



...your family club

OURIMBAH-LISAROW RSL CLUB LIMITED

ABN 18 000 904 594

ANNUAL REPORT

31ST DECEMBER 2009

OURIMBAH-LISAROW RSL CLUB LIMITED

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OURIMBAH-LISAROW RSL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2009

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 18th April, 2010.

The Directors have pleasure in presenting their Annual Report on the financial accounts of the company for the year ended 31st December 2009.

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 company's net profit for the financial year after income tax was \$122,116.

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 increased by \$122,116 during the financial year.

SIGNIFICANT CHANGES IN 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.

DIVIDENDS

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

LIKELY FUTURE DEVELOPMENTS, PROSPECTS, BUSINESS STRATEGIES 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 the current financial year.

ENVIRONMENTAL ISSUES

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

OURIMBAH-LISAROW RSL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2009

INFORMATION ON DIRECTORS'

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

Name	Experience as Directors of Various Clubs	Qualifications	Special Responsibilities
Russell Whitcher	11 Years	Retired	President
Brian Braham	5 Years	Retired	Vice President
Gordon Woodhouse	15 Years	Proprietor	Treasurer until March 2009
Stephen Butler	4 Years	Retired	Treasurer since March 2009
Glenn Andrew	1 Year	Proprietor	-
Ken Hetherington	7 Years	Retired	-
Barbara McNab	3 Years	Retired	-
Anthony Pearce	2 Years	Retired	-
Allen Sharpe	24 Years	Retired	-

Mr John Atkins has held the position of Company Secretary since March 2004. He has been employed in the gaming industry for over 21 years.

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	Brian Braham	Stephen Butler
Gordon Woodhouse	Glenn Andrew	Gordon Brotherston
Keith Grattan	Ken Hetherington	Barbara McNab
Anthony Pearce	Allen Sharpe	John Atkins

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

OURIMBAH-LISAROW RSL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2009

RECORD OF ATTENDANCE AT BOARD MEETINGS

Board Meetings and Special Board Meetings

	Meetings Attended	Total Meetings
Russell Whitcher	25	25
Brian Braham	23	25
Stephen Butler	22	25
Gordon Woodhouse	5	6
Glenn Andrew – Director since March 2009	18	19
Gordon Brotherston – Director until March 2009	1	6
Keith Grattan – Deceased December 2009	19	19
Ken Hetherington – Director from March 2009	16	19
Barbara McNab	24	25
Anthony Pearce – Director since March 2009	19	19
Allen Sharpe	21	25

MEMBERS

There were 11,959 Members of Ourimbah-Lisarow RSL Club Limited as at 31st December 2009, being 101 Ordinary Members, 8 Honorary Life Members and 11,850 Associate Members.

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.

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 2009

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for the year ended 31st December 2009 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

STEPHEN BUTLER
Treasurer

Dated at Ourimbah on the 10th day of March, 2010.

OURIMBAH-LISAROW RSL CLUB LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31ST DECEMBER 2009

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards; and
 - b. give a true and fair view of the financial position as at 31st December 2009 and of the performance for the year ended on that date of the company.
2. The Chief Executive Officer has declared that
 - a. the financial records of the company for the financial year have been properly maintained with s 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
3. 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.

President: RUSS WHITCHER

Treasurer: STEPHEN BUTLER

Dated at Ourimbah on the 10th day of March, 2010.

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 2009 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.

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GOSFORD NSW 2250
Ph: (02) 4325 0314

O'DONOGHUE & CO

PATRICK O'DONOGHUE

P.G. O'DONOGHUE
Principal

Registered Company Auditor

Dated at Ourimbah on the 10th day of March, 2010.

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

REPORT ON THE FINANCIAL REPORT

We have audited the financial report of Ourimbah-Lisarow RSL Club Limited (the company), which comprises of the Statement of Financial Position as at the 31st December 2009, and the Income Statement, Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31st December, 2009.

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL REPORT

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Auditing Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. 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.

AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Accounting Standards require that we comply with the 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 of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

INDEPENDENCE

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the Independence Declaration, set out on page 6 of the Annual Financial Report, would be in the same terms if provided to the directors as at the date of this auditor's report.

AUDITOR'S OPINION

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

- (i) giving a true and fair view of the Company's financial position as at 31st December 2009 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporation Regulations 2001*;

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O'DONOGHUE & CO

Patrick O'Donoghue

P.G. O'DONOGHUE

Principal

Registered Company Auditor

Dated at Ourimbah on the 10th day of March, 2010.

OURIMBAH-LISAROW RSL CLUB LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	Notes	2009 \$	2008 \$
Revenue from Ordinary Activities	2	<u>4,038,777</u>	<u>3,739,787</u>
Cost of Goods Sold		(475,040)	(464,699)
Employment Expenses		(1,123,152)	(1,178,796)
Poker Machine Taxes		(355,837)	(348,390)
Borrowing Costs	3	(139,086)	(122,937)
Other Expenses from Ordinary Activities		(1,435,857)	(1,414,900)
Depreciation and Amortisation Expenses	3	<u>(387,689)</u>	<u>(225,190)</u>
Profit/(Loss) before Tax		122,116	(15,125)
Income Tax Expense	1(m),13	-	-
Profit/(Loss) After Tax		<u>122,116</u>	<u>(15,125)</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 2009

	2009	2008
	\$	\$
Profit/(Loss) for the Year	122,116	(15,125)
Retained Earnings 1 January	6,942,593	6,957,718
Referred Earnings 31 st December	<u>7,064,709</u>	<u>6,942,593</u>

OURIMBAH-LISAROW RSL CLUB LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2009

	Notes	2009 \$	2008 \$
Current Assets			
Cash	12(i)	590,664	359,518
Receivables	4	8,711	10,208
Inventories	5	39,988	55,259
Other	6	75,740	39,963
Total Current Assets		<u>715,103</u>	<u>464,948</u>
Non Current Assets			
Property, Plant & Equipment	7	8,554,068	8,664,046
Total Non Current Assets		<u>8,554,068</u>	<u>8,664,046</u>
Total Assets		<u>9,269,171</u>	<u>9,128,994</u>
Current Liabilities			
Payables	8	98,806	88,822
Provisions	10	252,498	215,249
Other	11	90,439	62,015
Total Current Liabilities		<u>441,743</u>	<u>366,086</u>
Non Current Liabilities			
Interest Bearing Liabilities	9	1,355,000	1,500,000
Provisions	10	5,314	5,314
Other	11	312,437	221,990
Total Non Current Liabilities		<u>1,672,751</u>	<u>1,727,304</u>
Total Liabilities		<u>2,114,494</u>	<u>2,093,390</u>
Net Assets		<u>7,154,677</u>	<u>7,035,604</u>
Members' Funds			
Reserves		89,968	93,011
Retained Profits		7,064,709	6,942,593
Members' Funds		<u>7,154,677</u>	<u>7,035,604</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 2009

	Notes	2009 \$ INFLOWS (OUTFLOWS)	2008 \$ INFLOWS (OUTFLOWS)
Cash Flows from Operating Activities			
Receipts from customers	2	4,035,320	3,726,274
Payments to suppliers and employees		(3,275,190)	(3,238,146)
Dividends received	2	54	121
Interest received	2	3,403	13,392
Finance costs		(139,086)	(122,937)
Net Cash used in Operating Activities	12 (ii)	<u>624,501</u>	<u>378,704</u>
Cash flows from Investing Activities			
Purchase of property, plant and equipment		<u>(248,355)</u>	<u>(857,076)</u>
Net Cash used in Investing Activities		<u>(248,355)</u>	<u>(857,076)</u>
Cash flows from Financing Activities			
Proceeds/(Repayment) of Borrowings		<u>(145,000)</u>	<u>408,000</u>
Net Cash used in Financing Activities		<u>(145,000)</u>	<u>408,000</u>
Net Increase/(Decrease) in cash held		231,146	(70,372)
Cash held at the beginning of the financial year		359,518	429,890
Cash held at the end of the financial year	12 (i)	<u>590,664</u>	<u>359,518</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 2009

These Notes form part of and should be read in conjunction with the 2009 Accounts.

Note 1 – SUMMARY 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 the 10th March, 2010.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial accounts are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

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

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

(b) Income Tax

The income tax expense for the year comprises of current and deferred income tax expense.

Current income tax expense charged to the profit or loss is the tax payable on the taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss where the tax relates to items that are credited or charged directly to equity.

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.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost includes the cost of acquisition, including all associated costs of the purchase i.e. delivery charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(d) 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 (e)).

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

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

Plant and equipment are measured on the cost basis.

(ii) Leased assets

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred are classified as finance leases. Finance leases are capitalised by recording as asset and liability and lease repayments are allocated between the reduction of the lease liability and the lease interest expense for the period. Other leases are classified as operating leases.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the term of the lease

(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

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the assets useful life. The depreciation rates used for each class of depreciable assets are:

- Buildings 2%
- Plant, furnishings & equipment 5% - 33%
- Plant & equipment under lease 10% - 20%

The assets residual values and useful lives are reviewed and adjusted if necessary at the end of each accounting period.

(e) Impairment of Assets

At the end of each reporting period, it is assessed whether there is any indication that an asset may be impaired, with the exception of accounting policy (c) Inventories. This assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed.

(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) 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.

(h) Provisions

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

(i) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received during the reporting period but remain unpaid.

Trade and other payables are stated at cost.

(j) Revenue

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.

(k) 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.

(l) 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.

(m) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

	2009 \$	2008 \$
Note 2 – REVENUE		
Operating Activities		
- Sale of Goods	1,165,112	1,118,675
- Rendering of Services	2,856,946	2,598,699
	<u>4,022,058</u>	<u>3,717,374</u>
Other income		
- Dividends received	54	121
- Interest received (other persons)	3,403	13,392
- Rental revenue	13,262	8,900
	<u>16,719</u>	<u>22,413</u>
Total Revenue	<u>4,038,777</u>	<u>3,739,787</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	123,857	101,284
Depreciation	130,506	79,820
Amortisation of Buildings	257,183	145,370
Loss on Asset Write Off	(58,048)	-
Borrowing Costs	15,229	21,653
Employee Expenses		
- Wages and Salaries	965,324	959,221
- Superannuation	109,744	100,441
- Payroll Tax	31,348	32,424
- Increase/(Decrease) in Liability for Annual Leave	8,458	7,015
- Increase/(Decrease) in Liability for Sick leave	(892)	(5,930)
- Increase/(Decrease) in Liability for Long Service Leave	(9,696)	(7,604)
- Staff Welfare and Benefits	18,866	19,881

	2009 \$	2008 \$
Note 4 – RECEIVABLES		
Accounts Receivable	8,711	10,208
Note 5 – INVENTORIES		
Bar Stock	39,988	55,259
Note 6 – OTHER CURRENT ASSETS		
Prepayments	70,240	34,463
Security Deposits	5,500	5,500
	75,740	39,963
Note 7 – PROPERTY, PLANT AND EQUIPMENT		
Buildings and Property - At Cost	8,639,617	9,352,834
Less: Accumulated Depreciation	(581,137)	(1,046,953)
	8,058,480	8,305,881
Plant and Equipment – At Cost	191,800	1,191,260
Less: Accumulated Depreciation	(91,735)	(1,040,545)
	100,065	150,715
Poker Machines – At Cost	501,750	1,014,120
Less: Accumulated Depreciation	(110,824)	(821,082)
	390,926	193,038
Motor Vehicles – At Cost	-	37,273
Less: Accumulated Depreciation	-	(36,321)
	-	952
Bowling Greens at Cost	38,466	51,392
Less: Accumulated Depreciation	(33,869)	(37,932)
	4,597	13,460
	8,554,068	8,664,046
Note 8 – PAYABLES		
Current – Accounts Payable	98,806	88,822

2009
\$2008
\$**Note 9 – INTEREST BEARING LIABILITIES****Current**

Loan – ANZ Bank Ltd

-

-

Non Current

Loan – ANZ Bank Ltd

1,355,000

1,500,000

Total Interest Bearing Liabilities

1,355,000

1,500,000

Standby Arrangements and Unused Credit Facilities

Credit Facility

1,440,000

1,520,000

Amount Utilised

1,355,000

1,500,000

Unused Credit Facility

85,000

20,000

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

96,643

88,185

- Long Service Leave

51,365

61,061

- Sick Leave

12,200

13,092

GST

92,290

52,911

Total Current Liability

252,498

215,249

Non-Current

Provision for Deferred Income Tax Liability

5,314

5,314

Total Non-Current Liability

5,314

5,314

Note 11 – OTHER LIABILITIES**Current**

Accrued - Interest

21,952

-

- Poker Machine Duty

29,104

27,124

- Other Accruals

20,457

12,397

Members Subscriptions in Advance

16,683

19,240

Other

2,243

3,254

Total Current Liability

90,439

62,015

Non-Current

Hire Purchase

312,437

221,990

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:

	2009	2008
	\$	\$
Cash on Hand	78,988	83,096
Cash at Bank		
- ANZ Main Account	96,943	164,732
- ANZ Cash Management Account	26,322	104,913
- ANZ Keno Account	2,000	1,777
- ANZ Online Account	381,411	-
- ANZ TAB Account	5,000	5,000
	<u>590,664</u>	<u>359,518</u>

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

Operating Profit/(Loss) after Income Tax	122,116	(15,125)
Depreciation of Fixed Assets	130,506	79,820
Amortisation of Buildings	257,183	145,370
Loss on Asset Write Off	58,048	-
(Increase)/Decrease in Receivables	1,497	(5,586)
(Increase)/Decrease in Inventories	15,271	(11,172)
(Increase)/Decrease in Other Current Assets	(35,777)	(32,176)
Increase/(Decrease) in Accounts Payable	9,984	(24,004)
Increase/(Decrease) in Provisions	37,249	34,715
Increase/(Decrease) in Other Liabilities	28,424	206,862
	<u>624,501</u>	<u>378,704</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)	122,116	(15,125)
No income tax is assessed against the operating profit.		

	2009 \$	2008 \$
Note 14 – CAPITAL EXPENDITURE COMMITMENTS		
Plant and Equipment Contract	312,437	314,214
Payable		
Not later than 12 months	5,369	159,535
Between 12 months and 5 years	307,068	154,679
Greater than 5 years	-	-

Note 15 – AUDITORS' REMUNERATION

Remuneration of the auditor for:-

- Auditing services	7,200	7,000
- Other services	7,200	7,000
	<u>14,400</u>	<u>14,000</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	Brian Braham	Stephen Butler
Gordon Woodhouse	Glenn Andrew – 9 months	Gordon Brotherson – 3 months
Keith Grattan – 11 months	Ken Hetherington – 9 months	Barbara McNab
Anthony Pearce – 9 months	Allen Sharpe	

Executives

John Atkins (CEO)

(i) Transactions with key management personnel

The Company paid honorariums to non-executive directors, which totalled \$34,571 for the year ended 31st December 2009 (2008: \$28,500).

(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 2009

	2009	2008
	\$	\$
INCOME		
Poker Machine Takings - Net	2,196,551	2,157,319
Poker Machine GST Rebate	20,757	13,999
TOTAL POKER MACHINE TAKINGS	<u>2,217,308</u>	<u>2,171,318</u>
LESS POKER MACHINE EXPENSES		
CDSE	17,239	12,896
Data Monitoring	37,282	37,049
Depreciation	97,423	37,613
Hire Purchase Interest	21,245	4,830
Poker Machine Approvals	1,896	4,050
Poker Machine Duty	355,837	348,390
Poker Machine Rental	82,633	169,054
Provision for Annual Leave	10,590	8,096
Repairs & Maintenance	46,513	44,694
Superannuation	10,283	8,730
Wages	101,430	103,579
TOTAL EXPENSES	<u>782,371</u>	<u>778,981</u>
TRADING PROFIT/(LOSS)	<u><u>1,434,937</u></u>	<u><u>1,392,337</u></u>

OURIMBAH-LISAROW RSL CLUB LIMITED

BAR TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009 \$	2008 \$
INCOME		
Bar Sales	1,165,112	1,118,675
LESS COST OF GOODS SOLD		
Opening Stock	55,259	44,087
Purchases	459,769	475,871
Less Closing Stock	(39,988)	(55,259)
TOTAL COST OF GOODS SOLD	475,040	464,699
GROSS PROFIT	690,072	653,976
LESS BAR EXPENSES		
Beer Gas	3,891	4,265
Depreciation	5,821	7,064
Hire Purchase Interest Paid	1,348	1,348
Provision for Annual Leave	30,827	23,048
Repairs & Maintenance	10,946	11,378
Replacements	10,391	5,138
Stock take Fees	-	5,600
Sundries	-	1
Superannuation	30,148	29,501
Wages	338,426	335,586
TOTAL EXPENSES	431,798	422,929
TRADING PROFIT/(LOSS)	258,274	231,047

OURIMBAH-LISAROW RSL CLUB LIMITED
PROMOTIONS TRADING STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	\$	\$
INCOME		
Bingo	8,646	13,881
Raffles	139,027	138,329
Room Hire	32,877	31,866
Sundry Income	6,533	-
	<u>187,083</u>	<u>184,076</u>
LESS PROMOTION EXPENSES		
APRA Fees	3,960	2,600
Bands, Artists and Entertainment	80,518	86,088
Bingo Expenses	20,219	22,804
Children's Christmas Party	11,891	10,923
Coach Expenses	2,400	2,400
Courtesy Bus Expenses	11,464	10,086
E-Bet Expenses	7,360	11,269
Designated Driver Expense	147	437
Fox Sport	25,969	27,400
Friday Raffle Expenses	58,243	59,865
Function Expense	7,560	7,788
Hire of Equipment	3,360	1,440
Marketing Expense	3,585	3,300
Member's Draw	17,537	13,200
Member's Expenses	20,302	22,323
Melbourne Cup Day	1,800	1,800
New Years Eve	1,200	1,200
Other Raffle Expenses	13,541	-
Promotions Expenses	70,188	58,779
Sunday Raffle Expenses	103,118	99,805
Sponsorship – Cricket/Soccer	20,132	20,163
Wages – Promotions	17,520	18,352
Superannuation – Promotions	1,514	1,425
TOTAL EXPENSES	<u>503,528</u>	<u>483,447</u>
TRADING PROFIT/(LOSS)	<u>(316,445)</u>	<u>(299,371)</u>

OURIMBAH-LISAROW RSL CLUB LIMITED
BOWLING GREENS TRADING STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	\$	\$
INCOME		
Bowling Contribution	5,906	-
	<hr/>	<hr/>
LESS BOWLING GREEN EXPENSES		
Depreciation	1,833	2,400
Provision for Annual Leave	3,852	2,675
Repairs & Maintenance	3,066	85
Superannuation	5,050	5,902
Wages	54,517	51,282
TOTAL EXPENSES	<hr/> 68,318	<hr/> 62,344
TRADING PROFIT/(LOSS)	<hr/> (62,412)	<hr/> (62,344)

OURIMBAH-LISAROW RSL CLUB LIMITED
RESTAURANT TRADING STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	\$	\$
INCOME		
Restaurant - Rent	13,262	7,900
	<u>13,262</u>	<u>7,900</u>
LESS RESTAURANT EXPENSES		
Depreciation – Kitchen	926	4,681
Equipment Rental	10,520	10,521
Gas	18,151	16,427
Sundry Expenses	-	259
Replacements	270	3,950
Subsidy Expense	45,321	47,750
Repairs & Maintenance	7,939	13,121
TOTAL EXPENSES	<u>83,127</u>	<u>96,709</u>
TRADING PROFIT/(LOSS)	<u>(69,865)</u>	<u>(88,809)</u>

OURIMBAH-LISAROW RSL CLUB LIMITED

KENO TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009 \$	2008 \$
INCOME		
Keno Commission	79,633	57,818
Bonus Keno Commission	13,642	11,028
	<u>93,275</u>	<u>68,846</u>
LESS KENO EXPENSES		
Annual & Long Service Leave	2,005	1,380
Hire of Equipment	39	-
Wages – Keno	22,748	27,591
Superannuation – Keno	2,543	2,653
Promotions Expense	1,250	1,800
Repairs & Maintenance	4,536	3,269
Stationery	1,388	1,495
TOTAL EXPENSES	<u>34,509</u>	<u>38,188</u>
TRADING PROFIT/(LOSS)	<u>58,766</u>	<u>30,658</u>

TAB TRADING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009 \$	2008 \$
INCOME		
TAB Commission	<u>16,384</u>	<u>20,026</u>
LESS TAB EXPENSES		
Annual & Long Service Leave	2,004	1,380
Wages	22,748	27,591
Superannuation	2,543	2,653
Sky Channel	23,686	26,572
Rent / Television	2,338	4,332
Promotions Expenses	1,800	1,979
TOTAL EXPENSES	<u>55,119</u>	<u>64,507</u>
TRADING PROFIT/(LOSS)	<u>(38,735)</u>	<u>(44,481)</u>

OURIMBAH-LISAROW RSL CLUB LIMITED
CONSOLIDATED SUPPLEMENTARY STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	\$	\$
INCOME		
Poker Machine Trading Statement	1,434,937	1,392,337
Bar Trading Statement	258,274	231,047
Promotions Trading Statement	(316,445)	(299,371)
Bowling Greens Trading Statement	(62,412)	(62,344)
Restaurant Trading Statement	(69,865)	(88,809)
KENO Trading Statement	58,766	30,658
TAB Trading Statement	(38,735)	(44,481)
Commission Received	19,270	24,883
Government Grant	-	39,535
House Rent	-	1,000
Interest Received	3,403	13,392
Member's Subscriptions	64,311	57,696
Dividends Received	54	121
Other Income	20,917	10,740
ATM Income	19,046	20,840
Telephone Receipts	264	739
Profit/(Loss) on Sale of Assets	213,182	-
TOTAL INCOME	1,604,967	1,327,983
LESS EXPENSES		
Accountancy Fees	7,200	7,000
Advertising	11,684	20,072
AGM Expenses	8,820	9,951
Amortisation – Buildings	257,183	145,370
Asset Write Off	58,048	-
ATM Expenses	-	35
Auditors Fees	7,200	7,000
Bad Debts	-	555
Bank / Borrowing Costs	15,229	21,653
Cleaning	56,792	59,906
Computer Expenses	8,719	10,492
Consultants Fees	11,000	12,085
Depreciation	24,503	28,062
Directors Expenses	48,626	44,269
Floral Tributes	730	455
Health Hygiene & Sanitary	14,826	11,824
Insurance - General	28,693	34,644
- Workers Compensation	34,751	31,548
Interest Paid	101,263	95,106

OURIMBAH-LISAROW RSL CLUB LIMITED
CONSOLIDATED SUPPLEMENTARY STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	\$	\$
LESS EXPENSES (CON'T)		
Legal Fees	2,200	173
Licenses, Permits & Registration Fees	10,715	10,585
Light & Power	107,855	128,072
Management Expenses	1,695	-
Membership Cards	10,200	9,759
Payroll Tax	31,348	32,424
Photocopy / Fax Expenses	1,366	1,646
Printing, Stationery & Postage	10,930	9,805
Rates & Taxes	28,801	26,128
Repairs & Maintenance	57,627	68,736
Security	18,710	27,833
Superannuation	57,663	49,577
Staff Expenses	18,866	19,881
Telephone	21,673	23,222
Wages & Salaries	407,935	395,240
TOTAL EXPENSES	1,482,851	1,343,108
OPERATING PROFIT/(LOSS) BEFORE INCOME TAX	122,116	(15,125)

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 **\$2,451,908**.

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 September 2008 – August 2009 the Club applied **\$96,864** to community development and support.

Dear Member

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 18th APRIL, 2010 at 9.00am**

AGENDA

- (a) To confirm the minutes of the previous A.G.M. of Ourimbah-Lisarow RSL Club Limited held on 29th March, 2009
- (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 2009
- (d) To Elect the Board for the ensuing year
- (e) To Deal with the Special Resolution 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 2010 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 Auditor's financial report are required to give written notice to the Secretary Manager by Close of Business Monday 12th April 2010 so we may answer your question in full at the Annual General meeting.

A Copy of the full financial report and auditors report is available on the website www.ourimbahrsl.com.au

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

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: SUNDAY 4th
APRIL 2010**

.....

NOTICE IS HEREBY GIVEN that the following Special Resolution 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 18th April 2010

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

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 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 even numbered years."

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

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 whilst implementing the clubs 3-5year strategic plan 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 18th APRIL, 2010 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 Ordinary Resolutions one (1) to four (4) are not available to members generally but only to those members elected to the Board of Directors of the Club:

ORDINARY RESOLUTION No. 1

- a) The President to be allowed an Allowance/Reimbursement of Expenses of \$8,160 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually
- b) The Vice President to be allowed an Allowance/Reimbursement of Expenses of \$4,590 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually
- c) The Club Treasurer to be allowed an Allowance/Reimbursement of Expenses of \$4,590 per annum, incurred in the performance of his/her duties. This Allowance to be reviewed by the members annually
- d) The Club Directors be allowed an Allowance/Reimbursement of Expenses of \$3,060 per annum, incurred in the performance of their duties. These Allowances to be reviewed by the members annually

ORDINARY RESOLUTION No. 2

The Directors of the Club during 2010/2011 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.
- 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.
- That FOUR (4) car parking spaces be allocated for the exclusive use of Directors.

ORDINARY RESOLUTION No. 3

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

ORDINARY RESOLUTION No. 4

The members hereby approve and agree to the conferring of Life membership on Russell John Whitcher: Member No. 21

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 of Ourimbah-Lisarow RSL Club Ltd declare that at 31st December 2009 the Licensed premises (Club house) and the land that it is situated on is "Core" property, all other land is "Non Core" property.

OURIMBAH-LISAROW RSL CLUB LTD

PRESIDENTS REPORT 2009

ABN: 18 000 904 594

Dear Members,

It is my pleasure to present to you, the members, an overview of activities and benefits that have occurred during 2009.

It is most pleasing to report that our financial position has improved well beyond the Board's expectations with a net profit of \$122,116. This is a turnaround of \$137,241 on the previous financial year. The club has had an excellent trading year with our main income streams, the poker machines and bar trade, well advanced compared to 2008. Further club patronage has maintained an upwards spike. All good news when a comparison is done with other registered clubs, not only on the Central Coast, but State-wide. There is a significant number of clubs still struggling to improve their positions on the past two to three years. It is common knowledge that a number of clubs will be forced to close or amalgamate in the not to distant future. We will not be one of them.

Management and the Board were somewhat frugal in their cash spend initially in 2009, however, when our budget and business plans were seen to working as the year progressed, improvements were made. Modern and more comfortable furniture was purchased for the Coffee bar area, the poker machine area and the main bar area. Believe me, it is furniture of high quality acquired at a very reasonable price.

In the latter half of 2009 the Board and Management commenced negotiations to replace our ageing Player loyalty analysis system. This was always going to be an expensive exercise; however, it was a necessity. A number of companies were investigated, where late in 2009, an appropriate system was selected. This system was to be installed, up and running, in February this year. Hello: Murphy's Law arrives and the old system completely fails in late December. The new system was installed on time and is functioning. On behalf of the Board and management I apologize for any inconvenience suffered by patrons during that down time.

The other major change that was agreed to was to seek out tenders for our restaurant. The present caterers' contract had finished many months ago and as a new contract offered had not been accepted and returned to the club. Inquiries revealed the best business practice (ClubsNSW recommendations) was a tendering process. The tender process was instigated (which included an offer from the present caterers) and resulted in the selection of a new caterer. The new Caterer will commence trading in late March. We wish them all the best in the coming years at Ourimbah.

As always this Club's commitment to the C.D.S.E and the community as a whole has again provided a high level of support. We provided both cash and club facility support to many local organizations which include substantial amounts to local cricket and soccer clubs, remembering, a large proportion of this support flows down to the local juniors within the clubs.

On behalf of the Board I would like to offer our sincere thanks to a number of groups within the Club Ltd.

- Management and Staff : another challenging and difficult year for them however all performed well with true diligence, a necessary part for the club's success
- Both the Men's and Women's Bowling Clubs where they both continue to out perform, most if not all, other bowling clubs I have had contact with over many years.
- Once again to the Ourimbah RSL Sub Branch who every year work tirelessly for their cause. Special mention must be made of their Adopt A Digger program. It is nationally recognized in the RSL movement and originated here at this Sub Branch. Well done Dave Pankhurst and members.
- To all our members who regularly attend this great club, thank you for your support. I know it's been said many times before but its true, without you there would be no club.
- Finally to the members of the Board and their wives and partners I thank you for the time and effort you have put into the year of 2009. More meetings, more challenges, some sleepless nights, however, we (the Board) all agree on this, it's a great organization to serve.

RUSS WHITCHER
PRESIDENT

OURIMBAH-LISAROW RSL CLUB LTD

SECRETARY MANAGERS REPORT

ABN: 18 000 904 594

It gives me great pleasure to present the Annual report for 2009. The club has had an excellent result performing with an operating profit of \$122,116 for the year. This is in vast contrast to the loss in 2008 of \$15,123 I would like to point out that this result far exceeds our budgeted forecast; however the result does require some explanation.

Firstly the Board of Directors embarked on an educational program, which included a detailed analysis of the clubs position, highlighting its strengths and challenges, this information formulated the clubs strategic plan, not only for the short term but over the next few years. This was a great achievement for the Board & Management and lays the platform for future development and challenges that the club will face over the ensuing years. The strategic plan also highlighted areas that Directors were able to monitor from a financial perspective involving the clubs KPI's (Key Performance Indicators)

As part of this strategic plan the Board had to make an important & difficult decision to replace the old player loyalty system and its peripheral equipment at a time when the equipment's life had all but exhausted, during this process the Board determined that the club did not want to increase the clubs debt and analysed excess non productive assets that could raise cash to fund a new system. The new system encompassed a cost of close to \$250,000.

A careful decision was made after extensive analysis and research to sell off excess unused poker machine entitlements, realising income of \$210,000. This income was used to finance the purchase of the new player loyalty system. Earlier quotes were in excess of \$500,000. The Board were very prudent in their decision.

Secondly towards the end of 2009 the Board decided to accept the Auditors recommendations to update the asset register and at the same time obtain a revaluation of the building including plant & equipment. This was a one off process involving surveyors reassessing the value of the building renovations dating back from 2003 to today. This resulted in additional building amortisation of \$111,813 and the asset register being adjusted and writing off assets of \$58,048. Therefore additional write offs total \$169,861.

After these extraordinary items are taken into account the club was still able to produce a very real profit in excess of \$80,000, this is in contrast with other Central Coast clubs where many are performing well under expectations and performing at a loss.

In an industry where clubs face challenges on a daily basis, sometimes decisions have to be made to not only overcome those challenges but to find ways to grow the club for the benefit of the members. This allows for the club to not only survive, but to sustain and grow its business through these tough times, which is what every responsible member would want for its club.

An area that has been highlighted for change to attract new people to the club is the restaurant area. Surveys were commissioned, with results clearly showing that if the restaurant was to offer a wider variety of foods, new patrons would be enticed to the club and existing members would return to the club more often. For the past 16 years the club has featured a buffet which has changed very little over that time, whilst it has served the needs of members to date, it has served its time in its current format.

If you look at the most successful clubs you can clearly see that those boards of directors who choose to make the hard decisions to change aging formats and operations and not stand still or go back in time, ultimately go on to achieve even greater success for their clubs, our time has come!

With our new catering operation the club will benefit by close to **\$1 million dollars** in its bottom line profitability over the next ten years, can we ignore that figure?, imagine what that can do to benefit the club! And this is before we factor in new members and increased sales.

Patrons wants and needs have changed, we have become more cosmopolitan in our desire for new tastes, new foods and are looking for culinary adventure, which is clearly evidenced in TV shows, magazines and a wide range of restaurants who offer tastes from all over the world.

Very shortly we will be introducing a world class buffet restaurant to Our RSL, a new range of international foods will soon be available, which will include not only your favorite Chinese dishes but will also include Thai and Indian amongst others, or how about a superbly cooked Fillet Steak or Atlantic Salmon for a change, maybe just a cup of coffee and chicken Caesar wrap in our soon to be opened new coffee shop area.

You will benefit from these changes, not only by experiencing new tastes and foods, but the club will be able to continue to grow and benefit its membership base by investing into better facilities and amenities for all to enjoy. Please help us to help your club by accepting and understanding that the hard decisions and options adopted by the Board or myself are decisions that we make as a team in the belief that it is in the best interest of the long term financial security of the Ourimbah-Lisarow RSL Club.

Finally the club has managed to reduce debt whilst paying interest of \$101,263, increasing income and reducing expenses, updating furniture and offer many great quality promotions & benefits to the members, this could not have been achieved without the support of the Board, management and staff, for that I thank them sincerely

**SECRETARY MANAGER
JOHN ATKINS**

OURIMBAH-LISAROW RSL CLUB LTD TREASURERS REPORT FOR 2009 ABN: 18 000 904 594

Well this has been an interesting year. We started the year with a deficit of \$15,125 a recession, road works still in progress and the residual impact of the smoking legislation. However with good governance and control from the board, our C.E.O. and staff we have managed to end the financial year on a good note. We have posted a profit of \$122,116, with both our poker machines and bar trade contributing to this. As you are aware our Player Loyalty system, including the reward centre and ticket in a barrel, crashed late December and this meant the purchase of a new system, however the board has managed to acquire the new system without any long term financial cost to the club.

Also in conjunction with our auditor we have updated our asset register which included many older furniture, fixtures & fittings and re-evaluated the Building depreciation and amortisation through a surveyors building report, this re-evaluation is beneficial to the club and a legal requirement.

Also as you look around we have managed to spend on the club including our coffee lounge and new furniture for the benefit of you the members. We hope to continue this theme in 2010. I would like to convey my thanks to each and everyone who attend this great club because without you the members we can't continue to provide the amenities that we believe you deserve

**STEPHEN BUTLER
TREASURER**

OURIMBAH-LISAROW RSL MENS BOWLING CLUB

PRESIDENTS REPORT

ABN: 18 000 904 594

I am very pleased to present this report for the Mens Bowling Club as throughout the year we have endeavoured to be part of a successful Club.

I would like to thank my committee members whom have provided a great team effort and made my position a lot easier.

Senior Vice President, Dirk Van Spronsen, has worked with Bill Davison and his team of volunteers to assist Brian Starkey our Green Keeper and son, Brett, to having our greens running and looking the best on the Coast.

To our Secretary, Albert Tracey, thank you for your continual good work, in conjunction with Ken Hetherington, our Treasurer. Our Bowling Club is in a healthy financial position.

The reason we are in this position is due to all the early volunteers helping top dress the Bowling Green and all volunteers providing extra assistance with the never ending list of jobs.

Now that the shade cloth and seating around the two greens is finished, it looks terrific. Two years of good work.

Brian Wright our Bowls Secretary, thanks for organizing all Social Bowls, Bare Foot Bowls and the many extra hours that you put in, thank you.

Match committee, Viv Truslar and his boys, John Dawson, John Martin and Laurie Jones. Good to see Viv back to check up on the boys well in front with Championship Sunday Special and looked good all in white. Great work to all of you, thank you.

Selector: Chris Walker, and his team making good decisions and doing a terrific job.

Presentation night: Viv Truslar did a terrific job. All who attended had a terrific night; however it was a shame we still had 20 to 30 trophies left unclaimed. Viv did put a lot of work into the night, so I do hope that everyone gets behind the next presentation night, especially whilst our Major sponsor shows their support.

Social Club: You can not say enough. Tournaments, Barefoot Bowls, Christmas Parties, Pennant Days and a host of other activities, a big thank you to Brian Starkey, Eddy Dearlove, Jeff Allan and all the extra help.

Thank you to all our Lady Bowlers for all your help throughout the year.

Welfare - Thanks to Keith Cooper for attending the hospital and seeing our members, well done Keith.

I would like to thank the Major Sponsors, MacKay Funerals, Mix Meat Barn, Pac Earth Moving, Ourimbah Lisarow RSL Club Ltd.

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

YOURS IN BOWLS

**BRIAN BRAHAM
PRESIDENT
OLRSL MENS BOWLING CLUB**