
Auburn RSL Club Co-op Limited

ABN 63 085 849 902

Annual Financial Report
31 December 2009

Auburn RSL Club Co-op Limited

Directors' Report

Directors

Your directors present their report together with the financial report of Auburn RSL Club Co-op Limited (the Co-operative) for the year ended 31 December 2009 and the auditor's report thereon.

The directors of the Co-operative in office at any time during or since the end of the financial year are:

Name	Position	Date of Appointment
Clive Robert Wiese	President	2008 – Director 2009 - President
Raymond Bruce Gentles	Vice President	1998 – Director 1999 – Vice President 2005 – President 2009 – Vice President
Barrie Michael Atkins	Treasurer	1996 – Director 1997 – Treasurer
Raymond James Cross	Director	1985 – Director 1988 – Vice President – 2 1989 – Vice President – 1 1990 – Director
Murray Harold Walker	Director	Resigned 27 April 2009
Gwenyth Hilda Carruthers	Director	2002 – Director
Brian Langdon	Director	2004 – Director
Leanne Hyder	Director	2005 – Director
John Farmer	Director	2007 – Director
Kenneth Arkley	Director	2007 – Director
Paul McLaughlin	Director	Appointed 23 November 2009

Auburn RSL Club Co-op Limited

Directors' Report (continued)

Directors' Meetings

The number of directors' meetings including meetings of committees of directors and number of meetings attended by each of the directors of the Co-operative during the financial year are:

Director	<u>BOARD MEETINGS</u>		<u>OTHER MEETINGS</u>	
	Number of Meetings Attended	Number of Meetings Held*	Number of Meetings Attended	Number of Meetings Held*
Clive Robert Wiese	12	12	1	1
Raymond Bruce Gentles	12	12	1	1
Barrie Michael Atkins	10	12	1	1
Raymond James Cross	12	12	1	1
Murray Harold Walker	1	4	-	-
Gwenyth Hilda Carruthers	11	12	1	1
Brian Langdon	10	12	1	1
Leanne Hyder	8	12	1	1
John Farmer	8	12	1	1
Kenneth Arkley	11	12	-	1
Paul McLaughlin	2	2	-	-

* Number of meetings held during the time the director held office during the year.

Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

Mrs Margaret Ward

Mrs Ward was appointed Company Secretary on 18 December 1992 and is also the General Manager.

Membership

The number of members as at 31 December 2009 and the comparison with last year is as follows:

	2009	2008
Members	27,405	20,730

Operating Result

The net profit before tax for the year amounted to \$7,537,018 compared with \$341,877 for the prior year. This resulted after charging \$885,126 (2008: \$837,479) for depreciation and before crediting \$3,928 (2008: \$164,199 charged) for income tax.

Auburn RSL Club Co-op Limited

Directors' Report (continued)

Review of Operations

A review of the operations of the Co-operative during the financial year and the results of these operations are as follows:

The net profit before tax for the year amounted to \$7,537,018 compared with \$341,877 for the prior year. The increase of \$7,195,141 was a result of an increase in revenues of \$804,159 mainly attributable to an increase in poker machine revenue, an overall decrease in expenses of \$1,059,470 mainly due to an increase in employment expenses, property expenses, advertising and promotions and property expenses and the recognition of \$7,450,452 profit on amalgamation.

Significant Changes in the State of Affairs

During the financial year, the Auburn RSL Club amalgamated with Granville RSL.

Other than the above there were no significant changes in the Co-operative's state of affairs that occurred during the financial year.

Principal Activities

The principal activities of the Co-operative during the year consisted of the conduct and promotion of a licensed social club for members of the club.

Other than the amalgamation with Granville RSL, there have been no significant changes in the nature of these activities during the year.

Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

Likely and Future Developments and Expected Results

Likely developments in the operations of the company in future financial years and the expected results of those operations are as follows:

Government regulations with respect to smoking and poker machine duty will continue to impact upon the future revenues.

Environmental Regulation

The Co-operative's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The Board believes that the Co-operative has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Co-operative.

Auburn RSL Club Co-op Limited

Directors' Report (continued)

Dividends

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2008: \$Nil).

Indemnification of Officers

The Co-operative has provided for and paid premiums during the year for directors' and officers' liability and legal expenses' insurance contracts.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid with respect to the directors' and officers' liability and legal expenses' insurance contract, as such disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of the Co-operative

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is party for the purposes of taking responsibility on behalf of the Co-operative for all or any part of those proceedings.

The Co-operative was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The Directors have received the Independence Declaration from the Auditors. The Declaration is attached as page 5.

Signed in accordance with a resolution of the directors.

Dated at Auburn this 18th day of February 2010.

Clive Wiese
Chairman

Auburn RSL Club Co-op Limited

Auditor's Independence Declaration

Lead Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of Auburn RSL Club Co-op Limited:

I declare that, to the best of my knowledge and belief, in relation to the audit for 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.

Paul Cheeseman
Partner

1 Margaret Street
SYDNEY NSW 2000

18 February 2010

Auburn RSL Club Co-op Limited

Independent Audit Report

To the members of Auburn RSL Club Co-op Limited:

We have audited the accompanying financial report of Auburn RSL Club Co-op Limited (the Co-operative), which comprises the Statement of Financial Position as at 31 December 2009, and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration set out on pages 8 to 36.

Directors' Responsibility for the Financial Report

The directors of the Co-operative 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 *Co-operative Act 1992*. This responsibility includes establishing 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(a), 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 ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 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 *Co-operative Act 1992*.

Auburn RSL Club Co-op Limited

Independent Audit Report (continued)

Audit Opinion

In our opinion, the financial report of the Co-operative is property drawn up:

- a) so as to give a true and fair view of the Co-operative's financial position as at 31 December 2009 and of its performance for the year ended on that date;
- b) in accordance with the provisions of the Co-operatives Act 1992 and Co-operatives Regulations 1997, including the applicable provisions of Chapter 2M.3 of the Corporations Act 2001;
- c) in accordance with the provisions of the Co-operative's Rules of Association; and
- d) in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia.

The financial report also complies with IFRS as disclosed in Note 1.

PKF

Paul Cheeseman
Partner

18 February 2010

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Auburn RSL Club Co-op Limited

Directors' Declaration

In the opinion of the directors of Auburn RSL Club Co-op Limited (the Co-operative):

- (a) the financial statements and notes, set out on pages 9 to 36, are in accordance with the Co-operatives Act 1992 and Co-operatives Regulations 1997, including:
 - (i) giving a true and fair view of the financial position of the Co-operative as at 31 December 2009 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the applicable provisions of Chapter 2M.3 of the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Dated at Auburn this 18th day of February 2010.

Clive Wiese
Chairman

Auburn RSL Club Co-op Limited
Statement of Comprehensive Income
For the Year Ended 31 December 2009

	Note	2009 \$	2008 \$
Revenue from continuing operations			
Sale of goods		1,133,536	1,034,416
Rendering of services		10,324,587	9,309,851
Other revenue		248,454	558,151
		<hr/>	<hr/>
Total revenue from continuing operations	2	11,706,577	10,902,418
		<hr/>	<hr/>
Expenses			
Cost of goods sold		(549,582)	(508,862)
Poker machine licences and taxes		(2,297,722)	(2,129,393)
Employment expenses		(2,770,209)	(2,326,594)
Property expenses		(1,882,135)	(1,477,345)
Advertising and promotions		(1,389,828)	(1,153,921)
Social expenses		(1,066,651)	(1,346,594)
Donations and welfare		(172,794)	(207,362)
Legal fees		(24,473)	(40,492)
Amalgamation expenses		(78,671)	(146,560)
Other expenses from ordinary activities		(391,420)	(369,189)
		<hr/>	<hr/>
		(10,623,485)	(9,706,312)
Earnings before depreciation, building improvements, impairment losses and profit on amalgamation		1,083,092	1,196,106
		<hr/>	<hr/>
Building improvements expensed		(111,400)	(16,750)
Depreciation expenses	3	(885,126)	(837,479)
Profit on Amalgamation		7,450,452	-
		<hr/>	<hr/>
Profit before income tax		7,537,018	341,877
Income tax benefit/(expense)	5(a)	3,928	(164,199)
		<hr/>	<hr/>
Net profit from continuing operations after income tax expense attributable to members	16	7,540,946	177,678
		<hr/>	<hr/>
Other Comprehensive Income			
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year, net of tax		7,540,946	177,678
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 36.

Auburn RSL Club Co-op Limited
Statement of Changes in Equity
For the Year Ended 31 December 2009

	Retained Earnings	Total Equity
Balance at 1 January 2008	9,436,993	9,436,993
	<hr/>	<hr/>
Changes in equity for 2008		
Total comprehensive income for the year	177,678	177,678
	<hr/>	<hr/>
Balance at 31 December 2008	9,614,671	9,614,671
	<hr/>	<hr/>
Changes in equity for 2009		
Total comprehensive income for the year	7,540,946	7,540,946
	<hr/>	<hr/>
Balance at 31 December 2009	17,155,617	17,155,617
	<hr/> <hr/>	<hr/> <hr/>

Auburn RSL Club Co-op Limited
Statement of Financial Position
As at 31 December 2009

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	5,242,443	7,976,293
Trade and other receivables	7	50,976	41,608
Inventories	8	64,427	42,392
Other current assets	9	104,445	33,685
Current Tax assets	5(b)	102,502	
		<hr/>	<hr/>
Total Current Assets		5,564,793	8,093,978
		<hr/>	<hr/>
Non-Current Assets			
Plant and equipment	11	11,102,607	2,384,401
Deferred tax assets	5(c)	34,137	27,143
Intangible assets	10	2,235,000	150,000
		<hr/>	<hr/>
Total Non-Current Assets		13,371,744	2,561,544
		<hr/>	<hr/>
Total Assets		18,936,537	10,655,522
		<hr/>	<hr/>
LIABILITIES			
Current Liabilities			
Trade and other payables	12	945,879	431,715
Current tax liabilities	5(b)	-	34,172
Employee benefits	13	650,525	443,595
Share capital	15	27,405	20,730
Other current liabilities	14	55,971	33,319
		<hr/>	<hr/>
Total Current Liabilities		1,679,780	963,531
		<hr/>	<hr/>
Non-Current Liabilities			
Employee benefits	13	59,970	49,212
Other non-current liabilities	14	41,170	28,108
		<hr/>	<hr/>
Total Non-Current Liabilities		101,140	77,320
		<hr/>	<hr/>
Total Liabilities		1,780,920	1,040,851
		<hr/>	<hr/>
Net Assets		17,155,617	9,614,671
		<hr/>	<hr/>
Members' Funds			
Retained profits	16	17,155,617	9,614,671
		<hr/>	<hr/>
Total Members' Funds		17,155,617	9,614,671
		<hr/>	<hr/>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 36.

Auburn RSL Club Co-op Limited
Cash Flow Statement
For the Year Ended 31 December 2009

	Note	2009 \$	2008 \$
Cash Flows From Operating Activities			
Receipts from customers		12,594,355	11,360,030
Payments to suppliers and employees		(12,196,068)	(10,856,234)
Interest received		275,839	550,498
Income taxes paid		(144,407)	(186,002)
Income tax refunded		4,668	1,560
		<hr/>	<hr/>
Net cash inflow from operating activities	22(b)	534,387	869,852
		<hr/>	<hr/>
Cash Flows From Investing Activities			
Proceeds from sale of plant and equipment		85,793	22,054
Payment for plant and equipment		(1,587,542)	(508,913)
Payment for amalgamation of Granville RSL		(2,218,247)	-
Cash acquired on amalgamation of Granville RSL		445,084	-
		<hr/>	<hr/>
Net cash outflow from investing activities		(3,274,912)	(486,859)
		<hr/>	<hr/>
Cash Flows From Financing Activities			
Payment/(Redemption) of shares		6,675	(800)
		<hr/>	<hr/>
Net cash inflow/(outflow) from financing activities		6,675	(800)
		<hr/>	<hr/>
Net increase/(decrease) in cash held and cash equivalents		(2,733,850)	382,193
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the financial year		7,976,293	7,594,100
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	22(a)	5,242,443	7,976,293
		<hr/>	<hr/>

The Cash Flow Statement should be read in conjunction with the accompanying notes set out on pages 13 to 36.

Auburn RSL Club Co-op Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Co-operatives Act 1992*.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIRFS ensures that the company financial statements and notes comply with International Financial Reporting Standards (IFRS).

In preparing the financial report the company has taken the exemptions available to non profit entities.

Historical Cost Convention

These financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) Revenue Recognition – Note 2

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Sale of Goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) when control of the goods passes to the customer.

Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised when the services are provided.

Interest Revenue

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

Sale of Property, Plant and Equipment

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as revenue at the date control of the asset passes to the buyer.

Contribution of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the Co-operative gains control of the contribution, except when the contributions are by owners.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(c) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation 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 Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included 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.

(d) Finance Costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

(e) Income Tax – Note 5

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the Statement of Financial Position date.

Deferred tax is accounted for using the comprehensive Statement of Financial Position liability method whereby:

- The tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements;
- Current and deferred tax is recognised as income or expense except to the extent that the tax relates to equity items or to a business combination;
- A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset;
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(f) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(g) Use and Revisions of Accounting Estimates

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(h) Cash and Cash Equivalents – Note 6

Cash and cash equivalents include cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

(i) Trade and Other Receivables – Note 7

Trade debtors and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

(j) Inventories – Note 8

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the weighted average basis.

(k) Leased Assets

Leases under which the Co-operative assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Operating Leases – Note 18

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

Notes to the Financial Statements For the Year Ended 31 December 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(l) Plant and Equipment – Note 11

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Co-operative and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight line / diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Poker machines	4 years
Plant and equipment	3-13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Comprehensive Income.

(m) Intangible Assets – Note 10

Poker Machine Entitlements

Poker machine entitlements are not amortised. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(n) Trade and Other Payables – Note 12

These amounts represent liabilities for goods and services provided to the Co-operative prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee Benefits – Note 13

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Long Service Leave

The provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attaching to national government bonds at reporting date which most closely match the terms of maturity of the related liabilities. The unwinding of the discount is treated as long service leave expense.

Superannuation Plan

The Co-operative contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The Co-operative has no legal or constructive obligation to fund any deficit.

(p) Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(q) New Accounting Standards and Interpretations

Adoption of New Accounting Standards

The policy of accounting for award points as separate components of the initial sale transaction was adopted for the first time in the current financial year. In previous reporting periods, the full revenue from the initial sale was recognised upfront together with a provision for bonus points. The policy was changed following the adoption of AASB Interpretation 13 Customer Loyalty Programme. The new policy has been applied retrospectively and comparative information in relation to the 2008 financial year has been restated accordingly.

The entity has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as at 1 January 2009.

AASB No.	Title	Issue Date	Operative Date
8	Operating Segments	February 2007	1 January 2009
101	Presentation of Financial Statements (Amended)	September 2007	1 January 2009
123	Borrowing Costs	June 2007	1 January 2009

The following Australian Accounting Standards have been issued or amended and are applicable to the company but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

The following standards will be adopted by the entity during the first annual reporting period after the effective date of each pronouncement.

AASB No.	Title	Issue Date	Operative Date
3	Business Combinations (Revised)	March 2008	1 July 2009
9	Financial Instruments	December 2009	1 January 2013

Auburn RSL Club Co-op Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
2 Revenue from Continuing Operations		
Sale of Goods Revenue		
Bar sales	1,133,536	1,034,416
Rendering of Services Revenue		
Poker machines – net clearances	10,022,298	8,974,475
Members' subscriptions	22,084	68,022
Keno sales	59,842	51,385
Commission received	97,617	78,900
Sundry income	122,553	137,069
	10,324,394	9,309,851
Other Revenues		
Interest received	248,430	550,498
Profit on sale of property plant & equipment	-	7,653
Profit on Amalgamation	7,450,452	-
	7,698,882	558,151
Total other revenue		
	7,698,882	558,151
Total revenue from continuing operations	19,156,812	10,902,418

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
3 Expenses		
(a) Profit before income tax includes the following specific expenses:		
Depreciation		
Buildings	47,557	-
Poker machines	575,638	609,350
Plant and equipment	261,931	228,129
	<hr/>	<hr/>
Total depreciation	885,126	837,479
	<hr/>	<hr/>
Net expense from movements in provision for		
Employee benefits increase	217,688	42,273
	<hr/>	<hr/>
Net loss on disposal of property, plant and equipment	3,881	-
	<hr/> <hr/>	<hr/> <hr/>
	2009	2008
	%	%
(b) Key Performance Indicators		
Bar		
Gross profit percentage	51.5%	50.8%
Wages to sales percentage	35.3%	34.9%
Wages and salaries – percentage of total revenue (before profit on amalgamation)	23.6%	21.3%
EBITDA percentage (before profit on amalgamation and amalgamation costs)	10.0%	12.4%

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
4 Auditor's Remuneration		
During the year the following fees were paid or payable for services provided by the auditor:		
Audit Services		
Auditors of the Co-operative		
Audit and review of financial reports	24,400	23,500
Review of amalgamation opening balances	6,000	-
	<hr/>	<hr/>
	30,400	23,500
	<hr/> <hr/>	<hr/> <hr/>
Other Services		
Taxation services	2,900	2,800
Other services	25,000	26,700
	<hr/>	<hr/>
	27,900	29,500
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

5 Income Tax

(a) Income Tax Expense

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities.

	2009	2008
	\$	\$
The amount set aside for income tax in the Statement of Comprehensive Income has been calculated as follows:		
Proportion of net income attributable to non-members	198,704	231,514
Add: Other taxable income	450,932	728,133
	<hr/>	<hr/>
	649,636	959,647
Less: Other deductible expenses	(639,573)	(486,233)
	<hr/>	<hr/>
Net income subject to tax	10,063	473,414
	<hr/> <hr/>	<hr/> <hr/>
Current income tax applicable to above at rate of 30%	3,019	142,024
Under provided in prior years	47	21,321
(Increase)/decrease in deferred tax asset	(6,994)	854
	<hr/>	<hr/>
Income tax attributable to operating profit	(3,928)	164,199
	<hr/> <hr/>	<hr/> <hr/>

(b) Current Tax Liabilities

Movements during the year:

Balance at beginning of year	34,172	55,269
Income tax paid	(144,408)	(186,002)
Refunds received	4,668	1,560
Current year's income tax expense on profit	3,019	142,024
Under provision in prior year	47	21,321
	<hr/>	<hr/>
	(102,502)	34,172
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
5 Income Tax (continued)		
(c) Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
<i>Amounts recognised in profit or loss</i>		
Employee benefits	24,913	19,030
Depreciation of property, plant and equipment	9,224	8,113
	<hr/>	<hr/>
Net deferred tax assets	34,137	27,143
	<hr/> <hr/>	<hr/> <hr/>
Movements		
Opening balance	27,143	27,997
Credited/(charged) to the Statement of Comprehensive Income	6994	(854)
	<hr/>	<hr/>
Closing balance	34,137	27,143
	<hr/> <hr/>	<hr/> <hr/>
6 Cash and Cash Equivalents		
Bank balances	421,703	105,982
Term deposit – Westpac	4,251,670	7,523,025
Cash on hand	569,070	347,286
	<hr/>	<hr/>
	5,242,443	7,976,293
	<hr/> <hr/>	<hr/> <hr/>

Auburn RSL Club Co-op Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009 \$	2008 \$
7 Trade and Other Receivables		
Current		
Trade Debtors	13,596	10,599
Other debtors	37,380	31,009
	<hr/>	<hr/>
	50,976	41,608
	<hr/>	<hr/>
8 Inventories		
Finished goods – at cost	64,427	42,392
	<hr/>	<hr/>
9 Other Assets		
Current		
Prepayments and other receivables	104,445	33,685
	<hr/>	<hr/>
10 Intangible Assets		
Poker machine entitlements – at cost	2,356,304	271,304
Accumulated impairment losses	(121,304)	(121,304)
	<hr/>	<hr/>
Net carrying value	2,235,000	150,000
	<hr/>	<hr/>
Reconciliation		
Opening net book amount	150,000	150,000
Amalgamation – Granville RSL	2,085,000	-
	<hr/>	<hr/>
Net carrying value	2,235,000	150,000
	<hr/>	<hr/>

Auburn RSL Club Co-op Limited

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009 \$	2008 \$
11 Property Plant & Equipment		
Freehold land and buildings	7,121,067	-
	<hr/>	<hr/>
Poker machines		
<i>At cost</i>	5,105,480	4,421,018
<i>Accumulated depreciation</i>	(3,226,738)	(3,237,230)
	<hr/>	<hr/>
	1,878,742	1,183,788
	<hr/>	<hr/>
Plant and Equipment		
<i>At cost</i>	8,009,686	7,135,058
<i>Accumulated depreciation</i>	(5,906,888)	(5,934,445)
	<hr/>	<hr/>
	2,102,798	1,200,613
	<hr/>	<hr/>
Total plant and equipment net book value	11,102,607	2,384,401
	<hr/>	<hr/>

Director's Valuation

As part of the amalgamation, Auburn RSL acquired the land & buildings of Granville RSL. The directors are of the opinion that the value of the land is at \$1,420,000 based upon the statutory land value as of 01 July 2007.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009 \$	2008 \$
11 Property Plant & Equipment (continued)		
Reconciliations		
Movements in Carrying Amounts		
Movements in the carrying amounts for each class of property plant & equipment between the beginning and the end of the current financial year are set out below:		
Freehold land and buildings		
Carrying amount at beginning of year	-	-
Additions	18,362	-
Amalgamation – Granville RSL	7,150,262	-
Depreciation expense	(47,557)	-
	<hr/>	<hr/>
Carrying amount at end of year	7,121,067	-
	<hr/>	<hr/>
Poker Machines		
Carrying amount at beginning of year	1,183,789	1,440,896
Additions	998,285	366,257
Amalgamation – Granville RSL	340,299	-
Disposals	(67,993)	(14,014)
Depreciation expense	(575,638)	(609,350)
	<hr/>	<hr/>
Carrying amount at end of year	1,878,742	1,183,789
	<hr/>	<hr/>
Plant and Equipment		
Carrying amount at beginning of year	1,200,613	1,286,472
Additions	570,895	142,656
Amalgamation – Granville RSL	614,905	-
Disposals	(21,682)	(386)
Depreciation expense	(261,931)	(228,129)
	<hr/>	<hr/>
Carrying amount at end of year	2,102,800	1,200,613
	<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
12 Trade and Other Payables		
GST payable	41,481	29,857
Trade creditors	100,474	35,762
Accrued expenses	803,924	366,096
	<hr/>	<hr/>
	945,879	431,715
	<hr/> <hr/>	<hr/> <hr/>

13 Employee Benefits

Current	650,525	443,595
	<hr/> <hr/>	<hr/> <hr/>
Non-current	59,970	49,212
	<hr/> <hr/>	<hr/> <hr/>
Aggregate liability for employee benefits including on-costs	710,495	492,807
	<hr/> <hr/>	<hr/> <hr/>

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

Inflation rate	2.1%	5%
Discount rate	5.65%	4.0%
Settlement term (years)	10 years	10 years

No **No**

Number of Employees

Number of employees at year end	77	50
	<hr/> <hr/>	<hr/> <hr/>

Superannuation Plans

Contributions

The Co-operative is under a legal obligation to contribute 9% of each employee's base salary to a superannuation fund.

Details of contributions to the defined plans during the year and contributions payable at 31 December 2009 are as follows:

	\$	\$
Employer contributions to the plan	186,581	150,501
	<hr/> <hr/>	<hr/> <hr/>
Employer contributions payable to the plans at reporting date	-	-
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009	2008
	\$	\$
14 Other Liabilities		
Current		
Subscriptions in advance	37,359	21,866
Gaming tax rebate	18,612	11,453
	<hr/>	<hr/>
	55,971	33,319
	<hr/> <hr/>	<hr/> <hr/>
Non-Current		
Subscriptions in advance	41,170	28,108
	<hr/> <hr/>	<hr/> <hr/>
15 Share Capital		
Reconciliation of Movement in Share Capital		
Share capital at the beginning of the year	20,730	21,530
Total increase/(decrease)	6,675	(800)
	<hr/>	<hr/>
Share capital at the end of the year	27,405	20,730
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009 \$	2008 \$
16 Retained Profits		
Retained profits at the beginning of the year	9,614,671	9,436,993
Net profit attributable to members of the Co-operative	7,540,946	177,678
	<hr/>	<hr/>
Retained profits at the end of the year	17,155,617	9,614,671
	<hr/> <hr/>	<hr/> <hr/>

17 Additional Financial Instruments Disclosure

The Co-operative's financial instruments consist primarily of deposits with bankers, accounts receivable or payable. These activities expose the association to a variety of financial risk, market risk, credit risk and liquidity risk.

The Co-operative holds the following instruments:

	2009 \$	2008 \$
Financial Assets		
Cash and cash equivalents	5,242,443	7,976,293
Trade and other receivables	50,976	41,608
	<hr/>	<hr/>
Total Financial Assets	5,293,419	8,017,901
	<hr/>	<hr/>
Financial Liabilities		
Trade and other payables	945,879	431,715
	<hr/>	<hr/>
Total Financial Liabilities	945,879	431,715
	<hr/>	<hr/>
Net Exposure	4,347,540	7,586,186
	<hr/> <hr/>	<hr/> <hr/>

Financial Risk Management Policies

Although the association does not have documented policies and procedures, the company manage the different types of risk to which it is exposed by considering risk and monitoring levels of exposure to interest rate risk and by being aware of market forecast for interest rates. Ageing analyses and monitoring of specific and it allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

17 Additional Financial Instruments Disclosure (continued)

(a) Interest Rate Risk

The Co-operative'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 rates on those financial assets and financial liabilities, is as follows:

	Note	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in 1 year or less \$	Fixed interest maturing in 1-5 years \$	Non Interest- bearing \$	Total \$
2009							
Financial assets							
Cash and cash equivalents	6	4.45%	421,703	4,251,670	-	569,070	5,242,443
Trade and other receivables	7	-	-	-	-	50,976	50,976
			421,703	4,251,670	-	620,046	5,293,419
Financial liabilities							
Trade and other payables	12	-	-	-	-	945,879	945,879
			-	-	-	945,879	945,879
2008							
Financial assets							
Cash and cash equivalents	6	4.58%	105,982	7,523,025	-	347,286	7,976,293
Trade and other receivables	7	-	-	-	-	41,608	41,608
			105,982	7,523,025	-	388,894	8,017,901
Financial liabilities							
Trade and other payables	12	-	-	-	-	431,715	431,715
			-	-	-	431,715	431,715

Notes to the Financial Statements For the Year Ended 31 December 2009 (continued)

17 Additional Financial Instruments Disclosure (continued)

(b) Credit Risk Exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the co-op which have been recognised on the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts.

The Co-operative minimises concentrations of credit risk by undertaking transactions with a large number of patrons.

The Co-operative manages credit risk by regularly reviewing accounts receivable and payable with the intention of ensuring that all balances are settled within agreed terms and conditions.

The Co-operative is of the opinion that the effect of volatility with any of these risk areas would not be material

Recognised Financial Instruments

The credit risk on financial assets, excluding investments, of the Co-operative which have been recognised on the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts.

The Co-operative minimises concentrations of credit risk by undertaking transactions with a large number of patrons.

(c) Liquidity Risk

The company manages liquidity risk through general business, budgets and forecasts.

The company is of the opinion that the exposure to liquidity risk is minimal.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

17 Additional Financial Instruments Disclosure (continued)

(d) Net Fair Values

The aggregate fair values and carrying amount of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

No financial assets and financial liabilities are readily traded on organised markets in a standardised form.

For other assets and other liabilities net fair value approximates their carrying value.

Trade and Other Receivables / Payables

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables / payables are discounted to determine the fair value.

(e) Summarised Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Statement of Financial Position date.

	Carrying amount	-1%	-1%	+1%	+1%
		Profit	Equity	Profit	Equity
Financial Assets					
Cash and cash equivalents	4,673,373	(46,734)	(46,734)	46,734	46,734
Increase/(decrease)		(46,734)	(46,734)	46,734	46,734

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

	2009 \$	2008 \$
18 Commitments		
Non Cancellable Operating Lease Expense Commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	47,382	43,644
One year or later and no later than five years	42,174	61,110
	<hr/>	<hr/>
	89,556	104,754
	<hr/>	<hr/>

19 Contingent Liabilities

Bank Guarantees

The Co-operative has given the following bank guarantees:

TAB Limited	7,000	7,000
	<hr/>	<hr/>

20 Mutuality Principle

The Co-operative calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Following the Full Federal Court decision in Coleambally Irrigation Mutual Co-operative Limited v FCT [2004] FCAFC 250, Tax Laws Amendment (2005 Measures No.6) Bill 2005 was tabled in Parliament on 7 December 2005 to amend the Income Tax Assessment Act 1997 to restore the long standing benefits of the mutuality principle to those non-profit organisations affected by the Coleambally decision.

These amendments will ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

21 Segment Reporting

The Co-operative operates predominantly in the hospitality and entertainment industry.

The Co-operative's operations and customers are located predominantly in Sydney, New South Wales. The Co-operative provides food, beverage, gaming and other entertainment facilities to members and guests.

Notes to the Financial Statements

For the Year Ended 31 December 2009 (continued)

22 Cash Flow Information

(a) Reconciliation of Cash

Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

	2009	2008
	\$	\$
Cash and cash equivalents	5,242,443	7,976,293

(b) Reconciliation of Net Cash Provided By Operating Activities With Profit From Ordinary Activities After Income Tax

Profit from ordinary activities after income tax	7,540,946	177,678
Add/(less) items classified as investing/ financing activities:		
(Profit)/loss on sale of non-current assets	3,881	(7,653)
Profit on Amalgamation – Granville RSL	(7,450,452)	-
Add/(less) non-cash items:		
Depreciation and amortisation	885,126	837,479
(Increase)/decrease in deferred tax assets	(6,994)	854
(Increase)/decrease in current tax assets	(102,501)	-
Increase/(decrease) in current tax liabilities	(34,173)	(21,097)
Net cash provided by operating activities before change in assets and liabilities	835,833	987,261
Change in assets and liabilities during the financial year		
(Increase)/decrease in trade and other receivables	(9,368)	(27,082)
(Increase)/decrease in inventories	15,625	25,383
(Increase)/decrease in other assets	4,342	7,177
Increase/(decrease) in trade and other payables	(212,692)	(157,619)
Increase/(decrease) in other liabilities	35,714	(7,541)
Increase/(decrease) in employee benefits	(135,067)	42,273
Net cash inflows from operating activities	534,387	869,852

Notes to the Financial Statements For the Year Ended 31 December 2009 (continued)

23 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the Co-operative during the financial year:

Clive Robert Wiese	
Raymond Bruce Gentles	
Barrie Michael Atkins	
Raymond James Cross	
Murray Harold Walker	
Gwenyth Hilda Carruthers	
Brian Langdon	
Leanne Hyder	
John Farmer	
Kenneth Arkley	Appointed 23 November 2009
Paul McLaughlin	Resigned 27 April 2009
Murray Harold Walker	

(b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Co-operative, directly or indirectly during the financial year:

Name	Position
Margaret Ward	General Manager, Secretary
Sandra Blanchard	HR Manager
Rowan Easterbrook	Gaming Manager
Teresa Swanson	Site Manager (Granville RSL)

(c) Key Management Personnel Compensation

The following are benefits and payments made to the Directors and Other Key Management Personnel named in (a) and (b) above:

	2009	2008
	\$	\$
Short term employee benefits	387,557	245,627
Other long term benefits	65,775	61,010
Post-employment benefits	33,438	16,544
	<hr/>	<hr/>
	486,770	323,181
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements For the Year Ended 31 December 2009 (continued)

24 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 23.

Directors' Transactions with the Co-operative

From time to time, directors of the Co-operative, or their director-related entities, may purchase goods from the Co-operative. These purchases are on the same terms and conditions as those entered into by other employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the Co-operative since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

25 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

Auburn RSL Club Co-op Limited

Disclaimer

The additional financial data presented on pages 38 to 41 is in accordance with the books and records of Auburn RSL Club Co-op Limited which have been subjected to the auditing procedures applied in our statutory audit of the Co-operative 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 no warranty of accuracy or reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the Co-operative) with respect to such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

PKF

Paul Cheeseman
Partner

1 Margaret Sydney
SYDNEY NSW 2000

18 February 2010

Auburn RSL Club Co-op Limited

Supplementary Information to the Financial Statements
For the Year Ended 31 December 2009

Statement of Comprehensive Income

	Schedule	2009 \$	2008 \$
Income			
Net profit – Bar	1	118,211	127,323
Net profit – Poker Machines	2	4,988,222	4,178,766
Net profit – Keno/TAB		31,914	1,945
Room hire		69,194	59,358
Telephone receipts		738	1,029
Subscriptions received		22,084	68,022
Vending machine commission		7,013	8,147
Sundry income		32,342	29,874
Interest received		248,432	550,498
Rent received – Credit Union		5,029	4,172
Rent received – Buffet		26,500	26,000
ATM commission		20,077	19,866
		<hr/>	<hr/>
		5,569,756	5,075,000
Less: Expenditure			
Accountancy fees		54,400	40,060
Advertising		87,479	58,956
Amalgamation cost		78,671	146,560
Auditor's remuneration		35,050	25,200
Bad debts and cash adjustments		6,340	1,973
Bank charges		4,658	2,942
Banking and payroll service		469	281
Cleaning		244,189	186,001
Courier Service		336	-
Depreciation		303,588	220,326
Directors' expenses		8910	7,428
Election expenses		6,598	6,034
Electricity		373,129	233,081
Equipment Rental		800	-
Fringe benefits tax		4,624	7,752
General expenses		21,260	31,591
Heating		4,032	4,551
Hire of Equipment		1,016	-
Insurance		223,452	171,475
Interest Paid		1,854	-
Legal costs		24,473	40,492
Loss on sale of non-current asset		15,705	383
Motor vehicle expenses		12,907	11,693
Newsletter / annual report		23,861	22,165
Payroll tax		121,611	91,684
Postage		3,477	3,206
Printing and stationery		47,894	41,526
Provision for annual leave and long service leave		(209,012)	42,273
Rates and taxes		118,757	80,327
Rent		182,023	173,522

Auburn RSL Club Co-op Limited

Supplementary Information to the Financial Statements
For the Year Ended 31 December 2009 (continued)

Statement of Comprehensive Income (continued)

	2009	2008
	\$	\$
Repairs and maintenance	400,636	311,347
Salary sacrifice – admin super	123,626	153,545
Security costs	218,570	171,756
Social expenses	1,094,679	1,346,595
Sports, trophies and subsidies	16,551	12,760
Staff amenities and allowances	20,844	18,659
Staff training	6,058	1,418
Stocktaking expenses	8,400	8,400
Subscriptions	109,435	78,324
Superannuation	186,661	150,581
Trade waste	47,494	45,720
Telephone	45,571	38,347
TAB Subsidy	200	-
Uniforms	36,068	5,200
Wages	1,223,919	676,083
Welfare and donations	21,744	37,156
Youth activities	9,000	9,000
	<hr/>	<hr/>
	5,372,007	4,716,373
	<hr/>	<hr/>
Operating profit before building improvements expensed & Profit on Amalgamation	197,749	358,627
Less: Building improvements expensed	(111,400)	(16,750)
Add: Profit on Amalgamation of Granville RSL	7,450,452	-
	<hr/>	<hr/>
Operating profit before income tax	7,536,801	341,877
	<hr/> <hr/>	<hr/> <hr/>

Auburn RSL Club Co-op Limited

Supplementary Information to the Financial Statements
For the Year Ended 31 December 2009 (continued)

Schedule 1
Bar Trading Statement

	2009	2008
	\$	\$
INCOME		
Sales	1,133,536	1,034,416
	<hr/>	<hr/>
Less: Cost of Sales		
Opening stock	42,392	67,775
Purchases	571,617	483,478
	<hr/>	<hr/>
Closing stock	614,009 (64,427)	551,253 (42,392)
	<hr/>	<hr/>
	549,582	508,861
	<hr/>	<hr/>
Gross Profit	583,954	525,555
	<hr/>	<hr/>
Less: Expenses		
Bar requisites	59,654	29,711
Depreciation	5,900	7,803
Salaries and wages	400,189	360,718
	<hr/>	<hr/>
Total Expenses	465,743	398,232
	<hr/>	<hr/>
Net Profit	118,211	127,323
	<hr/> <hr/>	<hr/> <hr/>

Auburn RSL Club Co-op Limited

Supplementary Information to the Financial Statements
For the Year Ended 31 December 2009 (continued)

Schedule 2

Poker Machine Trading Statement

	2009	2008
	\$	\$
INCOME		
Poker machine takings before GST	10,943,234	9,834,742
Less: GST applicable	(948,138)	(860,268)
Gaming tax rebate	27,202	16,659
	<hr/>	<hr/>
Net takings from poker machines	10,022,298	8,991,133
	<hr/>	<hr/>
Less: Expenses		
Data monitoring	83,292	67,536
Depreciation	575,638	609,350
Donations / community levy	151,209	148,447
(Profit)/loss on sale of non-current assets	(1,658)	(8,037)
Poker machine duty	2,214,430	2,061,857
Promotions	857,134	503,507
Repairs and maintenance	107,245	150,404
Salaries and wages	680,369	678,016
Turbo points redemption	391,476	585,683
Other expenses	(25,059)	15,604
	<hr/>	<hr/>
Total Expenses	5,034,076	4,812,367
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Net Profit	4,988,222	4,178,766
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