop concept plans for the main lounge area, with a brief to create a relaxed and intimate atmosphere in the lounge that will encourage higher usage of the area. What ABEO have come up with is a very exciting design concept that incorporates the use of fire places, timber, and stone, various seating configurations and feature lighting in the area. We believe that this design concept is unique to the Southern Highlands area and will be a great improvement on the current club facilities. Plans are on display for the members to view and it is anticipated that work will begin on this project after Anzac Day this year.

Staff development has continued and the Board of Directors has also undertaken the necessary training to maintain compliance with the legislation that covers our business activities.

The maintenance of the profitability of the Club in our core business activities has enabled us to maintain our contributions to the local community and junior sports organisations to a greater degree than our responsibilities are required under the Community Development Support Expenditure Scheme.

The provision of services to our members is the prime objective of the Club in all of its activities. It is the intention of the Board to continue to maintain the profitability of the business through the growth in its service and social activities as well as the development of its asset base for the members.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## General Managers Report

For the Year Ended 31 December 2009

During the next 12 months the Club will continue to consolidate its financial position, whilst planning for the strategic development of the business to ensure its future viability for the members.

Recognition of the outstanding efforts of all of our staff members ranging from cleaning, maintenance, operational and administrative staff members through to departmental managers is duly warranted. Our staff members are a key component in contributing to the quality of service and amenity of the Club for our members.

I would like to commend to the members the contribution of our Board of Directors over the last 12 months. They have contributed significantly to the operations of the Club with solid policy direction and fulfil the role of key decision makers with the best interests of the members in mind. As General Manager of the Club, they have shown faith in my ability to carry out Board policy to manage the Club and I thank them for being entrusted with that responsibility.

The continued success of the Club is always dependent upon the support of our wonderful members, who we frequently see enjoying our great facilities. Our member's dedication to the club is our inspiration for us to offer you the best possible service, products and facilities that we can. We would like to extend a thank you to all of our members for contributing to the amenity of Mittagong RSL and trust that we can catch up with you here at the Club.

Craig Madsen  
General Manager

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Sub Branch President's Report

For the Year Ended 31 December 2009



I would like to begin my 2009 report by paying our respects and sad farewells to our following members who passed away during the year. Edward Broadbridge, Bernard Casey, Howard Frederick Dillon, Robert England, Allen Fudge, Lacey Giddings, Mervyn Hazelwood, Henry Houselander, Alfred Thomas Moffat, Keith Reeves, Henry Rogers and James Norman Strachan.

### Services and Meetings Attended

#### March 2009

- Attended Legacy Lunch at Mittagong RSL Club.
- The normal monthly meeting was held with 55 members present.

#### April 2009

- Anzac Day Church Service was held at the Bowral Uniting Church, a service was also held at The Abbey Nursing Home.
- Attended Mittagong Public School, Kangaloon Public School and Tudor House School for Anzac Day Services.
- The Anzac Day Dawn Service and the Main Service was held at the Mittagong War Memorial with breakfast and lunch supplied by the Mittagong RSL Club. The Legacy collection for the day amounted to \$5000.
- The normal monthly meeting was held with 41 present.

#### May 2009

- Attended the Annual RSL State Congress which was held at the Rooty Hill RSL Club.
- The normal monthly meeting was held with 37 present. Our guest speaker was Jean Bewart from Legacy.

#### June 2009

- The normal monthly meeting was held with 39 present. Our guest speaker was Tom Westley from Bowral High School, who discussed his trip to Gallipoli.

#### July 2009

- The Women's Auxiliary held a morning tea at Nancy Beard's home.
- The normal monthly meeting was held with 42 present.

#### August 2009

- Victory in the Pacific Memorial Service was held at the RSL Club Memorial.
- The normal monthly meeting was held with 44 present.

#### September 2009

- Attended the Combined Services Club lunch at the Bowral Sub Branch.
- Presented Frensham School with books on behalf of the Sub Branch for helping and partaking in our Anzac Day Service.
- The normal monthly meeting was held with 43 present. The guest speaker was Jill Campbell.

#### October 2009

- Presented a Certificate of Appreciation to students of the Mittagong Public School for partaking in the "Australia My Country" competition.
- The normal monthly meeting was held with 34 present. Our guest speaker was Junette Candusso from Kenilworth Nursing Services.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Sub Branch President's Report

For the Year Ended 31 December 2009

### November 2009

- Remembrance Day Service was held at Mittagong RSL Club. The service was conducted by Rev John Livingstone.
- Attended the Southern Highlands Air League presentation which was held at Colo Vale.
- The normal monthly meeting was held with 36 present.

### December 2009

- The Women's Auxiliary presented a cheque for \$3000 to the Sub Branch.
- The Sub Branch held the Christmas BBQ in the Club grounds. There was \$355 raised from the raffle on the day, with the proceeds going towards the maintenance of the Memorial Park.
- The normal monthly meeting was held with 38 present. Our guest speaker was Sub Lieutenant Albert Moule.

### January 2010

- Chaired the AGM of the RSL Women's Auxiliary with the election of office bearers.
- The normal monthly meeting was held with 44 present.

### February 2010

- Attended the Central Southern Districts Council meeting at Gerroa.

Pension Officers Stephen Spence and Ken Phillips are doing a sterling job assisting members with their welfare and pension problems. Their work is greatly appreciated.

Brian Hicks and Jim Bunce are kept very busy visiting members in the hospitals and nursing homes.

Historian Max Bulluss once again lives up to all expectations in his role as editor of the "Lion Review" and his dedication in the upkeep of the memorabilia for the Sub Branch. Ken Manton as the publicity officer has carried out his position diligently.

To the Executive, I would like to express my thanks. Without the dedication of the Executive, the Sub Branch would not function efficiently. Sub Branch members, I would like to thank you for your support during this past year.

Many thanks to the Club for its generous care and support of the Sub Branch given this year. I wish you all good health and happiness for 2010.

Ross Spirou  
President

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Declaration of Core and Non Core Property

For the Year Ended 31 December 2009

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 31 December, 2009:

- (a) the following properties are core property of the Club;
  - (i) the land upon which the Club's licensed premises are located;
  - (ii) the land upon which the Club's car parking areas are located other than the 10 car parking spaces adjacent to the northern wall of the Springs Resorts Mittagong RSL Motel.
  
- (b) the following properties are non-core property of the Club;
  - (i) the land upon which the Mineral Springs Motel behind the Club's licensed premises are located;
  - (ii) the land in lot 3 DP 365917 on Hume Highway containing the residential property on the corner of Hume Highway and Bessemer Streets, Mittagong;
  - (iii) the land in lot 1 DP 1086496 upon which the Springs Resorts Mittagong RSL Motel is located including the ten car parking spaces which are adjacent to the northern wall of the motel; and
  - (iv) the land in lot 1 DP 237330 on Henderson Avenue containing the residential property situated at 26A Henderson Avenue, Mittagong.

### Notes to Members

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
  
2. Core property is any real property owned or occupied by the Club that comprises:
  - (a) the defined premises of the Club; or
  - (b) any facility provided by the Club for use of its members and their guests; or
  - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
  
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of Ordinary members of the Club not to be core property.
  
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
  - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
  - (b) the disposal has been approved at a general meeting of the Ordinary members of the Club at which the majority of the votes cast support the approval; and
  - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
  
5. These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to;
  - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer;
  - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Ordinary Resolution

For the Year Ended 31 December 2009

### Notice of Ordinary Resolution

Notice is hereby given that at the Annual General Meeting of the Mittagong RSL Club Limited to be held at 10.00 am Sunday 28th March, 2010 in the premises of the Club, the following resolutions shall be proposed as Ordinary resolutions with regards to benefits to the Directors of the Club.

#### First Ordinary Resolution

**“That pursuant to the Registered Clubs Act, the members hereby approve and agree to the members of the Board during the twelve (12) months preceding the 2011 Annual General Meeting receiving the following benefits, and the members further acknowledge that the benefits outlined in the sub-paragraphs (1) to (10) are not available to members generally but only to those members who are elected Directors of the Club”.**

1. A reasonable meal if required and refreshments to be associated with each Board meeting of the Club.
2. Provision for seven car parking spaces to be reserved for the exclusive use of Directors.
3. The reasonable cost of Directors, and their spouses, attending the Registered Clubs Association Annual General Meeting.
4. The reasonable cost of Directors and their spouses attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
5. The reasonable cost of Directors and their spouses attending other registered clubs for the purpose of viewing and assessing their facilities and the method of such operation provided that such attendances are approved by the Board as being necessary for the benefit of the Club.
6. The provision of blazers and associated apparel for the use of Club Directors when representing the Club.
7. The reasonable cost of an annual dinner for Directors and their spouses.
8. The reasonable cost of refreshments whilst a Director is on duty at the Club.
9. The reasonable cost of welcoming and entertaining industry representatives, VIPs and other invited guests.
10. The reasonable cost of membership of Clubs NSW Directors Institute and related training seminars and workshops.

By Direction of the Board

**CRAIG MADSEN**  
General Manager

### Questions on the Annual Report

Members having questions requiring a detailed response on any matter contained in these reports are requested to contact the General Manager by 5.00pm 22nd March, 2010 to allow adequate time to compile the relevant information.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Report

For the Year Ended 31 December 2009

Your directors present their report on the company for the financial year ended 31 December 2009.

### 1. General Information

#### Directors

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

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Graham J Millbank	President	
Roger F Cole	Vice President	
Ross J Cowley	Vice President	
John P Cupitt		
Robert S Jones		
Phillip G Moscott		Appointed 29/03/2009
Brian F Smith		

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

#### Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Craig Madsen. Mr Madsen has worked for Mittagong RSL Club Ltd for the past five years, performing management roles. Mr Madsen was appointed company secretary on 5 March 2005.

#### Principal Activities

The principal activities of Mittagong RSL Club Limited during the financial year were that of a registered club.

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

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Report

For the Year Ended 31 December 2009

### 2. Business Review

#### Operating Results

The profit from ordinary activities after providing for income tax amounted to \$ 423,318 (2008: \$ 40,236) summarised as follows:

	2009	2008
	\$	\$
Operating profit	1,545,939	1,256,641
Depreciation	(1,156,502)	(1,217,353)
Profit/(loss) on disposal	<u>33,881</u>	<u>948</u>
Net profit from operating activities after tax	<u><u>423,318</u></u>	<u><u>40,236</u></u>

#### Dividends

In accordance with the Memorandum of Association no dividend is payable.

#### Review of Operations

During the course of the year the Club continued to operate in a profitable manner to the benefit of its members, with the main sales sectors being beverage, food, gaming and functions. To ensure the continued profitability of the business there has been a constant review of costs and where deemed necessary our charges to members and visitors have increased.

The Club's main source of revenue came from gaming operations, which during the reporting period improved considerably due to an increase in discretionary expenditure by the Club's customers. In general the generation of revenues through the various business departments was within budget expectations. Expenditures through the various departments were also considered to be within budget expectation.

The Club's main item of capital expenditure during the year was the installation of a new gaming system and player interface that has full ticket in, ticket out functionality. After an initial settling in period of this system, the uptake by players has been very positive and is seen as a welcome advancement in gaming and player technology.

Staff development has continued and the Board of Directors has also undertaken the necessary training to maintain compliance with the legislation that covers our business activities.

The maintenance of the profitability of the Club in our core business activities has enabled us to maintain our contributions to the local community and junior sports organisations to a greater degree than our responsibilities are required under the Community Development Support Expenditure Scheme.

Further details of the Club's operations are noted in the various Directors and Management Reports which accompany this Annual Report.

### 3. Other Items

#### Significant Changes in State of Affairs

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

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Report

For the Year Ended 31 December 2009

### 3. Other Items continued

#### After Balance Day Events

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

#### Likely Developments

The provision of services to our members is the prime objective of the Club in all of its activities. It is the intention of the Board to continue to maintain the profitability of the business through the growth in its service and social activities as well as the development of its asset base for the members.

During the next 12 months the Club will continue to consolidate its financial position, as well as seek ways to continue to improve the business. The Board of Directors has commissioned an Architectural and Design Company, ABEO Design to provide concepts and plans for the refurbishment of the main lounge area, with it being anticipated that work in the main lounge would commence within the first half of 2010.

The Directors are also assessing the replacement of the Club's aged refrigeration and air-conditioning plant given that some of the equipment is becoming unserviceable and uneconomical to keep operational. It is anticipated that a decision on the replacement of this equipment will be made within the first quarter of 2010.

The Directors and management are continuously planning the strategic development of the business to ensure its future viability for the members. It is envisaged that improved trading conditions will continue into the next reporting period and will have a positive impact on revenue generation.

#### Indemnifying Officers or Auditor

The company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

With the exception of a directors and officers company reimbursement insurance policy.

#### Proceedings on Behalf of the Company

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

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

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Report

For the Year Ended 31 December 2009

### Information on Directors continued

#### 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 6.

#### Rounding of Amounts

The company is an entity to which ASIC Class order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest dollar.

## 4. Director Information

### Information on Directors

#### Graham J Millbank

Qualifications	Self Employed
Experience	28 years
Special Responsibilities	President, Chairman of Remuneration

#### Roger F Cole

Qualifications	Retired School Teacher
Experience	25 years
Special Responsibilities	Vice President, Chairman of Sports

#### Ross J Cowley

Qualifications	Bachelor of Business, Certified Practicing Accountant
Experience	5 years
Special Responsibilities	Vice President, Chairman of Finance and Audit

#### John P Cupitt

Qualifications	Licensed Plumber
Experience	33 years
Special Responsibilities	Director, Chairman of Building

#### Robert S Jones

Qualifications	Company Director
Experience	5 years
Special Responsibilities	Director

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Report

For the Year Ended 31 December 2009

Information on Directors continued

### Phillip G Moscatt

Qualifications Retired Sales and Marketing Manager  
 Experience 9 months  
 Special Director  
 Responsibilities

### Brian F Smith

Qualifications Company Director  
 Experience 9 years  
 Special Director  
 Responsibilities

### Meetings of Directors

During the financial year, 16 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
John P Cupitt	12	9	4	4
Roger F Cole	12	12	4	4
Ross J Cowley	12	11	4	4
Robert S Jones	12	12	4	4
Phillip G Moscatt	9	8	2	2
Graham J Millbank	12	11	4	4
Brian F Smith	12	11	4	3

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



Director: .....

Graham J Millbank



Director: .....

Roger F Cole

Dated this 10th day of February 2010

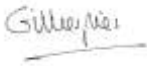
# Mittagong RSL Club Limited

ABN: 69 001 069 674

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2009 there have been:

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



Gillespies  
Chartered Accountants



David M Duff  
Partner

10 February 2010

BOWRAL

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Income Statement

For the Year Ended 31 December 2009

	2009	2008
Note	\$	\$
Sales revenue	5,718,849	5,743,643
Cost of sales	(2,143,793)	(2,151,017)
<b>Gross profit (loss)</b>	<b>3,575,056</b>	<b>3,592,626</b>
Gaming machine revenue	8,185,498	7,449,322
Other income	2(b) 489,643	516,519
Profit/(loss) on disposal	33,881	948
Administrative expenses	(2,555,190)	(2,437,661)
Bar expenses	(909,313)	(912,492)
Catering expenses	(2,540,164)	(2,518,291)
Finance costs	(93,138)	(65,736)
Marketing expenses	(108,364)	(83,039)
Occupancy expenses	(161,146)	(154,443)
Other expenses	(225,398)	(273,684)
Promotions expenses	(989,877)	(1,004,149)
Poker machine expenses	(3,121,668)	(2,852,331)
<b>Profit before depreciation and income tax</b>	<b>1,579,820</b>	<b>1,257,589</b>
Depreciation	(1,156,502)	(1,217,353)
Income tax expense	-	-
<b>Profit attributable to members</b>	<b>423,318</b>	<b>40,236</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Balance Sheet

As At 31 December 2009

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,499,394	890,421
Trade and other receivables	7	81,699	72,371
Inventories	8	217,849	226,768
Other assets	12	243,565	255,344
<b>TOTAL CURRENT ASSETS</b>		<b>2,042,507</b>	<b>1,444,904</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	9	3,879	4,604
Property, plant and equipment	10	24,995,525	23,292,677
Investment property	11	325,271	-
Intangible assets	13	341,595	341,595
<b>TOTAL NON-CURRENT ASSETS</b>		<b>25,666,270</b>	<b>23,638,876</b>
<b>TOTAL ASSETS</b>		<b>27,708,777</b>	<b>25,083,780</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	1,528,962	1,768,579
Borrowings	16	802,278	723,222
Other Liabilities	15	97,919	101,752
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,429,159</b>	<b>2,593,553</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	16	539,597	-
Other long-term provisions	17	196,637	191,308
Other Liabilities	15	3,129	3,854
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>739,363</b>	<b>195,162</b>
<b>TOTAL LIABILITIES</b>		<b>3,168,522</b>	<b>2,788,715</b>
<b>NET ASSETS</b>		<b>24,540,255</b>	<b>22,295,065</b>
<b>EQUITY</b>			
Reserves		11,296,716	9,474,844
Retained earnings		13,243,539	12,820,221
<b>TOTAL EQUITY</b>		<b>24,540,255</b>	<b>22,295,065</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Statement of Changes in Equity

For the Year Ended 31 December 2009

### 2009

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2009	12,820,220	9,474,844	22,295,064
Profit attributable to members	423,319	-	423,319
Revaluation increment (decrement)	-	1,821,872	1,821,872
Transfers to and from reserves	-	-	-
<b>Sub-total</b>	<b>423,319</b>	<b>1,821,872</b>	<b>2,245,191</b>
<b>Balance at 31 December 2009</b>	<b>13,243,539</b>	<b>11,296,716</b>	<b>24,540,255</b>

### 2008

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2008	12,779,985	9,474,844	22,254,829
Profit attributable to members	40,236	-	40,236
Transfers to and from reserves	-	-	-
<b>Sub-total</b>	<b>40,236</b>	<b>-</b>	<b>40,236</b>
<b>Balance at 31 December 2008</b>	<b>12,820,221</b>	<b>9,474,844</b>	<b>22,295,065</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Cash Flow Statement

For the Year Ended 31 December 2009

	Note	2009 \$	2008 \$
<b>Cash from operating activities:</b>			
Receipts from customers		15,772,565	15,016,253
Payments to suppliers and employees		(14,397,723)	(13,323,912)
Interest received		35,325	67,540
Interest paid		(93,138)	(65,736)
<b>Net cash provided by (used in) operating activities</b>	22(b)	<b>1,317,029</b>	<b>1,694,145</b>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of plant and equipment		37,329	36,543
Purchase of property, plant and equipment		(1,038,767)	(1,566,642)
Purchase of investment property		(325,271)	-
<b>Net cash provided by (used in) investing activities</b>		<b>(1,326,709)</b>	<b>(1,530,099)</b>
<b>Cash flows from financing activities:</b>			
Proceeds/(repayment) of borrowings		110,464	(469,000)
Net hire purchase proceeds/(repayments)		518,997	35,589
<b>Net cash provided by (used in) financing activities</b>		<b>629,461</b>	<b>(433,411)</b>
<b>Net in crease (decreases) in cash held</b>		<b>619,781</b>	<b>(269,365)</b>
Cash at beginning of financial year		879,613	1,148,978
<b>Cash at end of financial year</b>	22(a)	<b>1,499,394</b>	<b>879,613</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Summary of Significant Accounting Policies

#### (a) General Information

The financial report is for Mittagong RSL Club Limited as an individual entity, incorporated and domiciled in Australia. Mittagong RSL Club Limited is a company limited by guarantee.

#### (b) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

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

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

#### (c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

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

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

#### (d) Income Tax

The principle of mutuality has been applied in calculating the taxable income of the company. Subscriptions and other amounts received from members are excluded from the assessable income of the company. The company is assessed for income tax purposes on income from non-members (including other investment income such as interest and rent). Operating expenses are apportioned between member and non-member income. Accordingly, taxable income is not directly related to the operating result and can vary substantially from year to year.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 1 Summary of Significant Accounting Policies continued

### (e) Cash and Cash Equivalents

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

### (f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on a first in first out basis.

### (g) Property, Plant and Equipment

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

#### Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

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

#### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Summary of Significant Accounting Policies continued

#### (g) Property, Plant and Equipment continued

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

##### Class of Fixed Asset

Buildings	2.5%
Plant and equipment	13 - 33.3%
Motor vehicles	18.75 - 22.5%
Poker machines	25 - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Asset classes' carrying amounts are written down immediately to their recoverable amounts if the assets' carrying amounts are greater than their estimated recoverable amounts.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are including in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

#### (h) Investment Property

Investment property, comprising residential housing, is held to generate long-term rental yields. All tenant leases are on an arms length basis. Investment property is carried at cost, less accumulated depreciation or impairment losses.

#### (i) Intangibles

##### Poker Machine Entitlements

Poker machine entitlements are considered as intangible assets as per AASB 138 and have been brought to account at cost. They are considered to have an indefinite life and as such are not amortised.

Social impact assessment study costs incurred in order to obtain additional entitlements have been accounted for as prepayments until the entitlements are acquired. The prepayment is then capitalised together with the cost of the entitlements.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Summary of Significant Accounting Policies continued

#### (j) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash generating unit to which the class of assets belong.

#### (k) Financial Instruments

##### Initial recognition and measurement

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

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

##### Classification and subsequent measurement

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

*Amortised cost* is calculated as:

- the amount in which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 1 Summary of Significant Accounting Policies continued

### (k) Financial Instruments continued

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

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

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

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

#### (ii) *Loans and receivables*

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

#### (iii) *Held-to-maturity investments*

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

#### (iv) *Available-for-sale financial assets*

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

#### (v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Summary of Significant Accounting Policies continued

#### (k) Financial Instruments continued

##### Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

##### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

#### (l) Leases

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

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the Lessor, are charged as expenses in the periods in which they are incurred.

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

#### (m) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance sheet date. Employee benefits that are expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at present value.

Contributions made by the entity to an employee superannuation fund are charged as expenses when incurred.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 1 Summary of Significant Accounting Policies continued

### (n) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

### (o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### (p) Rounding of Amounts

The company has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$ 1.

### (q) Comparatives

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

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 2 Revenue

### (a) Operating Activities

	2009	2008
	\$	\$
- Beverage sales	2,034,559	2,127,040
- Gaming machine revenue	8,185,498	7,449,322
- Catering sales	3,684,290	3,616,603
Total revenue	<u>13,904,347</u>	<u>13,192,965</u>

### (b) Other Operating Revenue

	2009	2008
	\$	\$
- Interest received	35,325	67,540
- Rent received	19,885	8,745
- Commission	170,725	167,011
- Lease receipts	159,422	180,749
- Sundry revenue	6,705	6,440
- Member subscriptions	97,580	86,033
Other income	<u>489,642</u>	<u>516,518</u>

## 3 Profit from Ordinary Activities

	2009	2008
	\$	\$
<b>Interest paid or payable to:</b>		
Other persons	93,138	65,736
<b>Movements in provisions:</b>		
Depreciation of non-current assets	1,156,502	1,217,353
Employees' leave entitlements	80,233	(6,816)
Borrowing charges	340	-

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 4 Auditors' Remuneration

	2009	2008
	\$	\$
Remuneration of the auditor of the company for:		
- Auditing or reviewing the financial report	29,000	28,000
- Under-accrual - prior year	-	2,000
- Financial preparation - prior year	-	6,300
- Financials preparation	6,000	5,000
- Taxation services	1,600	1,550
- Other services	320	430
	<u>36,920</u>	<u>43,280</u>

In prior years, fees for accounting services were only recognised in the year paid. For the year ended 31 December 2008 and future years, accounting fees associated with the audit services provided will be accrued as in the case of the audit fees. The above has resulted in an additional \$5,000 being recognised during the 2008 financial year.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 5 Income Tax Expense

Reconciliation of income tax expense to profit from ordinary activities before income tax is as follows:

	2009	2008
	\$	\$
Profit from ordinary activities before income tax	423,318	40,236
<i>Adjustments due to the mutuality principle:</i>		
Exempt income from members	(361,817)	(769,208)
Wholly assessable income	(385,357)	(417,962)
Exempt expenditure	562,634	924,783
Wholly deductible expenditure	589,500	514,996
	<b>828,278</b>	<b>292,845</b>
Proportion applicable to non-members 6.91% (2008: 5.62%)	57,249	16,470
Prima facie income tax expense @ 30% (2008: 30%)	17,175	4,941
<i>Increase in income tax expense due to wholly assessable income:</i>		
Interest	10,598	20,262
Rent	53,792	56,848
Commission	51,218	56,096
<i>Decrease in income tax expense due to wholly deductible expenditure:</i>		
Other expenses	(480)	(450)
Charitable donations	-	33,022
Superannuation	(112,511)	(92,548)
Rates and taxes	(19,575)	(16,792)
Commission expenditure	(44,284)	(44,709)
	<b>(44,067)</b>	<b>16,670</b>
Amount transferred (from)/to future income tax benefit not brought to account	44,067	(16,670)
Tax losses carried forward	2,252,054	2,105,160
<b>Income tax expense attributable to profit from ordinary activities</b>	<b>-</b>	<b>-</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 6 Cash and Cash Equivalents

	2009	2008
	\$	\$
Cash on hand	157,485	150,147
Cash at bank	1,341,909	740,274
	<u>1,499,394</u>	<u>890,421</u>

### 7 Trade and Other Receivables

	2009	2008
	\$	\$
CURRENT		
Trade receivables	81,699	72,371
	<u>81,699</u>	<u>72,371</u>

### 8 Inventories

	2009	2008
	\$	\$
CURRENT		
At cost		
Stock on hand - at cost	217,849	226,768
	<u>217,849</u>	<u>226,768</u>

### 9 Financial Assets

#### Available-for-sale Financials Assets Comprise

	2009	2008
	\$	\$
Unlisted investments, at cost		
Shares - ILG Co-operative	3,879	4,604
	<u>3,879</u>	<u>4,604</u>
Total available-for-sale financial assets	<u>3,879</u>	<u>4,604</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 10 Property, Plant and Equipment

	2009 \$	2008 \$
LAND AND BUILDINGS		
Freehold land		
At independent valuation	<b>5,095,000</b>	4,750,000
Total freehold land	<b>5,095,000</b>	4,750,000
Property improvements		
At independent valuation	<b>18,030,000</b>	16,850,000
At cost	-	470,901
Less accumulated depreciation	-	(468,423)
Total buildings	<b>18,030,000</b>	16,852,478
<b>Total land and buildings</b>	<b>23,125,000</b>	21,602,478
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	<b>2,768,550</b>	3,478,928
Less accumulated depreciation	<b>(2,313,828)</b>	(3,073,111)
Total plant and equipment	<b>454,722</b>	405,817
Motor vehicles		
At cost	<b>59,588</b>	59,588
Less accumulated depreciation	<b>(29,142)</b>	(21,983)
Total motor vehicles	<b>30,446</b>	37,605
Poker machines		
At cost	<b>4,687,925</b>	4,110,766
Less accumulated depreciation	<b>(3,302,567)</b>	(2,863,989)
Total poker machines	<b>1,385,358</b>	1,246,777
Total plant and equipment	<b>1,870,526</b>	1,690,199
Total property, plant and equipment	<b>24,995,526</b>	23,292,677

An independent valuation of land and property was carried out on 11 September 2009. The valuation was used to assist the directors in determining a valuation of land and buildings as at 31 December 2009.

The valuation was carried out by Graham Scrymgeour AAPI of Global Valuation Services Pty Ltd. These valuations were based on the unencumbered use value of the buildings and market value of the land owned and occupied by the company.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 10 Property, Plant and Equipment continued

### (a) Movements in Carrying Amounts

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

	Land	Buildings	Plant and Equipment	Motor Vehicles	Poker Machines	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	4,750,000	16,852,478	405,817	37,605	1,246,777	23,292,677
Additions	-	180,799	167,463	-	690,505	1,038,767
Disposals	-	-	(2,302)	-	(1,146)	(3,448)
Depreciation expense	-	(480,149)	(116,256)	(7,159)	(550,778)	(1,154,342)
Revaluation increase recognised in equity	345,000	1,476,872	-	-	-	1,821,872
Carrying amount at the end of 31 December 2009	5,095,000	18,030,000	454,722	30,446	1,385,358	24,995,526

### Balance at

Balance at the beginning of year	4,750,000	16,850,000	462,784	26,099	890,101	22,978,984
Additions	-	470,901	92,613	40,346	962,782	1,566,642
Disposals	-	-	-	(21,275)	(14,320)	(35,595)
Depreciation expense	-	(468,423)	(149,580)	(7,565)	(591,785)	(1,217,353)
Carrying amount at the end of	4,750,000	16,852,478	405,817	37,605	1,246,778	23,292,678

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 11 Investment property

	2009	2008
	\$	\$
Acquisitions	327,431	-
Depreciation	(2,160)	-
Balance at end of year	<u>325,271</u>	-

### 12 Other Assets

	2009	2008
	\$	\$
CURRENT		
Prepayments	229,220	254,899
Other assets	243	445
Borrowing Costs	1,527	-
Masterplan	12,575	-
	<u>243,565</u>	<u>255,344</u>

### 13 Intangible Assets

	2009	2008
	\$	\$
Poker machine licences		
Cost	341,595	341,595
Accumulated amortisation and impairment	-	-
Net carrying amount	<u>341,595</u>	<u>341,595</u>
Total intangibles	<u>341,595</u>	<u>341,595</u>

### 14 Trade and Other Payables

	2009	2008
	\$	\$
CURRENT		
Unsecured liabilities	-	-
Trade payables	548,317	869,934
Employee entitlements	533,153	458,249
Accrued expenses	306,175	275,179
Other payables	141,317	165,217
	<u>1,528,962</u>	<u>1,768,579</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 15 Other Liabilities

	2009	2008
	\$	\$
CURRENT		
Members subscriptions in advance	<u>97,919</u>	101,752
NON-CURRENT		
Purchase rebates due	<u>3,129</u>	3,854

### 16 Financial Liabilities

The company has a fixed term variable interest rate rolling commercial bill facility which expires on 30 June 2012. The facility has an interest rate of 6.78% and requires capital payments of \$137,000.

	2009	2008
	\$	\$
CURRENT		
Unsecured liabilities		
Hire purchase liabilities	<u>444,124</u>	222,814
Secured liabilities		
Bank overdraft - secured	-	10,808
Commercial bill	352,600	489,600
Bank loans	<u>5,554</u>	-
	<u>358,154</u>	500,408
	<u>802,278</u>	723,222
NON-CURRENT		
Unsecured liabilities		
Hire purchase liabilities	<u>297,687</u>	-
Secured liabilities		
Bank loans	<u>241,910</u>	-
	<u>539,597</u>	-

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 16 Financial Liabilities continued

### (a) Total Current and Non-current Secured Liabilities

	2009	2008
	\$	\$
Bank overdraft	-	10,808
Bank loans	247,464	-
Commercial bill	352,600	489,600
	<u>600,064</u>	<u>500,408</u>

### (b) Financing Facilities

	2009	2008
	\$	\$
<b>The company has access to the following lines of credit:</b>		
<i>Total facilities available:</i>		
Corporate credit card	50,000	20,000
Bill facilities	352,600	489,600
<i>Facilities utilised at balance date:</i>		
Corporate credit card	-	-
Bill facilities	352,600	489,600
<i>Facilities not utilised at balance date:</i>		
Corporate credit card	50,000	20,000
Bill facilities	-	-
Loan facilities	-	-

The credit facilities are secured by:

(i) a registered first mortgage over non residential property located at Cnr Bessemer Street and Old Hume Highway Mittagong NSW 2575;

(ii) a registered equitable mortgage over the whole of its assets and undertakings of the company, including any uncalled capital; and

(iii) a registered first mortgage over residential property located at 26A Henderson Avenue, Mittagong NSW 2575.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 17 Provisions

	Employee Entitlements	Total
	\$	\$
Opening balance at 1 January 2009	191,308	191,308
Additional provisions	42,399	42,399
Amounts used	<u>(37,071)</u>	<u>(37,071)</u>
Balance at 31 December 2009	<u>196,636</u>	<u>196,636</u>

### Analysis of Total Provisions

	2009	2008
	\$	\$
Current	-	-
Non-current	<u>196,637</u>	191,308
	<u>196,637</u>	191,308

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

Inflation rate	2.00%
Discount rate	5.80%

### 18 Reserves

#### Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non current assets.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 19 Directors' Remuneration

	2009	2008
	\$	\$
The number of directors of the company whose income falls within the following bands:		
\$0 - \$9,999	7	7
Total benefits received or due and receivable by all directors of the company from the company:		
Payments to directors	-	-
Benefits to directors in kind in attending seminars, functions, club business and the like.	7,103	8,642

### 20 Key Management Personnel Compensation

#### *Directors*

G Millbank (President)                      R Cole (Vice President)                      R Cowley (Vice President)

J Cupitt    R Jones    P Moscatt

B Smith

#### *Other Key Management Personnel*

C Madsen (General Manager)

	Short Term Benefits \$	Post Employment Benefits \$	Total \$
<b>2009</b>			
Compensation	179,308	3,203	182,511
<b>Total</b>	<b>179,308</b>	<b>3,203</b>	<b>182,511</b>
<b>2008</b>			
Compensation	160,974	-	160,974
<b>Total</b>	<b>160,974</b>	<b>-</b>	<b>160,974</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 21 Capital and Leasing Commitments

#### (a) Capital Expenditure Commitments

	2009	2008
	\$	\$
Capital expenditure commitments contracted for: 26 Henderson Avenue, Mittagong	-	315,000
	<u>-</u>	<u>315,000</u>
Payable:		
- not later than 12 months	-	283,500
	<u>-</u>	<u>283,500</u>

#### (b) Finance Lease Commitments

	2009	2008
	\$	\$
Payable - minimum lease payments		
- no later than 12 months	477,345	225,326
- between 12 months and 5 years	299,936	-
Minimum lease payments	<u>777,281</u>	<u>225,326</u>
Less future finance changes	(35,471)	(2,512)
Present value of minimum lease payments	<u>741,810</u>	<u>222,814</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 22 Cash Flow Information

#### (a) Reconciliation of Cash

	2009	2008
	\$	\$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	1,499,394	890,421
Bank overdraft	-	(10,808)
	<u>1,499,394</u>	<u>879,613</u>

#### (b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2009	2008
	\$	\$
Net income/loss for the period	423,318	40,234
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	1,156,502	1,217,353
(Profit)/loss on disposal	(33,881)	(948)
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(9,328)	30,556
(Increase)/decrease in other assets	10,345	(27,715)
(Increase)/decrease in inventories	8,919	(894)
Increase/(decrease) in trade payables and accruals	(239,617)	466,543
Increase/(decrease) in other liabilities	(4,558)	4,706
Increase/(decrease) in provisions	5,329	(35,690)
	<u>1,317,029</u>	<u>1,694,145</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 23 Related Party Transactions

#### (a) Directors

The names of each person holding the position of director of the company during the financial year are:

Roger F Cole	Ross J Cowley	John P Cupitt	Robert S Jones
Graham J Millbank	Phillip G Moscatt	Brian F Smith	

#### (b) Other Transactions With the Company

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

There were no related party transactions during the course of the financial year. The company did not trade with any of its directors or any director related entities.

### 24 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans and overdrafts, bills and hire purchase liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are interest rate risk, credit risk and liquidity risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 24 Financial Risk Management continued

#### (a) Interest Rate Risk

##### (i) Financial Instrument Composition and Maturity Analysis

The company's exposure to market interest rates relates primarily to the entity's long term debt obligations. The level of debt is disclosed in note 16

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>								
Cash and cash equivalents	3.39	7.54	1,341,909	740,274	157,485	150,147	1,499,394	890,421
Receivables	-	-	-	-	81,699	72,371	81,699	72,371
Investments	-	-	-	-	3,879	4,604	3,879	4,604
<b>Total Financial Assets</b>			<b>1,341,909</b>	<b>740,274</b>	<b>243,063</b>	<b>227,122</b>	<b>1,584,972</b>	<b>967,396</b>
<b>Financial Liabilities</b>								
Bank loans and overdrafts	10.51	6.85	989,275	233,662	-	-	989,275	233,662
Bills of exchange and promissory notes	6.86	6.83	352,600	489,600	-	-	352,600	489,600
Trade and sundry payables	-	-	-	-	1,617,700	1,870,332	1,617,700	1,870,332
<b>Total Financial Liabilities</b>			<b>1,341,875</b>	<b>723,262</b>	<b>1,617,700</b>	<b>1,870,332</b>	<b>2,959,575</b>	<b>2,593,594</b>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 24 Financial Risk Management continued

### (a) Interest Rate Risk continued

#### Net Exposure

The company's policy is to manage its finance costs using a mix of fixed and variable rate debt. The company's policy is to maintain between 20% and 40% of its borrowings at fixed rates based on commercial bills rolled over every 3 months.

### (b) Sensitivity Analysis - Interest rate risk

#### Interest Rate Risk Sensitivity Analysis

At 31 December 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2009	2008
	\$	\$
Change in profit		
- Increase by 1% (100 basis points)	10,944	2,399
- Decrease by 0.5% (50 basis points)	(5,472)	(1,200)
Change in equity		
- Increase by 1% (100 basis points)	10,944	2,399
- Decrease by 0.5% (50 basis points)	(5,472)	(1,200)

### (c) Credit risk

The company has limited credit risk other than the exposure to bad debt on its receivables.

Receivables balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

### (d) Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, hire purchase liabilities and committed available credit lines.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 25 Bank Guarantee

At the request of the company, the company's bank is holding bank guarantees in favour of the Totalisator Agency Board of NSW to the value of \$5,000.

## 26 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ NIL each towards meeting any outstandings and obligations of the company. At 31 December 2009 the number of members was 13,309 (2008: 13,442).

## 27 Company Details

### Registered Office

The registered office and the principal place of business of the company is:

Mittagong RSL Club Limited  
Corner Hume Highway and Bessemer Street  
Mittagong NSW 2575

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 16 to 43, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 31 December 2009 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director .....

Graham J Millbank



Director .....

Roger F Cole

Dated this 10th day of February 2010

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Independent Audit Report to the members of Mittagong RSL Club Limited

### ***Report on the Financial Report***

We have audited the accompanying financial report of Mittagong RSL Club Limited, which comprises the balance sheet as at 31 December 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### ***Directors' Responsibility for the Financial Report***

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

### ***Independence***

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Mittagong RSL Club Limited on 10 February 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Independent Audit Report to the members of Mittagong RSL Club Limited

### *Auditor's Opinion*

In our opinion the financial report of Mittagong RSL Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



Gillespies  
Chartered Accountants



David M Duff  
Partner

BOWRAL

10 February 2010

# Mittagong RSL Club Limited

ABN: 69 001 069 674

For the Year Ended 31 December 2009

## Compilation Report on Additional Financial Information

The additional financial data presented on pages 47 - 52 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2009. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Mittagong RSL Club Limited) in respect of such data, including any errors of omissions therein however caused.

BOWRAL

Gillespies



10 February 2010

.....

# Mittagong RSL Club Limited

ABN: 69 001 069 674

For the Year Ended 31 December 2009

## Detailed trading account

	2009	2008
	\$	\$
<b>Bar and Bottleshop</b>		
<b>Sales revenue</b>		
Bar sales	1,486,401	1,495,267
Bottle shop sales	412,447	488,915
Recoups - discounts and specials	135,711	142,858
	<u>2,034,559</u>	<u>2,127,040</u>
<b>Cost of sales</b>		
Opening stock	137,169	128,815
Purchases	876,799	911,538
Closing stock	(133,386)	(137,169)
	<u>880,582</u>	<u>903,184</u>
<b>Cost of goods sold</b>		
	<u>880,582</u>	<u>903,184</u>
<b>Gross profit</b>	<u>1,153,977</u>	<u>1,223,856</u>
<b>Less: Direct expenses</b>		
Beer gas	6,360	8,511
Electricity	27,600	24,000
General expenses	-	100
Payroll tax	39,714	41,240
Repairs and maintenance	16,261	12,250
Requisites	(6,738)	23,385
Salaries and wages	757,590	729,530
Staff training	-	6,222
Superannuation	64,198	58,597
Stocktaking	4,329	8,658
	<u>909,314</u>	<u>912,493</u>
<b>Net profit / (loss)</b>	<u>244,663</u>	<u>311,363</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

For the Year Ended 31 December 2009

## Detailed trading account

	2009	2008
	\$	\$
<b>Gaming Machines</b>		
<b>Income</b>		
Net clearances	<u>8,185,498</u>	7,449,322
	<b>8,185,498</b>	7,449,322
<b>Less: Direct expenses</b>		
Central monitoring system	69,013	67,224
Community sponsorships, donations and support	276,634	244,987
Duty tax	1,802,283	1,610,261
Electricity	92,005	80,004
Equipment rental	5,840	-
Links fees	186,863	109,556
Management expenses	237	-
Payroll tax	13,860	14,277
Promotions - Bush Bounty	241,494	283,184
Quickchange	267	5,000
Repairs and maintenance and requisites	138,230	155,562
Salaries and wages	266,596	260,824
Staff training	5,344	-
Superannuation	<u>23,003</u>	21,453
	<u>3,121,669</u>	2,852,332
<b>Net profit / (loss)</b>	<u><b>5,063,829</b></u>	<u>4,596,990</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

For the Year Ended 31 December 2009

## Detailed trading account

	2009	2008
	\$	\$
<b>Catering</b>		
<b>Sales revenue</b>		
Sales	3,188,686	3,105,112
Recoups - discounts and specials	495,604	511,491
	<u>3,684,290</u>	<u>3,616,603</u>
<b>Cost of sales</b>		
Opening stock	46,347	41,039
Purchases	1,264,717	1,253,141
Closing stock	(47,853)	(46,347)
	<u>1,263,211</u>	<u>1,247,833</u>
<b>Cost of goods sold</b>		
	<u>2,421,079</u>	<u>2,368,770</u>
<b>Gross profit</b>		
<b>Less: Direct expenses</b>		
Electricity	27,600	24,000
Gas	24,000	24,000
Laundry	29,954	30,526
Payroll tax	108,951	110,551
Hire of plant and equipment	14,822	-
Repairs and maintenance	41,603	73,187
Requisites	79,324	75,864
Salaries and wages	2,048,756	2,018,721
Staff training	(9,039)	(1,825)
Superannuation	173,874	162,575
Advertising	319	494
Licences and permits	-	199
	<u>2,540,164</u>	<u>2,518,292</u>
<b>Net profit / (loss)</b>	<u>(119,085)</u>	<u>(149,522)</u>

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Detailed profit and loss

For the Year Ended 31 December 2009

	2009	2008
	\$	\$
Net contribution from bar and bottleshop	244,663	311,363
Net contribution from poker machines	5,063,829	4,596,990
Net contribution from catering	(119,085)	(149,522)
<b>Net profit from trading</b>	<b>5,189,407</b>	<b>4,758,831</b>
<b>Other income</b>		
Interest received	35,325	67,540
Rent received	19,885	8,745
Commission	170,725	167,011
Sundry revenue	6,705	6,440
Lease receipts	159,422	180,749
Member subscriptions	97,580	86,033
<b>Total other income</b>	<b>489,642</b>	<b>516,518</b>
<b>Total operating income</b>	<b>5,679,049</b>	<b>5,275,349</b>
<b>Expenditure</b>		
Advertising	108,364	83,039
Auditors remuneration	36,920	43,280
Bank charges	14,483	18,801
Borrowing charges	340	-
Cash discrepancy	3,731	4,046
Cleaning materials and waste disposal	43,089	39,139
Club promotions - general	323,889	404,516
Club promotions - members only	665,988	599,633
Commission - motel	10,314	11,751
Consultants	14,698	8,708
Directors expenses	7,103	8,642
Directors professional development	10,255	16,653
Donations and sponsorships	8,350	10,273
Electricity and gas	127,317	114,563
Employees' leave entitlements	80,233	(6,816)
Entertainment	49,556	64,549
Freight and cartage	-	252
Fringe benefits tax	1,457	24,735
General expenses	6,443	9,310
Hire of plant and equipment	15,245	57,055
Insurance	190,693	221,267
Interest paid	93,138	65,736
Legal fees	2,954	101
Licences and fees	-	1,400

# Mittagong RSL Club Limited

ABN: 69 001 069 674

## Detailed profit and loss

For the Year Ended 31 December 2009

	2009	2008
	\$	\$
Magazines, journals and periodicals	1,073	821
Management expenses	6,955	22,815
Management professional development	13,396	14,596
Motor vehicle expenses	27,284	23,448
Payroll tax	70,354	71,277
Printing, postage and stationery	50,159	60,468
Rates and taxes	65,249	55,972
Repairs and maintenance	235,990	229,089
Salaries and wages	1,429,906	1,349,232
Security	95,897	98,471
Sky Channel and Fox Sports	50,765	51,945
Staff expenses	86,069	71,178
Subscriptions	34,987	30,027
Superannuation contributions	111,309	103,664
Telephone	39,157	35,072
<b>Total expenditure</b>	<b>4,133,110</b>	<b>4,018,708</b>
<b>Operating profit for the year before depreciation and income tax</b>	<b>1,545,939</b>	<b>1,256,641</b>
Depreciation	1,156,502	1,217,353
Profit/(loss) on disposal	33,881	948
<b>Profit for the year</b>	<b>423,318</b>	<b>40,236</b>

**APRIL 25th**

# Anzac Day

Sunday 25th April

## **Dawn Service**

5.15 am at the Cenotaph  
Hume Highway Mittagong

## **Breakfast at the RSL Club**

After the Dawn Service  
Tickets \$10 to be purchased before the day.  
\$5 from the takings donated to  
Berrima District Legacy

## **Main Service**

10.30 am - March starts and then the  
Service at the Cenotaph  
Hume Highway Mittagong

## **Luncheon**

12 noon at the Mittagong RSL Club  
for Mittagong Sub-Branch Members,  
Partners and Women's Auxiliary.

TICKETS AVAILABLE AT RECEPTION

# Employee of the Year



## Karen Hill

### 2009 Employees of the Month

January	Phil Walsh
February	Leanne Hanson
March	Maggie Milne
April	Danielle Van Kooten
May	Kelly Faulds
June	Danny Mazoudler
July	Nicola Crisp
August	Matthew Lourie
September	Anthony Snell
October	Karen Hill
November	Lia Sifanua

# Donation to Our Community

Commonwealth Bank  
Commonwealth Bank of Australia

Date 2009

MITTAGONG NSW

To **OUR COMMUNITY**

Or Bearer

The sum of **TWO HUNDRED AND NINETY EIGHT THOUSAND**

**AND FOURTEEN DOLLARS**

\$ **298,014.00**

MITTAGONG RSL CLUB  
A.C.N. 001 028 674

*General Manager*      *Director*

⑆02550⑆ 062⑆572⑆ 2800⑆2620⑆

## 2009 Community Support

- |  |   |
|--|---|
| A56 Inner Wheel                              | Community Link                            |
| Alfa Romeo Owners Club of Australia          | Computer Support Group                    |
| Alzheimers Association of Australia          | Country Womens Association                |
| Alzheimers Australia NSW                     | Dadirri Incorporated                      |
| Anglican Defence Force Chaplains             | Dahlia Society of NSW                     |
| Anglicare                                    | Department of Veterans Affairs            |
| Arthritis Foundation                         | Disabilities Services                     |
| Association of Independent Retirees          | Division of General Practice              |
| Australian Air League                        | Drink Drive Prevention                    |
| Australian Red Cross                         | Fairy Meadow Red Cross                    |
| Bankstown City Council                       | Friends of Wingecarribee Animal Shelter   |
| Barnados                                     | Gideons Australia                         |
| Ben Mikic Foundation                         | Group 6 Junior Rugby League               |
| Berrima District Art Society                 | Group 6 Rugby League                      |
| Berrima District Historical Vehicle Club     | Harbison Care                             |
| Berrima District Credit Union Childrens Fund | Highlands Youth and Family Services       |
| Berrima District Evening View Club           | Highlanders Legacy                        |
| Berrima District Legacy                      | Highland District Cricket Umpires Assoc   |
| Berrima District Sports Awards               | Highland Eagles Soccer Club               |
| Berrima Public School                        | Highlands FM                              |
| Black & Coloured Sheep Association           | Highlands Golf Club                       |
| Black Dog Institute-Tulip Time Dinner        | Highlands Pipes and Drums                 |
| Bowral Church of Christ                      | Highlands Soccer Association              |
| Bowral High School                           | Highlands Soccer Referees Association     |
| Bowral Hospital                              | Highlands Vintage Farm Machinery          |
| Bowral Little Athletics                      | Hilltop Community Centre                  |
| Bowral Primary School                        | Hilltop Public School                     |
| Bridges for Learning                         | Hilltop Soccer Club                       |
| Camp Quality                                 | Humour Foundation                         |
| Cancer Council of NSW                        | Illawarra ITEC                            |
| Chevalier College                            | Illawarra TAFE                            |
| Christian City Church                        | Lake Illawarra Police Citizens Youth Club |
| Colo Vale Community Association              | Legacy                                    |
| Colo Vale Public School                      | Linedancing Ladies                        |
|  | Lions Club of Mittagong                   |

Macular Degeneration Foundation  
 Mittagong & District Darts Association  
 Mittagong & District Junior Darts Association  
 Mittagong Carpet Bowls  
 Mittagong Cricket Club  
 Mittagong Hockey Club  
 Mittagong Junior Hockey Club  
 Mittagong Junior Rugby League  
 Mittagong Junior Soccer Club  
 Mittagong Public School  
 Mittagong RLFC  
 Mittagong RSL Club Sub Branch  
 Mittagong RSL Club Womens Auxilliary  
 Mittagong Soccer Club  
 Mittagong Swimming Club  
 Mittagong Toastmasters  
 Murrupurtiyanuwu Catholic School  
 National Servicemens Association  
 NSW Country Rugby League  
 NSW Farmers Association  
 NSW Rural Fire Service  
 Parkinsons NSW  
 Platform Inc  
 Probus Club of Bowral  
 Probus Club of Mittagong  
 Rangers Linedancing  
 Retired Police Association  
 Robertson Shed  
 Rotary Club of Berrima District  
 Rotary Club of Bowral & Mittagong  
 Rotary Club of Moss Vale  
 South Coast Rugby League Academy  
 Southern Highland Hawks Junior AFL  
 Southern Highlands Christian School  
 Southern Highlands Community Transport  
 Southern Highlands Croquet Club  
 Southern Highlands Cycle Club  
 Southern Highlands Gymnastics  
 Southern Highlands Hockey Association  
 Southern Highlands Indoor Hockey  
 Southern Highlands Junior AFL Association  
 Southern Highlands Manufacturers Cluster  
 Southern Highlands Netball Association  
 Southern Highlands Older Womens Network  
 Southern Highlands Orchid Society  
 Southern Highlands Quilters Guild  
 Southern Highlands Soccer  
 Southern Highlands Softball  
 Southern Highlands Tourism  
 Southern Highlands Veteran Golfers  
 Southern Highlands Welsh Society  
 Southern Highlands Youth Arts Council  
 St Johns Anglican Church  
 St Vincent Society  
 Sunshine Lodge  
 The Australian Kelpie Club of NSW  
 The Garden Club of Australia  
 U Turn the Wheel  
 U3A Southern Highlands  
 Victorian Bushfire Appeal  
 Vision Australia  
 Volunteering Wingecarribee  
 War Widows Guild of Australia(NSW) Ltd  
 Wingecarribee Aboriginal &  
 Torres Strait Islander Landcare  
 Wingecarribee Blue Light  
 Wingecarribee District PSSA  
 Wingecarribee Family Food Basket  
 Wingecarribee Family Support Services  
 Wingecarribee Shire Council  
 Wingecarribee Physical Culture  
 WSC Senior Bowls  
 Yamanda Aboriginal Association  
 Youth Off The Streets  
 YMCA- Wingecarribee Family Abuse



