

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2011**

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

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**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**REGISTERED OFFICE: 64 Herbert Street Gulgong NSW 2852**

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of the company will be held at the Clubhouse, 64 Herbert Street Gulgong NSW 2852 on Monday 7 May 2012, commencing at 7.00pm

**BUSINESS**

- 1 Confirmation of the Minutes of the Annual General Meeting of the Gulgong RSL Club Limited held on 9 May 2011.
- 2 To receive and consider the Directors' Report and the Directors' Declaration for the year ended 31 December 2011.
- 3 To receive and consider the Statement of Financial Position as at 31 December 2011, the Statement of Comprehensive Income for the year ended 31 December 2011 and the Independent Audit Report thereon.

Note: It would be appreciated that any questions in relation to the financial report be handed to the Secretary 48 hours prior to the meeting.

- 4 To elect members of the Board of Directors in accordance with the Articles of Association.
- 5 To transact any other business that may be brought forward in accordance with the Articles of Association.

**By order of the Board**



**Tere Christopher Sheehan**  
**Secretary**

**Dated this 2nd day of April 2012**

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PRESIDENT'S REPORT**

Dear Club Members,

I would once again like to present my president's report.

I would firstly like to thank my board of directors for their tireless work and support along with the staff and Leon and his kitchen staff in those early months before Tere took up his position.

This very busy time certainly gave the board a much closer look at the actual day to day running of the club and a better understanding of many things associated with being a board member. Our situation during these months also allowed the staff a different workplace environment

Through my years of being on the board, we have experienced many highs and lows in our club finances. It was very pleasing to be able to introduce Tere to the club and it has been most refreshing to see us heading to another spike in our club's standing in the community. During this year we have seen an increase in the use of the club facilities for functions due to the combined efforts of Tere, Joan and Leon

We have now established two events on Gulgong's yearly calendar. The club shows its vital link to the community on these occasions. The introduction of the Maitland Pipes and Drums as a regular feature of the Henry Lawson Festival along with our Food Fair, headed by Debbie McDonnell, is one event and The Business Awards later in the year is the second.

Our Business Awards this year were made all the more enjoyable with the top class entertainment from Benchmark (sponsored by Wilpinjong Coal) and the guest speaker Tony Fitzgerald who once again was obtained by Bruce Buchanan and the Business Enterprise Centre. The wonderful support from Lloyd Coleman of Wilpinjong Coal, Oatley Wines, 2MG and our volunteer judges Donna and Rebecca was most definitely appreciated.

We now have our Tourist Information Centre occupying The Shanty on a contracted basis after having worked very closely with the M.R.T.I. board to gain an outcome suitable to both parties. Our grounds continue to improve under the contract we have with Alf Zammit and our thanks go to him for his good work.

The Club has taken a different approach to using our courtesy bus. We now have the bus on a shared agreement with the Liquor Accord providing transport for patrons from all the Gulgong establishments as well as our own. This is another way of helping our community.

The Club has maintained its support for all three schools, Legacy and our Senior Citizens despite the difficult start to the year.

It has been great to see the club providing popular live entertainment again. This has been achieved by the board working with Tere to change the direction of the club.

A special thanks must go to the staff for their untiring commitment to their duties under sometimes very trying circumstances. It has been greatly appreciated by me.

To my directors for their loyalty and great support I pass on my thanks, I understand the time you have spent away from your family and I thank you for that. I want to congratulate Tere and the staff and each and every board member for a wonderful end to a year which started with so much apprehension.

On behalf of the Board of Directors I would like to offer condolences to the families and friends of members who have passed away during this year.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PRESIDENT'S REPORT**

Finally I want to thank the loyal club members who support us every week by using the club facilities. I hope your support will continue throughout the coming year.

Des Campbell  
President

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**TREASURER'S REPORT**

The 2011 Trading year has resulted in your club reporting a net loss before tax of \$8,873 this is a vast improvement on last years loss of (\$140,505) this year we have improved by \$131,632.

This figure includes total depreciation of \$142,037. The contributing factor for this improvement is as follows. an Increase in bar trading Sales from \$269,378 in 2010 to \$337,515 in 2011 an increase of \$68,137.

Poker Machine trading has improved from \$696,026 in 2010 to \$708,410 in 2011 the increase profit of \$12,384.

Raffle income has increased due to Tere our Secretary Managers introduction of the beer board with our normal weekly raffles. A pleasing result with a turn around from 2010 loss of \$9,579 to a profit in 2011 \$9,259 which is a profit of \$18,838.

A pleasing result this year is the improvement in the Bingo loss from \$16,758 in 2010 to \$12,716 in 2011 a loss improvement of \$4,042.

Your club runs on a very small profit margin with very high overheads. The Board of Directors and Management are very mindful of our responsibilities in protecting your assets.

Our duties require the Directors to take all steps to make this club financially viable both now and in the future for the benefit of all members.

The improvement in the figures this year are a result of you the members patronising the club and support in the past year.

Finally I would like to thank Tere for his new ideas he has brought to the club of which the figures show.

Again I am privileged to have represented the Club as Treasurer this year and look forward to seeing the club grow and prosper.

Michael Marceau  
Treasurer

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**  
**SECRETARY MANAGER'S REPORT**

It gives me great pleasure to present my first managers' report for 2011 to all our valued members. I was appointed to the position of Secretary Manager on the 11th of April 2011. Before I started I worked very closely with the president to bring under control the financial outlook for the 12 months ahead, as we could not continue going down the road of the loss we suffered in previous years. With the club's position in mind I hit the ground running, which you can see has been successful over the past 9 months. This year's result is showing a small loss after depreciation of \$8873.31 and a cash profit before depreciation of \$133163.69. This is a turnaround of \$1224456 which in the current climate is an extraordinary result. This result comes about because of you the member, as without your patronage we could not continue to trade as successfully as we have. The result also comes about by the hardworking and dedicated board of directors, the amount of work the board completes behind the scenes is just a tremendous effort and the full support I have been given by the board is a clear result of the continued success of your club.

We have completed numerous capital expenditure projects over the past 12 months and they include: A new beer line system with automated cleaning system, new internal signage for Toilets, ATM, Restaurant, Gaming and beer garden, completed a renewal schedule for gaming machines to ensure we have the latest and greatest gaming installation for your entertainment. Stage one of the extension to the beer garden with stage 2 due for completion by summer 2012, consisting of a children's play area, more seating and grassed areas for members enjoyment.

To Des Campbell, the job you did in holding the club together in the six months the secretary managers position was vacant really made my job a lot easier on arrival and I thank you and the board for your continued support. The entire board should be congratulated on the effort they have given the club over the past years. To turn around results of last year we as a club had to look at all avenues of controlling expenditure.

One of the areas was wage control. The board of directors and manager in consultation with staff, have revamped our rostering schedule and I congratulate our staff in the way they accepted the change as without our valued staff we would cease to exist. To our functions coordinator, Joan, thank you for the tireless effort you put in to ensure our functions go to plan and a lot of this time is voluntary and this we sincerely appreciate. To Marie in the office, your professionalism and dedication to your job is second to none and the voluntary work you complete is also a great sign of dedication. To Joan, Tracy, Rayleen, Leo, Amy, Debbie & Michael thank you also for the tremendous way you ensure our customers are presented with a clean friendly warm experience when they frequent our club. Great Customer service is a key to this club's success.

To Leon and his team in the kitchen. Thank you for your commitment to detail and your willingness in helping cater for different events throughout the year.

Lastly, to all our loyal members. Thank you for making my move to Gulgong RSL a very pleasing experience and I look forward to providing you with the best quality entertainment, dining and meeting venue over the coming years. Exciting times ahead for our loyal members is my commitment to you.

To all those who have lost loved ones over the past 12 months our sincere condolences go out to you.

Tere Sheehan  
Secretary Manager

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**REGISTERED CLUBS ACT DISCLOSURES**

**Revenue from Gaming Machines**

The total amount of profit from the operation of approved gaming machines, within the meaning of the Gaming Machines Act 2001, for the 12 month period ended 31 December 2011 amounted to \$708,409 (2010: \$696,026).

**Community Development Support Expenditure**

The company contributed \$nil (2010: \$nil) to community development and support under Part 4 of the Gaming Machine Tax Act 2001 for the year ended 31 December 2011.

**Director and Employee Interest in Hotels**

No director or any of the top 5 (by remuneration) company employees holds any financial interest in a hotel.

**Director and Employee Overseas Travel**

No director or employee has travelled overseas in their capacity as director or employee.

**Employee Remuneration**

No employee of the company has received income from the company and/or related parties greater than \$100,000.

**Employee Loans**

There were no loans made to employees exceeding \$1,000 during the year.

**Payments to Consultants**

There were no payments to consultants during the year, which exceeded \$30,000.

**Legal Settlements**

There were no settlements made during the reporting period with a member of the Board or any employee of the company as a result of a legal dispute.

**Legal Fees**

During the year, no legal fees were incurred by the company on behalf of a member of the Board or an employee.

**Disclosure of Interest in Contracts**

The company did not enter into a contract with any of the directors or top executives, in which the director or executive has an interest.



**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**REGISTERED CLUBS ACT DISCLOSURES**

**Related Parties**

There were no related parties of any director or executive employed by the company, apart from Joan Michelmore who is married to Director Allan Michelmore.

**Gifts from Affiliated Bodies**

No director or top executive received a gift of \$500 or more from an affiliated body during the financial year.

**Gifts from Organisations with a Contract with the Company**

No director or any employee of the company received a gift to the value of greater than \$500 during the year, from an organisation that has a contract with the company.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**DIRECTORS' REPORT**

The directors present this report on the company for the financial year ended 31 December 2011.

The following persons held office of director during the year or since the end of the year;

Mr Desmond Henry Albert Campbell  
Mr James Hiram Kirwan appointed 28 July 2011  
Mr Michael John Marceau  
Mrs Debra Joan McDonnell  
Mr Noel John Chapman  
Mr Lyndon Francis Ratcliffe ceased 9 May 2011  
Mr Alan George Rickwood  
Mr Christopher Leslie Gill  
Mr Allan William Michelmore  
Mr Rodney McAlister  
Mr Alfred Zammit

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

The loss of the company for the financial year after providing for income tax amounted to \$8,873.

A review of the operations of the company during the financial year is contained in the President's Report and Treasurer's Report, which are to be regarded as incorporated into this report.

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

The principal activities of the company during the financial year were those of a licensed club.

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

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

Likely developments in the operations of the entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the entity.

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

The company is limited by guarantee and therefore no dividends have been provided for or paid in respect of the year ended 31 December 2011.

Article 71 of the Articles of Association of the company requires the company to indemnify each officer of the company for all costs and expenses which any such officer may incur or be liable to by reason of any contract entered into or act or deed done by him in such office or in any way in the discharge of his duties. The company has insured against amounts which it may be liable to pay to officers pursuant to Article 71. The amount of the premium paid was \$1,550.00.

No person has applied for 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.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**DIRECTORS' REPORT**

**DIRECTORS' QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES**

Desmond H A Campbell	- President
Qualification	- Nil
Experience	- Director of Club since 2008 - Previous Director and President of Club - Farmer & Grazier
Special Responsibilities	- Finance, Promotions
Alan G Rickwood	- Senior Vice President, Life Member
Qualification	- Registered Surveyor (Retired)
Experience	- Director of Club since 1985
Special Responsibilities	- Raffles, House & Grounds
Noel J Chapman	- Junior Vice President
Qualification	- Automotive Engineer, Authorised Inspector, Fitter/Welder
Experience	- Director of Club since 2004 - Small business owner - Fireman - Fire Rescue NSW
Special Responsibilities	- Raffles, House & Grounds, Promotions
Michael J Marceau	- Treasurer
Qualification	- Nil
Experience	- Previous Secretary of Gulgong RSL Sub-Branch - Truck Driver - Retired
Special Responsibilities	- Raffles, Finance
Christopher L Gill	- Director
Qualification	- Bachelor of Business Management (Deakin)
Experience	- Director of Club since 2009
Special Responsibilities	- Finance, Raffles
Debra J McDonnell	- Director
Qualification	- Bachelor of Education (Newcastle), Diploma in Secondary Teaching, Certificate IV in Workplace Assessment, OH & S Certificate
Experience	- Director of Club since 2004
Special Responsibilities	- Raffles, Publicity, Promotions & Functions, House & Grounds
Alfred Zammit	- Director
Qualification	- Nil
Experience	- Director of Club since 2010 - Small business owner
Special Responsibilities	- Raffles

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**DIRECTORS' REPORT**

James H Kirwan	- Director
Qualification	- Nil
Experience	- Director of Club since 2011 - Production Manager
Special Responsibilities	- Raffles
Allan W Michelmore	- Director
Qualification	- Nil
Experience	- Director of Club since 2008
Special Responsibilities	- Raffles, House & Grounds
Rodney McAlister	- Director
Qualification	- Nil
Experience	- Director of Club since 2010
Special Responsibilities	- Raffles

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**DIRECTORS' REPORT**

**Directors Meetings during the financial year**

There were 12 meetings of the Board of Directors held during 2011. The number of meetings attended by the Directors of the company during the year ended 31 December 2011 are as follows:

**Monthly Meetings**

Name of Director	Number eligible to attend	Number attended
A G Rickwood	12	12
M J Marceau	12	9
N J Chapman	12	11
C L Gill	12	10
D H A Campbell	12	12
D J McDonnell	12	10
L F Ratcliffe	3	0
A W Michelmore	12	11
R McAlister	12	5
A Zammit	12	11
J H Kirwan	4	3

**Details of remuneration for year ended 31 December 2011**

The remuneration for each director of the company was as follows

	Salary, Fees and Commi- ssions \$	Super- annuation Contri- butions \$	Cash Bonus \$	Non-cash Benefits \$	Options \$	Total \$
Directors						
D H A Campbell	-	-	-	-	-	-
R McAlister	-	-	-	-	-	-
C L Gill	-	-	-	-	-	-
M J Marceau	-	-	-	-	-	-
A Zammit	-	-	-	-	-	-
D J McDonnell	-	-	-	-	-	-
N J Chapman	-	-	-	-	-	-
L F Ratcliffe	-	-	-	-	-	-
A G Rickwood	-	-	-	-	-	-
J H Kirwan	-	-	-	-	-	-
A W Michelmore	-	-	-	-	-	-
	-	-	-	-	-	-

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**


**DIRECTORS' REPORT**

**Auditors' Independence Declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 13.

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

Director:   
Mr Desmond Henry Albert Campbell

Director:   
Mr Michael John Marceau

**Dated this 2nd day of April 2012**

**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
GULGONG RSL CLUB LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2011 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.

**BRINDLEYS CHARTERED ACCOUNTANTS**



Allan F Brindley

Mudgee

Dated this 30th day of March 2012

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GULGONG RSL CLUB LIMITED**

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

We have audited the accompanying financial report of GULGONG RSL CLUB LIMITED which comprises the statement of financial position as at 31 December 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on 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 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. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements", that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

### **Auditors' 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 auditors' judgment, 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 auditors consider internal control relevant to the entity'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 GULGONG RSL CLUB LIMITED on 30th March 2012, would be in the same terms if provided to the directors as at the date of this auditors' report.



**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF GULGONG RSL CLUB LIMITED**

**Auditors' Opinion**

In our opinion:

- (a) the financial report of GULGONG RSL CLUB LIMITED is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**BRINDLEYS CHARTERED ACCOUNTANTS**



**Allan F Brindley**

**Mudgee**

**Dated this 2nd day of April 2012**


**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**DIRECTORS' DECLARATION**


The directors of the company declare that:

1. The financial statements and notes, as set out on pages 17 to 35, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - (b) give a true and fair view of the financial position as at 31 December 2011 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:   
\_\_\_\_\_

Mr Desmond Henry Albert Campbell

Director:   
\_\_\_\_\_

Mr Michael John Marceau

**Dated this 2nd day of April 2012**

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
Revenue	2	1,248,978.61	1,110,929.90
Cost of Sales		(166,009.76)	(134,774.35)
Depreciation and amortisation expenses		(142,037.28)	(151,212.37)
Employee benefits expenses		(339,058.02)	(344,116.54)
Finance costs		(18,882.07)	(20,254.34)
Other expenses		(591,864.79)	(601,077.70)
<b>Loss before income tax</b>	<b>4</b>	<b>(8,873.31)</b>	<b>(140,505.40)</b>
Income tax expense	5	-	6,064.42
<b>Loss attributable to members of the company</b>		<b>(8,873.31)</b>	<b>(134,440.98)</b>

The accompanying notes form part of these financial statements.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	558,978.93	498,103.98
Trade and other receivables	7	5,523.79	7,777.10
Inventories	8	15,793.53	22,520.65
Other current assets	9	10,170.00	7,509.91
<b>TOTAL CURRENT ASSETS</b>		<u>590,466.25</u>	<u>535,911.64</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	2,588,340.40	2,621,554.03
Intangible assets	11	28,176.25	28,176.25
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,616,516.65</u>	<u>2,649,730.28</u>
<b>TOTAL ASSETS</b>		<u>3,206,982.90</u>	<u>3,185,641.92</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	105,704.97	109,450.22
Borrowings	13	28,828.93	15,582.07
Provisions	14	64,943.06	55,813.71
Other current liabilities	15	7,134.86	7,107.34
<b>TOTAL CURRENT LIABILITIES</b>		<u>206,611.82</u>	<u>187,953.34</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	228,708.93	217,153.12
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>228,708.93</u>	<u>217,153.12</u>
<b>TOTAL LIABILITIES</b>		<u>435,320.75</u>	<u>405,106.46</u>
<b>NET ASSETS</b>		<u>2,771,662.15</u>	<u>2,780,535.46</u>
<b>EQUITY</b>			
Reserves	16	1,848,280.10	1,848,280.10
Retained earnings	17	923,382.05	932,255.36
<b>TOTAL EQUITY</b>		<u>2,771,662.15</u>	<u>2,780,535.46</u>

The accompanying notes form part of these financial statements.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	Retained Earnings \$	Asset Revaluation Reserve \$	Capital Reserve \$	Total \$
<b>Balance at 1 January 2010</b>		1,066,696	1,793,575	54,705	2,914,976
Profit/(loss) attributable to members of the company		(134,441)			(134,441)
<b>Balance at 31 December 2010</b>		932,255	1,793,575	54,705	2,780,535
Profit/(loss) attributable to members of the company		(8,873)			(8,873)
<b>Balance at 31 December 2011</b>		923,382	1,793,575	54,705	2,771,662

The accompanying notes form part of these financial statements.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members and visitors	1,076,741.70	967,193.38
Interest received	25,080.90	20,008.33
Members Subscriptions	10,241.75	6,494.57
Borrowing costs paid	(18,882.07)	(20,254.34)
Income tax paid	-	6,064.42
Payment to suppliers and employees	(953,885.25)	(964,977.79)
<b>Net cash provided by operating activities</b>	<b>22</b> <u>139,297.03</u>	<u>14,528.57</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of plant and equipment	7,818.18	-
Payments for property, plant and equipment	(111,042.93)	(218,660.00)
<b>Net cash used in investing activities</b>	<u>(103,224.75)</u>	<u>(218,660.00)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	39,980.60	-
Repayment of borrowings	(15,177.93)	(31,019.66)
<b>Net cash provided by (used in) financing activities</b>	<u>24,802.67</u>	<u>(31,019.66)</u>
Net increase (decrease) in cash held	60,874.95	(235,151.09)
Cash at beginning of financial year	498,103.98	733,255.07
<b>Cash at end of financial year</b>	<b>6</b> <u><u>558,978.93</u></u>	<u><u>498,103.98</u></u>

The accompanying notes form part of these financial statements.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**1 Statement of Significant Accounting Policies**

The financial statements cover GULGONG RSL CLUB LIMITED as an individual entity. GULGONG RSL CLUB LIMITED is a company limited by guarantee, incorporated and domiciled in Australia.

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

**Accounting Policies**

**Taxation**

Deferred tax is provided in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position.

Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered or liabilities are settled, with deferred tax assets recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred taxes attributable to amounts recognised directly in equity are recognised in equity.

**Inventories**

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

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**Property, Plant and Equipment**

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

**Property**

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the entity to have an independent valuation every three years, with annual appraisals being made by the directors.

**Plant and Equipment**

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line or diminishing value basis over their estimated useful lives to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	7.5 - 40.0%

**Leases**

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.



**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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## **Intangibles**

### **Other intangibles**

#### **Poker Machine Entitlements**

Poker machine entitlements were granted to the company by the NSW government prior to 1 July 2004 and will remain current until such time as the company disposes of its entitlements or there is an amendment to the NSW government legislation. Poker machine entitlements that have been purchased from other registered clubs is carried at cost.

Poker machine entitlements have been assessed as being intangible assets with an indefinite useful life and have not been amortised. Poker machine entitlements are subject to an annual impairment test.

### **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made to employee superannuation funds and are charged as expenses when incurred. All employees are entitled to varying levels of benefits on retirement, disability or death. The superannuation plans or equivalent provide accumulated benefits. Contributions are made in accordance with the statutory requirements of each jurisdiction.

### **Cash and Cash Equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of six months or less plus bank overdrafts. Bank overdrafts are shown on the statement of financial position as current liabilities under borrowings.

### **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of liability.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**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. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

**Goods and Services Tax (GST)**

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

- (i) where the amount of GST incurred is not recoverable from the Australian Tax Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of the expense.
- (ii) receivables and payables are shown inclusive of GST.

**Comparative Figures**

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

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
<b>Operating activities</b>		
Bar Sales	337,515.46	269,377.76
Interest	27,420.09	21,545.71
Bingo Revenue	14,967.10	15,887.63
Raffle Revenue	134,712.19	84,552.67
Poker Machine Revenue	708,409.59	696,026.11
Subscriptions	8,522.67	8,355.49
Commission Received	2,344.86	3,067.78
Keno	15,086.65	12,116.75
	<u>1,248,978.61</u>	<u>1,110,929.90</u>
<b>Interest from:</b>		
Other Persons/Corporations	27,420.09	21,545.71
	<u>27,420.09</u>	<u>21,545.71</u>
<b>3 Auditors' Remuneration</b>		
<b>Auditor's Remuneration</b>		
Auditing the Accounts	13,400.00	12,000.00
Other Services	16,838.18	10,280.00
	<u>30,238.18</u>	<u>22,280.00</u>
<b>4 Loss</b>		
<b>Expenses</b>		
Cost of sales	166,009.76	134,774.35
Depreciation of property, plant and equipment	142,037.28	151,212.37
Rental expense on operating leases		
Television rental payments	3,770.55	15,082.20
Multiscreen rental payments	4,704.00	4,704.00
Maxgaming Lease Rental	29,568.00	29,453.20
Pager system for kitchen	1,015.00	-
	<u>39,057.55</u>	<u>49,239.40</u>

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues and Net Gains</b>		
Profit on Sale of Non-current Assets	5,679.54	-
Loss on Sale of Non-current Assets	(80.64)	(10,485.84)
	<u>5,598.90</u>	<u>(10,485.84)</u>
<b>5 Income Tax Expense</b>		
The components of tax expense comprise:		
Income Tax Expense	-	(6,064.42)
The prima facie tax payable on loss before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on loss before income tax at 30% (2010: 30%):	(2,661.99)	(42,151.62)
Over provision for income tax	-	(6,064.42)
	<u>(2,661.99)</u>	<u>(48,216.04)</u>
<b>Less:</b>		
<b>Tax effect of:</b>		
Adjustment re Mutuality Principle	2,661.99	42,151.62
Income tax expense attributable to company	<u>-</u>	<u>(6,064.42)</u>
<b>6 Cash and Cash Equivalents</b>		
<b>Current</b>		
Cash on Hand	33,565.00	44,535.00
Cash at Bank	143,865.07	95,369.17
Short Term Deposits	381,548.86	358,199.81
	<u>558,978.93</u>	<u>498,103.98</u>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	33,565.00	44,535.00
Cash at Bank	143,865.07	95,369.17
Short Term Deposits	381,548.86	358,199.81
	<u>558,978.93</u>	<u>498,103.98</u>

**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
<b>7 Trade and Other Receivables</b>		
<b>Current</b>		
Other Debtors	<u>5,523.79</u>	<u>7,777.10</u>
<b>8 Inventories</b>		
<b>Current</b>		
At cost	<u>15,793.53</u>	<u>22,520.65</u>
<b>9 Other Current Assets</b>		
<b>Current</b>		
Prepayments	<u>10,170.00</u>	<u>7,509.91</u>
<b>10 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Freehold Land	<u>250,000.00</u>	<u>250,000.00</u>
	<u>250,000.00</u>	<u>250,000.00</u>
Buildings	<u>2,064,943.80</u>	<u>2,063,392.80</u>
Less: Accumulated Depreciation	<u>100,487.48</u>	<u>48,896.20</u>
	<u>1,964,456.32</u>	<u>2,014,496.60</u>
<b>Total Land and Buildings</b>	<u>2,214,456.32</u>	<u>2,264,496.60</u>
Plant & Equipment	<u>1,361,042.95</u>	<u>1,281,848.80</u>
Less: Accumulated Depreciation	<u>987,158.87</u>	<u>924,791.37</u>
	<u>373,884.08</u>	<u>357,057.43</u>
<b>Total Plant and Equipment</b>	<u>373,884.08</u>	<u>357,057.43</u>
<b>Total Property, Plant and Equipment</b>	<u>2,588,340.40</u>	<u>2,621,554.03</u>

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010			
	\$	\$			
<b>Movements in Carrying Amounts</b>					
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.					
	Freehold Land	Buildings	Plant & Equipment	Leased Plant and Equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2010	250,000	1,920,000	394,592	-	2,564,592
Additions	-	143,393	75,267	-	218,660
Disposals	-	-	(10,486)	-	(10,486)
Depreciation expense	-	(48,896)	(102,316)	-	(151,212)
Balance at 31 December 2010	250,000	2,014,497	357,057	-	2,621,554
Additions	-	1,551	109,492	-	111,043
Disposals	-	-	(2,219)	-	(2,219)
Depreciation expense	-	(51,592)	(90,446)	-	(142,038)
Carrying amount at 31 December 2011	250,000	1,964,456	373,884	-	2,588,340

The revaluation of land and buildings as at 31 December 2009 was based on the assessment of the fair value as at 8 October 2009. The independent valuations were carried out by Preston Rowe Paterson NSW Pty Limited, Registered Valuers.

**11 Intangible Assets**

Poker machine entitlements	28,176.25	28,176.25
<b>Total</b>	<u>28,176.25</u>	<u>28,176.25</u>

**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Movements in Carrying Amounts</b>		
Movements in carrying amount for each class of intangible assets between the beginning and the end of the current financial year		
	Poker Machine Entitlements	Total
	\$	\$
Balance at the beginning of the year	28,176	28,176
Additions	-	-
Disposals	-	-
Amortisation charge	-	-
Impairment losses	-	-
Carrying amount at the end of the year	<u>28,176</u>	<u>28,176</u>
 <b>12 Trade and Other Payables</b>		
<b>Current</b>		
Trade Creditors	98,105.53	99,213.51
Subscriptions Paid In Advance	3,027.27	1,308.19
Net GST Payable	4,572.17	8,928.52
	<u>105,704.97</u>	<u>109,450.22</u>
 <b>13 Borrowings</b>		
<b>Current</b>		
Asset Purchase Liabilities	13,651.00	-
Loans - Bank	15,177.93	15,582.07
Total current borrowings	<u>28,828.93</u>	<u>15,582.07</u>
 <b>Non-Current</b>		
Asset Purchase Liabilities	26,329.60	-
Loans - Bank	202,379.33	217,153.12
Total non-current borrowings	<u>228,708.93</u>	<u>217,153.12</u>
Total borrowings	<u>257,537.86</u>	<u>232,735.19</u>

**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
<p>The bank loan is secured by a letter of set-off against Term Deposits held for an amount of \$279,178.</p> <p>Asset purchase liabilities are secured by the underlying asset.</p>		
<b>14 Provisions</b>		
<b>Current</b>		
Provision for Annual Leave	34,617.73	30,637.27
Provision for Long Service Leave	27,268.61	25,176.44
Provision for Rostered Days Off	3,056.72	-
	<u>64,943.06</u>	<u>55,813.71</u>
Aggregate employee benefit liability	<u>64,943.06</u>	<u>55,813.71</u>
Number of employees at year end	<u>6</u>	<u>6</u>
<b>15 Other Liabilities</b>		
<b>Current</b>		
Unearned GST offset from NSW Dep't of Gaming & Racing	<u>7,134.86</u>	<u>7,107.34</u>
<b>16 Reserves</b>		
<b>Asset Revaluation Reserve</b>		
Movements during the year		
Opening Balance for the year	<u>1,793,575.10</u>	<u>1,793,575.10</u>
Closing balance	<u>1,793,575.10</u>	<u>1,793,575.10</u>
<b>Capital Reserve</b>		
Movements during the year		
Opening Balance for the year	<u>54,705.00</u>	<u>54,705.00</u>
Closing balance	<u>54,705.00</u>	<u>54,705.00</u>



**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
<b>17 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	932,255.36	1,066,696.34
Net loss attributable to members of the company	(8,873.31)	(134,440.98)
Retained earnings at the end of the financial year	<u>923,382.05</u>	<u>932,255.36</u>
<b>18 Capital and Leasing Commitments</b>		
<b>Asset Purchase Liability Commitments</b>		
Payable - minimum asset purchase payments		
Not later than 12 months	13,651.00	-
Between 12 months and two years	13,651.00	-
Between two years and five years	12,678.60	-
Minimum asset purchase payments	<u>39,980.60</u>	-
Present value of minimum asset purchase payments	<u>39,980.60</u>	-
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable - minimum lease payments		
Not later than 12 months	44,968.55	35,918.89
Between 12 months and two years	7,088.40	5,174.40
Between two years and five years	1,138.70	5,515.60
	<u>53,195.65</u>	<u>46,608.89</u>

**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
<b>19 Contingent Liabilities and Contingent Assets</b>		
Estimates of the potential financial effect of contingent liabilities that may become payable:		
<b>Contingent Liabilities</b>		
The Company received a letter dated 21 March 2005 in respect of a previous employee's claim for costs and disbursements in respect of hearing aids amounting to \$6,190. This matter has been referred to the Company's workers compensation insurer for assessment, however no response has been received from the insurance company to date. It is the Director's opinion that the workers compensation insurer will cover any costs that may arise from this claim.	-	-
<b>20 Key Management Personnel Compensation</b>		
<b>Remuneration of Key Management Personnel</b>		
Short-term employee benefits	58,770.80	61,629.15
Post-employment benefits	5,123.02	5,546.62
Other long-term benefits	-	-
Termination benefits	8,028.13	37,724.54
Share-based payments	-	-
Total compensation	71,921.95	104,900.31

**21 Related Party Transactions**

Air conditioning contracting services were provided during the year by Be Cool Refrigeration Mudgee Pty Limited. Mr Lyndon Ratcliffe is a director of and shareholder in Be Cool Refrigeration Mudgee Pty Limited. These services were provided on normal commercial terms and conditions.

Garden maintenance services and bus driving services are provided by Director Mr Alf Zammit, trading as A to Z Lawncare. These services were provided on normal commercial terms and conditions.

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>22 Cash Flow Information</b>		
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash on Hand	33,565.00	44,535.00
Cash at Bank	143,865.07	95,369.17
Short Term Deposits	381,548.86	358,199.81
	558,978.93	498,103.98
<b>Reconciliation of net cash provided by operating activities to profit/(loss) from ordinary activities after income tax</b>		
Operating profit/(loss) after income tax	(8,873.31)	(134,440.98)
<b>Non-cash flows in profit from ordinary activities:</b>		
Profit on sale of non-current assets	(5,679.54)	-
Loss on sale of non-current assets	80.64	10,485.84
Depreciation	142,037.28	151,212.37
<b>Changes in assets and liabilities</b>		
(Increase) Decrease in current inventories	6,727.12	2,283.08
(Increase) Decrease in current receivables	2,253.31	(1,537.38)
(Increase) Decrease in prepayments	(2,660.09)	1,097.92
(Increase) Decrease in net GST refundable	(4,356.35)	3,973.56
Increase (Decrease) in trade creditors	(1,107.98)	8,831.14
Increase (Decrease) in other creditors	27.52	-
Increase (Decrease) in current provisions	9,129.35	(20,986.14)
Increase (Decrease) in non-current provisions	-	(4,529.92)
Increase (Decrease) in subscriptions in advance	1,719.08	(1,860.92)
<b>Cash flows from operations</b>	<b>139,297.03</b>	<b>14,528.57</b>

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

2011                      2010  
 \$                              \$

**23 Financial Instruments**

**Financial Risk Management**

The company's financial instruments consists primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and leases.

The main purpose of non-derivative financial instruments is to raise finance for company operations.

The company does not have any derivative instruments at 31 December 2011.

**Interest Rate Risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:

2011	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non Interest Bearing	Total
	%	\$	Within 1 Year	1 to 5 Years	\$	\$
<b>Financial Assets</b>						
Cash and cash equivalents	4.1	143,865	381,549	-	33,565	558,979
<b>Total Financial Assets</b>		<u>143,865</u>	<u>381,549</u>	<u>-</u>	<u>33,565</u>	<u>558,979</u>
<b>Financial Liabilities</b>						
Bank loan secured	8.3	217,557	-	-	-	217,557
Trade and other payables	-	-	-	-	98,106	98,106
Asset Purchase Agreements	-	-	-	-	39,981	39,981
<b>Total Financial Liabilities</b>		<u>217,557</u>	<u>-</u>	<u>-</u>	<u>138,087</u>	<u>355,644</u>

**GULGONG RSL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

		2011			2010	
		\$			\$	
2010	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non interest Bearing	Total
	%	\$	Within 1 Year	1 to 5 Years	\$	\$
<b>Financial Assets</b>						
Cash and cash equivalents	5.3	95,369	358,200	-	44,535	498,104
<b>Total Financial Assets</b>		<u>95,369</u>	<u>358,200</u>	<u>-</u>	<u>44,535</u>	<u>498,104</u>
<b>Financial Liabilities</b>						
Bank loan secured	7.7	232,735	-	-	-	232,735
Trade and other payables	-	-	-	-	99,214	99,214
<b>Total Financial Liabilities</b>		<u>232,735</u>	<u>-</u>	<u>-</u>	<u>99,214</u>	<u>331,949</u>

## 24 Company Details

The registered office of the company is:

GULGONG RSL CLUB LIMITED

64 Herbert Street  
 Gulgong NSW 2852

The principal place of business is:

64 Herbert Street  
 Gulgong NSW 2852

## 25 Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligation of the company. At 31 December 2011 the number of members was 1195 (31 December 2010: 1107).

## 26 Segment Reporting

The company operates in the licenced club industry, wholly within Australia.

**COMPILATION REPORT**  
**GULGONG RSL CLUB LIMITED**

**Scope**

On the basis of information provided by the directors of GULGONG RSL CLUB LIMITED, we have compiled in accordance with APS 9: Statement on Compilation of Financial Reports the special purpose financial report of GULGONG RSL CLUB LIMITED for the year ended 31 December 2011, comprising the attached Profit and Loss Statement.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the members of the company.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of GULGONG RSL CLUB LIMITED's constitution and are appropriate to meet the needs of the directors for the purposes of providing information to the members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the company and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

**BRINDLEYS CHARTERED ACCOUNTANTS**



**Mudgee**

Dated this *2nd* day of *April* 2012

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>BAR TRADING STATEMENT</b>		
Bar Sales	337,515.46	269,377.76
<b>LESS: COST OF GOODS SOLD</b>		
Opening Stock	22,520.65	24,803.73
Purchases	159,282.64	132,491.27
Closing Stock	<u>(15,793.53)</u>	<u>(22,520.65)</u>
	<u>166,009.76</u>	<u>134,774.35</u>
<b>LESS: DIRECT COSTS</b>		
Freight & Cartage	2,748.57	2,922.98
Depreciation	3,296.00	2,867.00
Salaries & Wages - Bar	132,860.84	131,051.57
Bar Expenses	<u>4,021.35</u>	<u>3,596.40</u>
	<u>142,926.76</u>	<u>140,437.95</u>
<b>NET PROFIT/(LOSS) FROM BAR TRADING</b>	<u>28,578.94</u>	<u>(5,834.54)</u>
<b>Gross Profit %</b>	<b>50.81 %</b>	<b>49.97 %</b>

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>POKER MACHINE TRADING STATEMENT</b>		
Net Poker Machine Takings	708,409.59	696,026.11
<b>LESS: DIRECT COSTS</b>		
Bonus Prizes & Promotions	25,026.89	48,976.04
Members Badge Draw	29,900.00	22,136.36
\$500 Club Draw	15,394.55	14,202.27
Depreciation	51,506.00	64,615.00
Repairs & Maintenance	23,638.72	22,071.55
Salaries & Wages - Poker Machine	32,354.74	30,377.24
Maxgaming Fee	19,064.75	20,736.76
Monitoring Services	13,009.76	10,635.30
	209,895.41	233,750.52
<b>NET PROFIT/(LOSS) FROM POKER MACHINE TRADING</b>	<b>498,514.18</b>	<b>462,275.59</b>



**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
<hr/>		
<b>OPERATING INCOME</b>		
Net Profit/(Loss) from Bar Trading	28,578.94	(5,834.54)
Net Profit/(Loss) from Poker Machine Trading	498,514.18	462,275.59
<b>OTHER INCOME</b>		
Interest Received	27,420.09	21,545.71
Subscriptions	8,522.67	8,355.49
Bingo	(12,715.78)	(16,758.34)
Raffles	9,259.81	(9,579.10)
Other Revenue	12,221.09	8,968.86
Commission Received	2,344.86	3,067.78
Keno	15,086.65	12,116.75
Profit on Sale of Non-current Assets	5,679.54	-
Loss on Sale of Non-current Assets	(80.64)	(10,485.84)
	67,738.29	17,231.31
	594,831.41	473,672.36

**GULGONG RSL CLUB LIMITED**  
**ABN 18 000 990 465**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
<b>EXPENSES</b>		
Advertising, Printing, Stationery & Postages	26,210.28	22,747.20
Auditor's Remuneration	30,238.18	22,280.00
Bank Charges	2,174.71	1,997.46
Catering Subsidy	36,398.13	39,412.68
Catering during renovations	-	1,090.35
Cleaning & Refuse Disposal	10,676.00	9,507.03
Depreciation - Buildings	51,591.28	48,896.20
Depreciation - Plant & Equipment	35,644.00	34,834.17
Donations & Sponsorships	6,788.77	6,007.62
Freight & Cartage	83.12	-
General Expenses	13,520.09	12,082.84
Insurance	34,757.89	34,784.37
Interest Paid	18,882.07	20,254.34
Leasing Charges	39,057.55	49,239.40
Licenses, Fees & Taxes	1,700.21	394.92
Light & Power	48,542.45	47,202.19
Music & Entertainment	34,189.67	25,387.79
Rates	9,972.91	7,001.46
Repairs & Maintenance	13,686.91	24,217.09
Salaries & Wages - Administration	89,283.29	95,191.08
Salaries & Wages - Cleaning & Maintenance	39,096.24	31,325.34
Security Costs	4,314.73	3,906.80
Keno Wages	6,586.87	6,285.66
Raffle Wages	5,183.90	10,837.54
Bingo Wages	7,375.53	11,940.11
Subscriptions	6,250.97	4,558.13
Superannuation Contributions	26,316.61	27,108.00
Telephone	5,500.91	5,937.43
Tourist Office Contribution	(9,166.62)	8,333.29
Travelling, Training & Conference Expenses	8,716.25	-
Uniforms	131.82	1,417.27
	<u>603,704.72</u>	<u>614,177.76</u>
<b>Loss from ordinary activities before income tax</b>	<u><u>(8,873.31)</u></u>	<u><u>(140,505.40)</u></u>