



Ourimbah-Lisarow RSL Club Ltd.

...your family club

**FULL FINANCIAL  
ANNUAL REPORT  
2008**

# **NOTICE of ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General meeting of the Ourimbah-Lisarow RSL Club Ltd, will be held in the Main Club, Pacific Hwy, Ourimbah on: **SUNDAY 29th MARCH, 2009 at 9.00am**

- AGENDA**
- (a) To confirm the minutes of the previous A.G.M. of Ourimbah-Lisarow RSL Club Limited held on 16th March, 2008
  - (b) To receive and consider the reports of the Board
  - (c) To receive and consider the Auditors report & Financial Statements for the Year ended 31st December 2008
  - (d) To Elect the Board for the ensuing year
  - (e) To Deal with the Special Resolutions as contained in this notice.(Only RSL Services Members and RSL Services Life members are eligible to vote)
  - (f) To deal with the Ordinary Resolutions as contained in this notice and any other business of which due notice has been given
  - (g) To deal with any other business that the meeting may approve of which due notice has not been given.

Signed for and on behalf of the Board of Directors, John Atkins Secretary Manager

## **MEMBERS PLEASE NOTE**

**Members must be Financial by 31st January 2009 to be eligible to vote.**

**You must be a Financial Associate Member, Service Member or Life Member and present your current membership card to gain entry to the Meeting. The Doors will be closed at 9.00am.**

**Members wishing to raise any questions relating to the financial report are required to give written notice to the Secretary Manager by Close of Business Sunday 22nd March 2009 so we may answer your query in full at the Annual General meeting.**

## **OFFICE BEARERS -2008/2009**

**PRESIDENT:**

**R.J. Whitcher**

**VICE PRESIDENT:**

**B. Braham**

**TREASURER:**

**G.A. Woodhouse**

**DIRECTORS:**

**G. Brotherston**

**S. Butler**

**P. Deaves Resigned Dec 08**

**K. Grattan**

**B. McNab**

**A. Sharpe**

## **NOMINATIONS ARE NOW OPEN FOR THE BOARD OF DIRECTORS.**

**Members seeking nomination should contact the office of the Club's Secretary Manager during normal business hours to obtain a Nomination Form. (including: the Pre-Nomination Information Kit)**

**Nomination Forms should be placed in an envelope and DATED and marked:**

**"CONFIDENTIAL" "TO THE SECRETARY MANAGER".**

**NOMINATIONS MUST BE SUBMITTED TO THE CLUB BEFORE CLOSE OF BUSINESS ON: FRIDAY 13th MARCH 2009**

## OURIMBAH-LISAROW RSL CLUB LTD

ACN: 000 904 594

**NOTICE IS HEREBY GIVEN** that the following Special Resolutions will be moved and if thought fit approved by the Members eligible to vote at the Annual General Meeting of Ourimbah-Lisarow RSL Club Ltd on 29th March 2009

### **NOTICE OF SPECIAL RESOLUTION No.1**

Members will be asked to consider and, if thought fit, pass the following Special Resolution:

“The members hereby approve the required amendments to the club’s constitution (as tabled) to ensure that the club correctly conforms to the current requirements of the Corporations Act and the Registered Clubs Act.”

#### **Explanatory notes to be read in conjunction with Special Resolution 1:**

The changes to the constitution largely deal with revised disclosure, accountability and governance requirements of the Registered Clubs Act. There are also changes that implement transparent election procedures in large clubs (more than 10,000 members). Changes have also been made to the way in which annual reports are distributed to allow for greater flexibility, including sending the report by email, or making it available on the internet, or mailing it to people wishing to receive it by mail. Other minor changes have also been made to ensure that the Constitution correctly conforms to the Corporations Act and Registered Clubs Act.

A copy of the amendments is available from the Secretary of the club.

A Special Resolution must be passed as a whole and cannot be amended from the floor of the meeting or divided into two or more separate resolutions. The majority required for passing a Special Resolution is seventy-five per cent (75%) of members present and voting at the meeting.

**Only R.S.L. SERVICE MEMBERS and RSL SERVICE LIFE MEMBERS are eligible to vote on Special Resolutions.**

### **SPECIAL RESOLUTION No.2**

Members will be asked to consider and, if thought fit, pass the following Special Resolution:

“The members hereby approve amends to the club’s constitution (as tabled) to reduce the Board of Directors to seven members comprising of a President who shall be a Services Member or a Services Life Member, a Vice-President who shall be a Services Member or Services Life Member, a Treasurer and four (4) ordinary Directors with the aforesaid changes commencing at the annual election in 2009 and towards such implementation the four (4) ordinary Directors receiving the greatest number of votes at the said election shall be declared elected.”

#### **Explanatory notes to be read in conjunction with Special Resolution 2:**

It is proposed that the Board be reduced in number from nine to seven. This will be done by reducing the number of ordinary Directors from six members to four members. There will be no other changes to the Board of Directors. The changes to the structure of the Board are in line with that of other modern and successful clubs, many of whom have a Board of seven members. The reduction in the number of Directors is recommended to improve the quality of management of the club and to better conform to the Registered Clubs Act’s mandatory educational requirements for Directors. The changes will come into force immediately following the adoption of the special resolution.

#### **A copy of the full amendments is available from the Secretary of the Club.**

A Special Resolution must be passed as a whole and cannot be amended from the floor of the meeting or divided into two or more separate resolutions. The majority required for passing of a Special Resolution is seventy-five per cent (75%) of members present and voting at the meeting.

**Only R.S.L. SERVICE MEMBERS and RSL SERVICE LIFE MEMBERS are eligible to vote on Special Resolutions.**

### **SPECIAL RESOLUTION No.3**

Members will be asked to consider and, if thought fit, pass the following Special Resolution:

“The members hereby approve amends to the club’s constitution (as tabled) to elect the Board of Directors for a two (2) year term of office with biennial elections held at every second Annual General Meeting, falling on odd numbered years.”

#### **Explanatory notes to be read in conjunction with Special Resolution 3:**

It is becoming increasingly common amongst clubs to elect their Board of Directors to hold office for two or three years. The Board recommends a change to two-year terms of office for Directors to improve the stability of the club and to better conform to the Registered Clubs Act’s mandatory educational requirements for Directors. Under the Corporations Act, the members of the club still have the right to request a general meeting at any time of year to vote for the dismissal and appointment of Directors of the club.

A copy of the full amendments is available from the Secretary of the club.

A Special Resolution must be passed as a whole and cannot be amended from the floor of the meeting or divided into two or more separate resolutions. The majority required for passing a Special Resolution is seventy-five per cent (75%) of members present and voting at the meeting.

**Only R.S.L. SERVICE MEMBERS and RSL SERVICE LIFE MEMBERS are eligible to vote on Special Resolutions**

**ORDINARY RESOLUTIONS TO BE PRESENTED TO THE MEMBERS OF OURIMBAH-LISAROW R.S.L. CLUB at the ANNUAL GENERAL MEETING TO BE HELD ON SUNDAY 29th MARCH, 2009 AT 9.00A.M.**

The following Ordinary Resolutions are for the consideration of members of Ourimbah-Lisarow RSL Club. The members further acknowledge that the payments and other benefits outlined in paragraphs one (1) to eight (8) are not available to members generally but only to those members elected to the Board of Directors of the Club:

**1. Proposed: S. Butler Seconded: K. Grattan**

The President to be allowed an Allowance/Reimbursement of Expenses of \$8,000 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually

**2. Proposed: B. McNab Seconded: A. Sharpe**

The Vice President to be allowed an Allowance/Reimbursement of Expenses of \$4,500 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually

**3. Proposed: S. Butler Seconded: B. Braham**

The Club Treasurer to be allowed an Allowance/Reimbursement of Expenses of \$4,500 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually

**4. Proposed: R. Whitcher Seconded: B. Braham**

The Club Directors be allowed an Allowance/Reimbursement of Expenses of \$3,000 per annum, incurred in the performance of their duties. These Allowances to be reviewed by the members annually

**5. Proposed: R. Whitcher Seconded: S. Butler**

A club Director who is newly elected and whilst in his or her 1st year in that elected position be entitled to 50% only, of the allowance amount as proposed in previous resolutions 1-4 inclusive.

**6. Proposed: K. Grattan Seconded: B. Braham**

The Directors of the Club during 2009/2010 be entitled to benefits similar to those benefits received by previous Boards of Directors, interalia:-

- The reasonable costs of beverages and/or a meal for each Director after Directors meeting occasions,
- A New Uniform for incoming Directors, or replacement of uniform for current Directors
- Attendance with partner to Director's Christmas Dinner including special guests (at the discretion of the Board of Directors) that have contributed to the clubs further advancement.
- Staff with respective partners be entitled to a Christmas Party
- Directors and Club Manager to be entitled to a Christmas ham each
- Any reasonable cost incurred by Directors, Management or staff in their attendance at seminars, lectures, official visits or similar sessions for the benefit of the club as may be determined by the Board from time to time.

**7. Proposed: B. McNab Seconded: A. Sharpe**

Payment by the Club, of the premium, for Directors and Officers Liability Insurance, that falls due within the year.

**8. Proposed: S. Butler Seconded: B. McNab**

That FOUR (4) car parking spaces be allocated for the exclusive use of Directors.

**The passing of the above Ordinary Resolutions requires a simple majority of those Members present and voting at the meeting.**

**Club Property Declarations**

**Under recent amendments of the registered clubs Act we are required to specify in our Annual report which of the clubs assets are deemed core or non core property assets at the end of the financial year. The distinction between the two is the club cannot dispose of any core property assets unless the property has been valued by a registered valuer, the sale is approved by the majority of members at a general meeting and the sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.**

**Accordingly under section S41J(3) of the Registered Clubs Act the Directors declare that at 31st December 2008: The Licensed premises (Club house) and the land that it is situated on is "Core" property, all other land is "Non Core" property.**

**ATTENTION MEMBERS**

Under Section 314 of the Corporations Act, The Ourimbah-Lisarow RSL club will provide the annual report to members by either:

(a) sending to each member who has elected to receive a copy of the reports;

(i) a hard copy of the reports; or

(ii) if the member has elected to receive an electronic copy – an electronic copy of the reports; and

(b) making a copy of the reports readily accessible on our website; [www.ourimbahrsl.com.au](http://www.ourimbahrsl.com.au)

As the notice to our members to elect to receive a copy of the Annual report was sent in November 2008 and a number of anomalies appeared on the form, this notice is now a confirmation that if you wish to elect to receive a copy of the Annual report either by Post or Email.

Please send your details in writing to the Office Supervisor, Ourimbah-Lisarow RSL Club, Pacific Hwy, Ourimbah 2258.

**A Copy of the full financial report and auditors report will be sent to any member, free of charge, upon request in writing.**

## **Ourimbah Lisarow RSL Club Ltd**

### **PRESIDENT'S REPORT**

Dear Members,

It is my pleasure to present to you, the members, what has happened to our club over the past twelve months.

Perhaps I should present the effects of the last two years of upheaval that this club has had to endure which has had a significant impact in 2008.

In June 2006 the RTA commenced major road-works, near and outside the club. Those road-works ceased in July 2007 and the traffic lights were turned on. The road-works in Ourimbah continue to this day and will be with us for some years to come. Further in July 2007 the "NO SMOKING" legislation commenced with a total ban inside every licensed premises. The ban affected nearly all registered clubs in NSW, some by as much as 30% in lost revenue. We began major renovations in August 2007 which were completed in March 2008. That loan extended to \$1.5M and its associated interest came about at the beginning of 2008.

Then along came the 2008 economic downturn which sent significant shockwaves through the industry and revenues were under the pump once again.

Other financial constraints in 2008 were record petrol prices, interest rate rises and a jump in unemployment which resulted in less discretionary household dollars to be spent on entertainment and social activities that the club provides.

However, despite all this, our net revenue increased on last year by \$33,959, suggesting that the club has maintained its patronage.

2008-9 has seen the TAB relocated and revamped, a great facility on a shoestring budget, a number of poker machines placed outside for both smokers and non smokers use and finally a coffee shop built within for all to enjoy a quality cuppa.

Our CDSE commitment amounted to \$102,662 which included support of substantial amounts to the Lisarow Cricket club and Ourimbah United Football club where it was emphasised that a large proportion was to be channelled to their juniors. Our club is community orientated and fully supports community activities and its involvement with same, particularly in the Ourimbah area and its surrounds.

Taking into account all of the above I feel that 2008 has been a reasonably good year for us, especially when comparisons are made with other clubs on the Central Coast. The indicators show that since October last year to now that there has been a reasonable upturn in our financial position.

There are a number of "thankyous" to groups within the structure of this club I wish to acknowledge:  
Management and staff - a difficult year for them, much restructuring occurring which included the appointment of Carol Imrie, Operations Manager, a new position which the Board saw fit to create.  
The Board congratulates all staff on an excellent effort during the year. Their happy faces have been noted by both Board and club members alike.

The OURIMBAH GREENS restaurant; Barry Liang and his staff, for good food and service.

Both the men and women's bowling clubs, continue to perform and work tirelessly to achieve an excellent and friendly facility for its members. Both have achieved a high degree of financial independence from the Club Ltd.

To the members, special thanks to those members who have supported Ourimbah Lisarow RSL club during the year, without your patronage and support the club would not exist.

Thank you to Dave Pankhurst, his committee and the Sub Branch members who have worked with the Club Ltd. during the year to achieve both clubs objectives. The Sub Branch is steadily growing in numbers where generally other sub branches are in decline.

Last but not least I thank personally the members of the Board and their long suffering wives and partners, for their dedication to duty, as I firmly believe that in my ten years involvement with this Board, this has been the most difficult year. There were many more meetings to attend, on and off premises with an ever increasing workload and accountability placed upon us.

Again thank you all for a great all-round effort and on behalf of myself, the Board and Management we wish you all the very best.

**Russ Whitcher**  
**President.**

# **TREASURER'S REPORT**

This report being my fifth report as Treasurer of your Club, is unfortunately in the red due to high interest rates at the beginning of the year and still feeling the effects of the Smoking Ban.

The Poker Machine fleet has again been upgraded and 10 Poker Machines have been put in an area where smokers can play Poker Machines and smoke. Unfortunately our Poker Machine revenue is down by \$17,442.00.

The Bar takings are up showing a good profit of \$231,047.00 up by \$110,181.00.

Our cash flow shows a debt to the ANZ Bank of \$1,500,000.00 which was due to stage two, the upgrade to the Club. At the end of the year we had \$359,518 cash at hand.

The Club is in a very good financial position as we have paid out of our cash flow approximately \$85,000 for the moving of the new TAB area and the new outside area for Poker Machines, we also paid an extra \$65,992 in borrowing costs. Unfortunately we ended up with a loss of \$15,125

A big thank you to Barry and the team at the World Famous "All You Can Eat Buffet". It is still a main attraction at your Club, to the staff and my fellow directors I thank you for your tireless efforts.

**Yours sincerely,  
Gordon Woodhouse  
Treasurer**

## **Ourimbah-Lisarow RSL Mens Bowling Club Presidents Report**

As this is my second report for the Bowling Club I have endeavoured to see our Club be successful.

I would like to thank my new committee members who made my position a lot easier, all working together as a team.

Senior Vice President, Russ Witcher, who is also our Greens Director, has worked with our Green Keeper, Brian Starkey, and his son Brett, to having our greens running and looking the best on the coast. Vice President Noel Preston must be complimented for his efforts as he always is available to assist with any task offered.

To our Secretary, Albert Tracey, thank you for your continual good work and working well with Greg Forbes our Treasurer, our Bowling Club is still in a healthy financial position. The reason we are in this position is due to all the volunteers helping Brian Starkey early in the morning.

Have a good look at our new shade cloth and seating around the two greens. It takes a lot of work and should be finished before the AGM. The same faces are always there and it would be a great help if we could get some extra new faces to lend a hand.

Dirk Van Spronssen our Bowls Secretary for organizing all social barefoot bowls and the many extra hours you put in, thank you.

Match Committee, Viv Truslar and his boys, John Dawson and Steve Van Wyk, for doing a terrific job. We are well in front with the championship.

Thanks also to Selectors, Fred Bell, Dirk Van Spronssen and Brian Starkey for doing a good job organising pennants trials so far.

Publicity Officer, Michael Braham, has done a good job getting new sponsors and the old sponsors are still supporting us every year thank you.

Presentation Night was a great success with 90 people attending, good job Michael and Viv, mighty night. Social club consisting of Laurie Jones, Jeff Allan, Noel Preston and extra helpers, the time you have put in goes a long way and makes my job and the jobs of other committee members a lot easier.

Due to the recent promotion of Barefoot Bowls it has become very popular with the community especially local businesses, sporting, social clubs and family parties.

When you have 70 to 80 people to cater for, Laurie, you and your boys are doing a great job. Special thanks also to our lady bowlers for helping whenever needed and making the boys those special cakes.

I would like to thank our major sponsors Mackay Family Funerals, Mix Meat Barn, Pal Earthmoving, Schweppes and Ourimbah-Lisarow RSL Club.

On closing my report I would like to thank John Atkins, Secretary Manager, of Ourimbah RSL Club and his terrific staff for their ongoing support and success of our bowling club.

**Yours in Bowls,  
Brian Braham  
President**

# **OURIMBAH-LISAROW RSL SUB BRANCH REPORT**

As 2008 fades into the annals of history, the time has come once again to reflect on the progress and happenings of the Sub Branch throughout that year.

2008 saw us maintain our strong membership base, with a very gradual increase in member numbers. It is extremely pleasing to note once again, the percentage rate of our total membership base that attend our monthly meetings is still very high, and I must proudly thank you all for your interest, your input and your dedication to the wellbeing of our Sub Branch.

Our welfare team is once again worthy and very deserving of the highest accolades for their work throughout the year. Their task is a very difficult one, not perhaps in the physical sense, but most definitely in the emotional sense as whenever they are called upon to perform their duties it is as the result of a bereavement, sickness, hospitalisation, or someone who has fallen on hard times. All of these situations are attended to by our wonderful team with extreme compassion, care understanding and sincerity. They not only provide these services for our own members, but are frequently called upon by Sub Branches outside of the Central Coast region to provide some of these services to their members residing in our area. The answer is never "no". The majority of their work goes largely unnoticed, except for a brief report given by them at our monthly meetings. We are all very proud of your efforts, none more proud than I. Barbara McNab and Gordon Brotherston, we humbly say, Thank You.

Our pensions team is also worthy of special mention for the equally important task they performed throughout the year assisting members with all aspects regarding service pensions, and other DVA entitlements. This can be a daunting and confusing task for the veteran to undertake and can quite often result in them not receiving their full and just entitlements if trying to negotiate this legal minefield on their own. I know there are a couple of our members who are extremely happy with service pension increases obtained for them by Greg Forbes. Again, their efforts go largely unnoticed, with the exception of those who receive their direct assistance. The workload of the pension's portfolio now falls completely on the shoulders of Greg Forbes, as Glen Pankhurst has moved out of the area and will not be standing as a pension's officer for the 2009 due to distance constraints. Glen has provided extremely dedicated pensions support to the members of this Sub Branch for the past nine years, and it is with much regret we must bid you farewell. We sincerely thank you for your never ending devotion, and eagerness to assist the veterans in any way. We wish you well in the future, and remind you, you will always be welcome at the Ourimbah Lisarow RSL Sub Branch.

Our "Adopt A Digger" scheme is going extremely well with the boys dispatching several hundred packages to our troops serving overseas. The response we have received from the recipients of these packages has been unbelievable. From individual Soldiers, Sailors and Airmen, to unit commanding officers, Naval ship captains and Air force squadron leaders. The Sub Branch coordinator for this very important and very rewarding initiative started by this Sub Branch and now being encouraged state-wide by the RSL is Garry Channels, and I must once again acknowledge a huge debt of gratitude to Garry and his very dedicated group of people who perform this special task with the utmost dedication and professionalism. Fame has not affected this group of merry men in any way since their appearance on NBN television in recognition of the fantastic job they do. I believe autographs are still available at a reduced rate for Sub Branch Members. Thank you and congratulations for a job very well done.

Our Women's Auxiliary deserves a special mention for their extraordinary effort during the year 2008. Though still experiencing difficulty due to dwindling membership, 2008 was one of their most successful years for quite a long time. This is testimony to their devotion to the wellbeing of the veterans and the never say die attitude of this very unique group of ladies who have the ability to overcome all obstacles that come before them, and there have been plenty, to produce this unbelievable result. In December the Women's Auxiliary presented our benevolent fund with a cheque for the amount of \$4,000. To each and every member of the Women's Auxiliary, from each and every member of the Sub Branch, a heartfelt and sincere THANK YOU.

As president of this Sub Branch, I look back on the year 2008 with immense pride. As I look forward to the remainder of 2009, I hope you will all share with me my vision of maintaining the Ourimbah Lisarow RSL Sub Branch as one of the premier Sub Branches in the region.

**Dave Pankhurst.**  
**Sub Branch president.**

## ***Ourimbah-Lisarow RSL Womens Bowling Club Report***

I congratulate our Club for the achievements throughout the year. Our Pennant Team performed very well and found the experience to be invaluable. Again our Intra Club matches are always friendly and very competitive. Mixed Turn around Tripples held in July is a very popular day, and enjoyed by all. Gala Day, held later in the year is yet another wonderful event with visiting Clubs coming from all over the District, and of course the friendship between the Clubs is outstanding.

Thanks go to the Men's Bowling Club for their help and support throughout the year.

Thanks also to Ourimbah-Lisarow RSL Club for the use of the Club when needed.

Yours sincerely,

**Carol Young**  
**Secretary Ourimbah-Lisarow**  
**Women's Bowling Club**

**OURIMBAH-LISAROW RSL CLUB LIMITED**

**ABN 18 000 904 594**

**ANNUAL REPORT**

**31ST DECEMBER 2008**

**OURIMBAH-LISAROW RSL CLUB LIMITED**

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**OURIMBAH-LISAROW RSL CLUB LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31ST DECEMBER 2008**

To be presented to members at the Annual General Meeting of the company to be held at the Clubhouse, Pacific Highway, Ourimbah at 9 am, Sunday the 29<sup>th</sup> of March, 2009.

The Directors have pleasure in presenting their Annual Report on the financial accounts of the company for the year ended 31st December 2008.

**INFORMATION ON DIRECTORS'**

The names and particulars of the directors in office at the date of this report are:

<b>Name</b>	<b>Experience as Directors of Various Clubs</b>	<b>Qualifications</b>	<b>Special Responsibilities</b>
Russell Witcher	10 Years	Retired	President
Brian Braham	4 Years	Retired	Vice President
Gordon Woodhouse	14 Years	Proprietor	Treasurer
Gordon Brotherston	9 Years	Retired	-
Stephen Butler	3 Years	Retired	-
Keith Grattan	3 Years	Retired	-
Barbara McNab	2 Years	Retired	-
Allen Sharpe	23 Years	Manager	-
Paul Deaves	4 Years	Manager	-

Mr John Atkins has held the position of Company Secretary since March 2004. He has been employed in the gaming industry for over 20 years.

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the course of the financial year have been a registered club providing social and sporting activities for the members and their guests.

**OPERATING RESULTS**

The net amount of the company's loss for the financial year after income tax was \$15,125.

**DIVIDENDS**

Under the company's constitution no dividend can be paid.

**SIGNIFICANT CHANGES – ACTIVITIES**

During the financial year there was no significant change in the principal activities of the company.

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

**REVIEW OF OPERATIONS AND RESULTS**

During the financial year the company continued its trading activities. The results of those operations were similar to results for previous years, subject to normal market fluctuations.

The net assets of the company have decreased by \$15,125 during the financial year.

**SIGNIFICANT CHANGES – STATE OF AFFAIRS**

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report.

**MEMBERS**

There were 12,934 Members of Ourimbah-Lisarow RSL Club Limited as at 31st December 2008 being 101 Ordinary Members, 5 Honorary Life Members and 12,828 Associate Members.

**LIKELY DEVELOPMENTS AND EXPECTED RESULTS**

The Directors are not aware of any likely developments in the operations of the Company or of any change in expected results of those operations in financial years subsequent to that financial year other than the impact of the effect of the phasing in of a full indoor smoking ban from 1<sup>st</sup> July 2007.

**FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES**

Club and hotel gaming machine duty (tax) rates increased effective 31st December 2005. The new rates of tax are being phased-in over seven years.

**ENVIRONMENTAL ISSUES**

The company's operations are subject to minimal environmental regulation under the law of the Commonwealth, State and Local Governments.

**DIRECTORS' BENEFITS**

During or since the financial year other than in the instances below, no Director of the company has received or become entitled to receive a benefit because of a contract that the Director, or a firm in which the Director is a member, or an entity in which the Director has a substantial financial interest made with the company, or an entity that the company controlled, or a body corporate that was related to the company, when the contract was made or when the Director received, or became entitled to receive the benefit.

**OURIMBAH-LISAROW RSL CLUB LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31ST DECEMBER 2008**

**OFFICER'S AND DIRECTORS' INDEMNIFICATION**

The company has not, during or since the financial year, in respect of any person who is or has been a Director or Officer of the company:-

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

With the exception of the following matters:-

During or since the financial year the company had paid premiums to insure each of the following Directors and Company Officers against liabilities.

Russell Whitcher	Gordon Brotherston	Keith Grattan
Brian Braham	Stephen Butler	Barbara McNab
Gordon Woodhouse	Paul Deaves	Allen Sharpe
John Atkins	George Keft	

The amount of the premium was \$2,000.00 and liability is limited to \$2 million.

**RECORD OF ATTENDANCE AT BOARD MEETINGS**

**Board Meetings and Special Board Meetings**

	<b>Meetings Attended</b>	<b>Total Meetings</b>
Russell Whitcher	20	22
Brian Braham	22	22
Gordon Woodhouse	19	22
Gordon Brotherston	21	22
Stephen Butler	20	22
Keith Grattan	13	22
Paul Deaves	13	19
Allen Sharpe	20	22
Barbara McNab	22	22
George Keft	3	3

**PROCEEDINGS ON BEHALF OF COMPANY**

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

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

**AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration for the year ended 31<sup>st</sup> December 2008 has been received and forms part of the Annual Financial Report.

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

On Behalf of the Directors.

RUSS WHITCHER

.....  
President

GORDON WOODHOUSE

.....  
Treasurer:

Dated at Ourimbah this 29<sup>th</sup> of January, 2009.

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**DIRECTORS' DECLARATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 22, are in accordance with the *Corporations Act 2001* and:
  - a. Comply with Accounting Standards and the Corporations Regulations 2001; and
  - b. Give a true and fair view of the financial position as at 31st December 2008 and of the performance for the year ended on that date of the company.
2. In this 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 RUSS WHITCHER  
President

Director GORDON WOODHOUSE  
Treasurer

Dated at Ourimbah this 29<sup>th</sup> of January, 2009.

**OURIMBAH – LISAROW RSL CLUB LIMITED**  
**AUDITOR’S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF OURIMBAH-LISAROW RSL CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31st December 2008 there has 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.

O'Donoghue & Co  
2<sup>nd</sup> Floor, 86 Mann Street  
GOSFORD NSW 2250  
Ph: (02) 4325 0314

**O'DONOGHUE & CO**

Patrick O'Donoghue  
-----

**P.G. O'DONOGHUE**  
**Principal**

Registered Company Auditor

Dated at Ourimbah this 29<sup>th</sup> of January, 2009.

**INDEPENDENT AUDIT REPORT TO THE MEMBER'S  
OF OURIMBAH-LISAROW RSL CLUB LIMITED**

**SCOPE**

We have audited the financial report of Ourimbah-Lisarow RSL Club Limited for the financial year ended 31st December 2008, as set out on pages 1 to 4 and 8 to 22.

The company's Directors are responsible for the financial report. We have conducted an independent audit of this financial audit in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and cash flow.

The audit opinion expressed in this report has been formed on the above basis.

**INDEPENDENCE**

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the Auditor's Independence Declaration set out on page 6 of the Annual Financial Report has not changed as at the date of providing our audit opinion.

Audit Opinion

In our opinion, the financial report of Ourimbah-Lisarow RSL Club Limited is in accordance with:-

- (a) the Corporations Act 2001 including:
  - (i) giving a true and fair view of the Company's financial position as at 31st December 2008 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Corporation Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

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**O'DONOGHUE & CO**

Patrick O'Donoghue  
**P.G. O'DONOGHUE**  
**Principal**

Registered Company Auditor

Dated at Ourimbah this 29<sup>th</sup> of January, 2009.

## OURIMBAH-LISAROW RSL CLUB LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2008

	Notes	2008 \$	2007 \$
Revenue from Ordinary Activities	2	<u>3,739,787</u>	<u>3,705,828</u>
Cost of Goods Sold		(464,699)	(475,154)
Employment Expenses		(1,178,796)	(1,186,226)
Poker Machine Taxes		(348,390)	(353,300)
Borrowing Costs	3	(122,937)	(56,945)
Other Expenses from Ordinary Activities		(1,414,900)	(1,378,549)
Depreciation and Amortisation Expenses	3	<u>(225,190)</u>	<u>(181,376)</u>
Profit/(Loss) before Tax		(15,125)	74,278
Income Tax Expense	1(m),13	-	-
Profit/(Loss) After Tax		<u>(15,125)</u>	<u>74,278</u>

The accompanying notes form part of these financial statements.

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Profit/(Loss) for the Year	(15,125)	74,278
Retained Earnings 1 January	6,957,718	6,883,440
Referred Earnings 31 <sup>st</sup> December	<u>6,942,593</u>	<u>6,957,718</u>

## OURIMBAH-LISAROW RSL CLUB LIMITED

## BALANCE SHEET

AS AT 31ST DECEMBER 2008

	Notes	2008 \$	2007 \$
<b>Current Assets</b>			
Cash	12(i)	359,518	429,890
Receivables	4	10,208	4,622
Inventories	5	55,259	44,087
Other	6	39,963	7,787
<b>Total Current Assets</b>		<u>464,948</u>	<u>486,386</u>
<b>Non Current Assets</b>			
Property, Plant & Equipment	7	8,664,046	8,032,160
<b>Total Non Current Assets</b>		<u>8,664,046</u>	<u>8,032,160</u>
<b>Total Assets</b>		<u>9,128,994</u>	<u>8,518,546</u>
<b>Current Liabilities</b>			
Payables	8	88,822	112,826
Provisions	10	215,249	180,534
Other	11	62,015	77,143
<b>Total Current Liabilities</b>		<u>366,086</u>	<u>370,503</u>
<b>Non Current Liabilities</b>			
Interest Bearing Liabilities	9	1,500,000	1,092,000
Provisions	10	5,314	5,314
Other	11	221,990	-
<b>Total Non Current Liabilities</b>		<u>1,727,304</u>	<u>1,097,314</u>
<b>Total Liabilities</b>		<u>2,093,390</u>	<u>1,467,817</u>
<b>Net Assets</b>		<u>7,035,604</u>	<u>7,050,729</u>
<b>Members' Funds</b>			
Reserves		93,011	93,011
Retained Profits		6,942,593	6,957,718
<b>Members' Funds</b>		<u>7,035,604</u>	<u>7,050,729</u>

The accompanying notes form part of these financial statements.

## OURIMBAH-LISAROW RSL CLUB LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2008

	Notes	2008 \$ INFLOWS (OUTFLOWS)	2007 \$ INFLOWS (OUTFLOWS)
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	2	3,726,274	3,688,870
Payments to suppliers and employees		(3,238,146)	(3,466,360)
Dividends received	2	121	159
Interest received	2	13,392	16,799
Borrowing costs		(122,937)	(56,945)
Net Cash provided by Operating Activities	12 (ii)	<u>378,704</u>	<u>182,523</u>
<b>Cash flows from Investing Activities</b>			
Payment for property, plant and equipment		(857,076)	(1,281,565)
Proceeds from the sale of assets		-	5,136
Net Cash used in Investing Activities		<u>(857,076)</u>	<u>(1,276,429)</u>
<b>Cash flows from Financing Activities</b>			
Proceeds/(Repayment) of Borrowings		<u>408,000</u>	<u>1,092,000</u>
Net Cash provided by/(used in) Financing Activities		<u>408,000</u>	<u>1,092,000</u>
Net Increase/(Decrease) in cash held		(70,372)	(1,906)
Cash held at the beginning of the financial year		429,890	431,796
Cash held at the end of the financial year	12 (i)	<u>359,518</u>	<u>429,890</u>

The accompanying notes from part of these financial statements

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

These Notes form part of and should be read in conjunction with the 2008 Accounts.

**Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

Ourimbah-Lisarow RSL Club Limited (the "Company") is a company domiciled in Australia. The financial report was authorised for issue by the Directors on 29<sup>th</sup> January, 2009.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Statement of compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB"), the Corporations Act 2001, the Registered Clubs Act 1976 and the Gaming Machines Tax Act 2001. International Financial Reporting Standards ("IFRSs") form the basis of Australian Accounting Standards ("AASBs") adopted by the AASB, and for the purpose of this report is called Australian equivalents to IFRS ("AIFRS") to distinguish from previous Australian Generally Accepted Accounting Principles ("GAAP"). The financial report of the Company also complies with IFRSs and interpretations adopted by the International Accounting Standards Board.

This is the Company's first financial report prepared in accordance with Australian Accounting Standards, being AIFRS, and AASB 1 *First-Time Adoption of Australian Equivalents to International Financial Reporting Standards* has been applied. An explanation of how the transition to AIFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 18.

**(b) Basis of preparation**

The financial report is presented in Australian dollars, and is prepared on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. 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. These accounting policies have been consistently applied by the Company.

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.

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are discussed in Note 2.

The accounting policies set out below have been applied consistently to all periods presented in the financial report and in preparing an opening AIFRS balance sheet at 1 January 2004 for the purposes of the transition to Australian Accounting Standards – AIFRS.

**(i) Issued standards not early adopted**

The following standards and amendments were available for early adoption but have not been applied by the Company in these financial statements:

<b>AASB No.</b>	<b>Title</b>	<b>Operative Date</b>
7	Financial instruments: Disclosures	1 January 2007
101	Presentation of financial statements	1 January 2006
119	Employee benefits	1 January 2006
2005-4	Amendments to Australian Accounting Standards	1 January 2006
2005-5	Amendments to Australian Accounting Standards	1 January 2006
2005-6	Amendments to Australian Accounting Standards	1 January 2006
2005-9	Amendments to Australian Accounting Standards	1 January 2006
2005-10	Amendments to Australian Accounting Standards	1 January 2007
2006-1	Amendments to Australian Accounting Standards	31 December 2006

The Company plans to adopt AASB 101, AASB 119, AASB 2005-4, AASB 2005-5, AASB 2005-6, AASB 2005-9 and AASB 2006-1 in the financial year ending 31<sup>st</sup> December 2007 and AASB 7 and AASB 2005-10 in the financial year ending 31<sup>st</sup> December 2008. However, the quantification of the impact is not known or reasonable estimable in the current year as an exercise to quantify the financial impact has not been undertaken by the company to-date.

**(c) Property, plant and equipment**

**(i) Owned assets**

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (see accounting policy (g)).

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 January 2005, the date of transition to Australian Accounting Standards – AIFRS, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

**(ii) Leased assets**

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Other leases are classified as operating leases.

**(iii) Subsequent costs**

The Company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

**(iv) Depreciation**

Depreciation is charged to the income statement on a straight-line or reducing balance basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives in the current and comparative periods are as follows:

- Buildings 8-10 years
- Plant, furnishings & equipment 4-8 years
- Plant & equipment under lease Term of lease

The residual value, if not insignificant, is reassessed annually.

**(d) Trade and other receivables**

Trade and other receivables are stated at their cost less impairment losses (see accounting policy (g(i))).

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**(f) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(g) Impairment**

The carrying amounts of the Company's assets, other than inventories (see accounting policy (e)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy (g(i))).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

**(i) Calculation of recoverable amount**

The recoverable amount of the Company's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**(ii) Reversals of impairment**

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of other assets is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(h) Interest-bearing borrowings**

**Current accounting policy**

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

**Comparative period policy**

Bank loans are recognised at their principal amount, subject to set-off arrangements. Interest expense is accrued at the contracted rate and included in Note 1(j) Trade and Other Payables.

Bills payable are recognised when issued at the net proceeds received, with the premium or discount on issue amortised over the period to maturity. Interest expense is recognised on an effective yield basis.

**(i) Employee benefits****(i) Defined contribution plans**

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

**(ii) Long-term service benefits**

The Company's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Company's obligations.

**(iii) Wages, salaries, annual leave, sick leave and non-monetary benefits**

Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

**(j) Trade and other payables**

Trade and other payables are stated at cost.

**(k) Revenue****Goods sold and services rendered**

Revenue from the sale of goods comprises revenue earned from the provision of beverages and other goods and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services to members and other patrons of the company is recognised in the income statement when the services are provided. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods.

**(l) Expenses****(i) Operating lease payments**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense and spread over the lease term.

**(ii) Net financing costs**

Net financing costs comprise interest payable on borrowings calculated using the effective interest method and interest receivable on funds invested.

Interest income is recognised in the income statement as it accrues, using the effective interest method. The interest expense component of finance lease payment is recognised in the income statement using the effective interest method.

**(m) Income tax**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

**(o) Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Management has been involved in the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates.

**3. SEGMENT ACCOUNTING**

The Company operates predominantly in the hospitality and entertainment industry.

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

	2008 \$	2007 \$
<b>Note 2 – REVENUE</b>		
Operating Activities		
- Sale of Goods	1,118,675	1,093,971
- Rendering of Services	2,598,699	2,582,490
	<u>3,717,374</u>	<u>3,676,461</u>
Other income		
- Dividends received	121	159
- Interest received (other persons)	13,392	16,799
- Rental revenue	8,900	12,409
	<u>22,413</u>	<u>29,367</u>
<b>Total Revenue</b>	<u><u>3,739,787</u></u>	<u><u>3,705,828</u></u>

**Note 3 – OPERATING PROFIT**

(a) Operating Profit before abnormal items and income tax has been determined after:-

(i) Charging as Expenses:-

Interest paid to:-		
- Other persons	101,284	37,735
Depreciation	79,820	70,606
Amortisation of:-		
- Buildings	145,370	110,770
Profit/(Loss) on Sale of non-current assets	-	5,136
Borrowing Costs	21,653	19,210
Employee Expenses		
- Wages and Salaries	959,221	1,026,760
- Superannuation	100,441	91,641
- Payroll Tax	32,424	35,653
- Increase/(Decrease) in Liability for Annual Leave	7,015	5,890
- Increase/(Decrease) in Liability for Sick leave	(5,930)	(22,723)
- Increase/(Decrease) in Liability for Long Service Leave	(7,604)	12,878
- Staff Welfare and Benefits	19,881	10,094

	2008 \$	2007 \$
<b>Note 4 – RECEIVABLES</b>		
Accounts Receivable	10,208	4,622
<b>Note 5 – INVENTORIES</b>		
Bar Stock	55,259	44,087
<b>Note 6 – OTHER CURRENT ASSETS</b>		
Prepayments	34,463	2,287
Security Deposits	5,500	5,500
	39,963	7,787
<b>Note 7 – PROPERTY, PLANT AND EQUIPMENT</b>		
Buildings and Property - At Cost	9,352,834	8,706,929
Less: Accumulated Depreciation	(1,046,953)	(901,583)
	8,305,881	7,805,346
Plant and Equipment – At Cost	1,191,260	1,142,533
Less: Accumulated Depreciation	(1,040,545)	(1,018,538)
	150,715	123,995
Poker Machines – At Cost	1,014,120	818,068
Less: Accumulated Depreciation	(821,082)	(784,133)
	193,038	33,935
Motor Vehicles – At Cost	37,273	37,273
Less: Accumulated Depreciation	(36,321)	(34,681)
	952	2,592
Bowling Greens at Cost	51,392	85,000
Less: Accumulated Depreciation	(37,932)	(18,708)
	13,460	66,292
	8,664,046	8,032,160
<b>Note 8 – PAYABLES</b>		
Current – Accounts Payable	88,822	112,826

**Note 9 – INTEREST BEARING LIABILITIES**

	2008 \$	2007 \$
<b>Current</b>		
Loan – ANZ Bank Ltd	-	-
<b>Non Current</b>		
Loan – ANZ Bank Ltd	1,500,000	1,092,000
<b>Total Interest Bearing Liabilities</b>	<u>1,500,000</u>	<u>1,092,000</u>
<b>Standby Arrangements and Unused Credit Facilities</b>		
Credit Facility	1,520,000	1,520,000
Amount Utilised	1,500,000	1,092,000
Unused Credit Facility	20,000	428,000

The major facilities are:

Annual review of facility.

The bank is secured by first mortgage over the property 6-22 Pacific Highway & 127 – 129 Pacific Highway, fixed and floating charge over company and over liquor licence.

**Note 10 – PROVISIONS****Current**

Employee Entitlements - Annual Leave	88,185	81,170
- Long Service Leave	61,061	66,991
- Sick Leave	13,092	20,696
GST	52,911	11,677
<b>Total Current Liability</b>	<u>215,249</u>	<u>180,534</u>

**Non-Current**

Provision for Deferred Income Tax Liability	5,314	5,314
<b>Total Non-Current Liability</b>	<u>5,314</u>	<u>5,314</u>

**Note 11 – OTHER LIABILITIES****Current**

Accrued - Audit Fees & Accountancy	-	8,500
- Poker Machine – GST Rebate	-	6,363
- Poker Machine Duty	27,124	27,080
- Other Accruals	12,397	11,073
Members Subscriptions in Advance	19,240	24,743
Other	3,254	(616)
<b>Total Current Liability</b>	<u>62,015</u>	<u>77,143</u>

**Non-Current**

Hire Purchase	<u>221,990</u>	<u>-</u>
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**Note 12 – NOTES TO THE STATEMENT OF CASH FLOWS****(i) Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdraft. Cash as 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:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Cash on Hand	83,096	81,996
Cash at Bank		
- ANZ Main Account	164,732	92,150
- ANZ Cash Management Account	104,913	248,744
- Westpac Keno Account	1,777	2,000
- Westpac TAB Account	5,000	5,000
	<u>359,518</u>	<u>429,890</u>

**(ii) Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax.**

Operating Profit/(Loss) after Income Tax	(15,125)	74,278
Depreciation of Fixed Assets	79,820	70,606
Amortisation of Buildings	145,370	110,770
(Gain)/Loss on Sale of Fixed Assets	-	(5,136)
(Increase)/Decrease in Receivables	(5,586)	(2,235)
(Increase)/Decrease in Inventories	(11,172)	(4,888)
(Increase)/Decrease in Other Current Assets	(32,176)	(2,287)
Increase/(Decrease) in Accounts Payable	(24,004)	(28,361)
Increase/(Decrease) in Provisions	34,715	(9,863)
Increase/(Decrease) in Other Liabilities	206,862	(20,361)
	<u>378,704</u>	<u>182,523</u>

**Note 13 – TAXATION**

The prima facie tax on operating profit and abnormal items is reconciled to the income tax provided in the accounts as follows:

Operating Profit/(Loss)	(15,125)	74,278
No income tax is assessed against the operating profit.		

	2008 \$	2007 \$
<b>Note 14 – CAPITAL EXPENDITURE COMMITMENTS</b>		
Plant and Equipment Contract	314,214	-
<b>Payable</b>		
Not later than 12 months	159,535	-
Between 12 months and 5 years	154,679	-
Greater than 5 years	-	-

#### **Note 15 – AUDITORS' REMUNERATION**

Remuneration of the auditor for:-

- Auditing services	7,000	3,755
- Other services	7,000	6,155
	<u>14,000</u>	<u>9,910</u>

#### **Note 16 – KEY MANAGEMENT PERSONNEL DISCLOSURES**

The following were key management personnel of the Company at any time during the reporting period, and unless otherwise indicated were key management personnel for the entire period:

##### **Non-executive directors**

Russell Whitcher	Gordon Brotherson	Keith Grattan
Brian Braham	Stephen Butler	Barbara McNab
Gordon Woodhouse	Paul Deaves – 9 months	Allen Sharpe
George Keft – 3 months		

##### **Executives**

John Atkins (CEO)

##### **(i) Transactions with key management personnel**

The Company paid honorariums to non-executive directors, which totalled \$28,500 for the year ended 31<sup>st</sup> December 2008 (2007: \$29,004).

##### **(ii) Other key management personnel transactions with the company**

From time to time, directors of the Company, or their director related entities, may purchase goods from the Company. These purchases are on the same terms and conditions as those entered into by other Company 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 Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**POKER MACHINE TRADING STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Poker Machine Takings - Net	2,157,319	2,180,861
Poker Machine GST Rebate	13,999	20,362
<b>TOTAL POKER MACHINE TAKINGS</b>	<u>2,171,318</u>	<u>2,201,223</u>
<b>LESS POKER MACHINE EXPENSES</b>		
CDSE	12,896	14,196
Data Monitoring	37,049	32,675
Depreciation	37,613	13,023
Hire Purchase Interest	4,830	-
Poker Machine Approvals	4,050	328
Poker Machine Duty	348,390	353,300
Poker Machine Rental	169,054	222,689
Provision for Annual Leave	8,096	10,550
Repairs & Maintenance	44,694	32,536
Superannuation	8,730	8,067
Unders / Overs	-	1,125
Wages	103,579	102,955
<b>TOTAL EXPENSES</b>	<u>778,981</u>	<u>791,444</u>
<b>TRADING PROFIT/(LOSS)</b>	<u>1,392,337</u>	<u>1,409,779</u>

## OURIMBAH-LISAROW RSL CLUB LIMITED

## BAR TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2008

	2008 \$	2007 \$
<b>INCOME</b>		
Bar Sales	1,118,675	1,093,971
<b>LESS COST OF GOODS SOLD</b>		
Opening Stock	44,087	39,200
Purchases	475,871	480,041
Less Closing Stock	(55,259)	(44,087)
<b>TOTAL COST OF GOODS SOLD</b>	464,699	475,154
<b>GROSS PROFIT</b>	653,976	618,817
<b>LESS BAR EXPENSES</b>		
Beer Gas	4,265	4,396
Depreciation	7,064	5,206
Hire Purchase Interest Paid	1,348	-
Provision for Annual Leave	23,048	30,631
Repairs & Maintenance	11,378	4,939
Replacements	5,138	5,557
Stock take Fees	5,600	8,159
Sundries	1	1,891
Superannuation	29,501	33,122
Unders / Overs	-	557
Wages	335,586	403,493
<b>TOTAL EXPENSES</b>	422,929	497,951
<b>TRADING PROFIT/(LOSS)</b>	231,047	120,866

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**PROMOTIONS TRADING STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Bingo	13,881	16,454
Raffles	138,329	123,753
Room Hire	31,866	20,546
Sundry Income	-	111
	<u>184,076</u>	<u>160,864</u>
<b>LESS PROMOTION EXPENSES</b>		
APRA Fees	2,600	3,600
Bands & Artists	86,088	87,574
Bingo Expenses	22,804	18,818
Children's Christmas Party	10,923	10,246
Coach Expenses	2,400	2,000
Courtesy Bus Expenses	10,086	9,130
Computa Game Expenses	11,269	16,247
Designated Driver Expense	437	668
Fox Sport	27,400	28,275
Friday Raffle Expenses	59,865	58,733
Function Expense	7,788	6,215
Hire of Equipment	1,440	867
Marketing Expense	3,300	1,768
Member's Draw	13,200	6,230
Member's Expenses	22,323	23,474
Melbourne Cup Day	1,800	459
New Years Eve	1,200	127
Promotions Expenses	58,779	40,498
Sunday Raffle – Expenses	99,805	113,638
Repairs & Maintenance	-	-
Sponsorship – Cricket/Soccer	20,163	20,004
Wages – Promotions	18,352	21,392
Superannuation – Promotions	1,425	1,502
<b>TOTAL EXPENSES</b>	<u>483,447</u>	<u>471,465</u>
<b>TRADING PROFIT/(LOSS)</b>	<u>(299,371)</u>	<u>(310,601)</u>

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**BOWLING GREENS TRADING STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Bowling Contribution	-	7,273
	<hr/>	<hr/>
<b>LESS BOWLING GREEN EXPENSES</b>		
Depreciation	2,400	2,572
Provision for Annual Leave	2,675	3,828
Repairs & Maintenance	85	972
Sponsorship	-	14
Superannuation	5,902	5,066
Wages	51,282	52,489
<b>TOTAL EXPENSES</b>	<hr/> 62,344	<hr/> 64,941
<b>TRADING PROFIT/(LOSS)</b>	<hr/> <hr/> (62,344)	<hr/> <hr/> (57,668)

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**RESTAURANT TRADING STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008 \$	2007 \$
<b>INCOME</b>		
Restaurant - Rent	7,900	-
	<u>7,900</u>	<u>-</u>
<b>LESS RESTAURANT EXPENSES</b>		
Depreciation – Kitchen	4,681	12,100
Equipment Rental	10,521	9,998
Gas	16,427	15,108
Sundry Expenses	259	913
Replacements	3,950	3,983
Subsidy Expense	47,750	42,742
Repairs & Maintenance	13,121	6,359
<b>TOTAL EXPENSES</b>	<u>96,709</u>	<u>91,203</u>
<b>TRADING PROFIT/(LOSS)</b>	<u>(88,809)</u>	<u>(91,203)</u>

## OURIMBAH-LISAROW RSL CLUB LIMITED

## KENO TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2008

	2008 \$	2007 \$
<b>INCOME</b>		
Keno Commission	57,818	52,363
Bonus Keno Commission	11,028	11,678
	<u>68,846</u>	<u>64,041</u>
<b>LESS KENO EXPENSES</b>		
Annual & Long Service Leave	1,380	1,980
Hire of Equipment	-	800
Wages – Keno	27,591	25,692
Superannuation – Keno	2,653	2,419
Promotions Expense	1,800	1,845
Repairs & Maintenance	3,269	2,813
Stationery	1,495	519
Unders / Overs	-	16
<b>TOTAL EXPENSES</b>	<u>38,188</u>	<u>36,084</u>
<b>TRADING PROFIT/(LOSS)</b>	<u>30,658</u>	<u>27,957</u>

## TAB TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2008

	2008 \$	2007 \$
<b>INCOME</b>		
TAB Commission	<u>20,026</u>	<u>21,554</u>
<b>LESS TAB EXPENSES</b>		
Annual & Long Service Leave	1,380	1,980
Wages	27,591	25,752
Superannuation	2,653	2,419
Sky Channel	26,572	22,648
Unders / Overs	-	975
Rent / Television	4,332	5,665
Promotions Expenses	1,979	(1,000)
<b>TOTAL EXPENSES</b>	<u>64,507</u>	<u>58,439</u>
<b>TRADING PROFIT/(LOSS)</b>	<u>(44,481)</u>	<u>(36,885)</u>

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**CONSOLIDATED SUPPLEMENTARY STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008	2007
	\$	\$
<b>INCOME</b>		
Poker Machine Trading Statement	1,392,337	1,409,779
Bar Trading Statement	231,047	120,866
Promotions Trading Statement	(299,371)	(310,601)
Bowling Greens Trading Statement	(62,344)	(57,668)
Restaurant Trading Statement	(88,809)	(91,203)
KENO Trading Statement	30,658	27,957
TAB Trading Statement	(44,481)	(36,885)
Commission Received	24,883	27,081
Government Grant	39,535	28,545
House Rent	1,000	12,409
Interest Received	13,392	16,799
Member's Subscriptions	57,696	64,059
Dividends Received	121	159
Other Income	10,740	13,817
ATM Income	20,840	20,891
Telephone Receipts	739	720
Profit/(Loss) on Sale of Assets	-	5,136
<b>TOTAL INCOME</b>	<b>1,327,983</b>	<b>1,251,861</b>
<b>LESS EXPENSES</b>		
Accountancy Fees	7,000	6,155
Advertising	20,072	8,210
AGM Expenses	9,951	9,464
Amortisation – Buildings	145,370	110,770
ATM Expenses	35	4,200
Auditors Fees	7,000	3,755
Bad Debts	555	1,437
Bank / Borrowing Costs	21,653	19,210
Cleaning	59,906	53,223
Computer Expenses	10,492	8,189
Consultants Fees	12,085	-
Depreciation	28,062	37,705
Directors Expenses	44,269	44,476
Floral Tributes	455	941
Health Hygiene & Sanitary	11,824	9,193
Insurance - General	34,644	32,891
- Workers Compensation	31,548	35,351
Interest Paid	95,106	37,735

**OURIMBAH-LISAROW RSL CLUB LIMITED**  
**CONSOLIDATED SUPPLEMENTARY STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008	2007
	\$	\$
<b>LESS EXPENSES (CON'T)</b>		
Legal Fees	173	5,400
Licenses, Permits & Registration Fees	10,585	10,200
Light & Power	128,072	106,385
Membership Cards	9,759	10,179
Payroll Tax	32,424	35,653
Photocopy / Fax Expenses	1,646	2,610
Printing, Stationery & Postage	9,805	10,832
Rates & Taxes	26,128	25,764
Repairs & Maintenance	68,736	49,364
Security	27,833	34,119
Superannuation	49,577	39,046
Staff Expenses	19,881	10,094
Telephone	23,222	20,994
Wages & Salaries	395,240	394,987
Unders & Overs – Cash	-	(949)
<b>TOTAL EXPENSES</b>	1,343,108	1,177,583
<b>OPERATING PROFIT/(LOSS) BEFORE INCOME TAX</b>	(15,125)	74,278

The Registered Clubs Amendment Regulation Section 41H, containing information on disclosures and returns, top executive remuneration above \$100,000, overseas travel, employee loans and controlled contracts, is available to be viewed by members upon written request to the CEO.

*Gaming machine profit and the gaming machine tax period* are defined in the Gaming Machine Tax Act 2001.

In the most recent gaming machine tax period, the total profit from gaming machines was **\$2,718,351**.

Clubs earning in excess of \$1,000,000 p.a. in gaming machine profit can apply part of such profit to community development and support.

In the reporting period Sep07-Aug08 the Club applied **\$102,662** to community development and support.