



# **62<sup>ND</sup> ANNUAL REPORT**

YEAR ENDED 30<sup>TH</sup> JUNE, 2013

## **BOARD OF DIRECTORS 2011 – 2013**

### **President:**

Brian Duncan

### **Board:**

Louis Barnes

Patricia Byleveld

Henry Dowse

Bill Henderson

Beryle Jones [Deceased]

Donald Seward

Robert Sheaves

Ray Stevens

William (Mick) Winter

## **LIFE MEMBERS**

Robert (Bob) Provost [Deceased]

C S Williams [Deceased]

H J Davison [Deceased]

Allan Evans [Deceased]

Noel Hamblion

Kevin Curran [Deceased]

William (Bill) Larkey

Thelma (Joyce) Cummings

## **MEMBERSHIP**

The Company is limited by guarantee and is without share capital. The number of members at the 30th June, 2013 with previous year's comparison is as follows:

	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Life	3	3	2	2	3	3
Ordinary A	404	424	457	483	527	544
Ordinary B	4,286	3,684	3,546	3,628	3,800	3,921
	<u>4,693</u>	<u>4,111</u>	<u>4,005</u>	<u>4,113</u>	<u>4,330</u>	<u>4,468</u>



## VOTING YEAR

Voting for the position of one (1) President and nine (9) Directors will only take place if the number of applicants exceeds the positions vacant. If this is the case, voting papers for the election of President & Board of Directors will be made available from the Returning Officer.

The Returning Officer and Ballot Box will be located in the main foyer of the Club (car park entrance) during the following times;

Monday 11th November to Thursday 14th November, 2013 – 1pm to 7pm

Friday 15th November 2013 – 2pm to 8pm

Saturday, 16th November – 11am to 5pm

Sunday, 17th November 2013 – 12noon to 6pm

Monday 18th to Wednesday 20th November, 2013 – 1pm to 7pm

Thursday, 21st November, 2013 – 10am to 2 pm

**Voting will close promptly 2pm on Thursday 21st November, 2013.**

## NOTICE OF MEETING

Notice is hereby given that the 62nd Annual General Meeting of the Nambucca Heads R.S.L. Club Limited shall be held in the Club Rooms of the Club, 3 Nelson Street, Nambucca Heads, on Sunday, 24th November, 2013 at 9:30am.

***Please note:*** Doors will be closed promptly at 9:30am

To assist members who have any queries on any aspect of the Annual Report, please write or email to [peter.brewis@nambuccarsl.com.au](mailto:peter.brewis@nambuccarsl.com.au) to arrive by Friday, 8th November, 2013. All genuine enquiries will be answered either before or at our Annual General Meeting.

## *Dedication*

Nambucca Heads RSL Club shares together with the Sub-Branch a dedication to the memory of the Men and Women of Australia's Armed Services who laid down their lives endeavouring to ensure an enduring Peace among the Peoples of the World.

*May they not have died in vain.*

## MEETING AGENDA

1. To confirm the Minutes of previous Annual General Meeting held on Sunday, 25th November, 2012.
2. To receive and adopt the Financial Statements for the year ended 30th June, 2013 and the Reports of the Directors and Auditors thereon.
3. To receive and adopt the following reports:-
  - (a) President's Report
  - (b) Secretary Manager's Report.
  - (c) Sub-Branch Committee Report
4. Approval of President and Directors expenses:-
  - (a) For the Purpose of the Registered Clubs Act: to consider and if thought fit pass the following Ordinary Resolution:

### **'Resolution'**

That the Board of Nambucca Heads RSL Club Limited be granted an Annual Honorarium as follows:-

President	\$5,500
Directors	\$2,000

This Honorarium to be payable by calendar monthly instalments in arrears commencing on the first day of January each year.

- (b) The Members acknowledge that the benefits in Paragraph (a) above are not available to Members generally, but only for those Directors of the Club.
5. For the Purpose of the Registered Clubs Act: to consider and if thought fit pass the following Ordinary Resolution:

### **'Resolution'**

- (a) The Members hereby approve expenditure by the Club in a sum not exceeding \$13,000 for the professional development and education of Directors over the following twelve (12) months, including:
  - i) The reasonable cost of Directors attending the ClubsNSW Association Annual General Meeting.
  - ii) The reasonable cost of Directors attending Meetings of other Associations of which the Club is a member.
  - iii) The reasonable cost of Directors attending Seminars, Lectures and Trade Displays, Organised Study Tours, Fact Finding Tours and other similar events as may be determined by the Board from time to time.
  - iv) The reasonable costs of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.
- (b) The Members acknowledge that the benefits in Paragraph (a) above are not available to Members generally, but only for those Directors of the Club.

**Nambucca Heads RSL Club Limited ABN 36 000 962 185**

6. For the Purpose of the Registered Clubs Act: to consider and if thought fit pass the following Ordinary Resolution:

**'Resolution'**

- (a) The Members hereby approve expenditure by the Club in a sum not exceeding \$31,000 over the following twelve months for the following expenses subject to approval by the Board of Directors.
- i) Expenses involved in subsidies of Intra Clubs, ANZAC Day, Children's Christmas Party, Voluntary Workers Dinner, Presentations to Members or other persons acknowledging services deemed by the Directors as being of benefit to the Club and sponsorship of sporting events and sports persons deemed by the Directors to be of benefit to the Club and/or the community.
  - ii) The reasonable cost of a meal and beverage for each Director before or after a Board or Committee Meeting on the day of that Meeting when this Meeting coincides with a normal meal time.
  - iii) Reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other professional activities approved by the Board on production of documentary evidence of such evidence.
  - iv) Attendance at functions with spouses where appropriate and required to represent the Club including the Annual General Meeting of the ClubsNSW Association.
  - v) The provision of blazers and associated apparel for the use of the Club Directors when representing the Club.
  - vi) President's Entertainment Expenses.
- (b) The Members acknowledge that the benefits in Paragraph (a) above are not available to Members generally, but only for those Directors of the Club and those Members directly involved in the above activities.
7. For the Purpose of the Registered Clubs Act: to consider and if thought fit pass the following Ordinary Resolution:

**'Resolution'**

- (a) That the Club make provision for car parking spaces adjacent to the Club for use by the President, Secretary/Manager, Sub Branch President and Sub Branch Hon. Secretary.
- (b) The Members acknowledge that the benefits in Paragraph (a) above are not available to Members generally, but only for those mentioned above.

8. Auditor: The Auditors, Hooykaas Lawry Valjan, continue in office in accordance with the provisions in the Corporations Law.
9. Permission may be granted by the Chairman to bring up for discussion any matter that is handed to him in writing before the commencement of the Meeting.

P R BREWIS, ACCM  
SECRETARY MANAGER

## **PRESIDENT'S REPORT**

Over the past twelve months, our operating environment has not changed dramatically. Recent surveys show that 64% of Clubs in NSW are experiencing financial stress and our club is not excluded. The costs of electricity, gas and other non-saleable items are all on the increase. This of course is adding to our overheads. To fully pass these increases in costs on to our members would in many cases increase our sell prices to an unachievable level. Therefore management is taking the most prudent course of action in striving to reduce overheads and underlying costs.

The Board and Management have tried as much as possible to work by their Strategic Management and Marketing Plans, slowly chipping away at many important items, however countless issues cannot be addressed due to prioritisation of expenditure. In some cases a large financial outlay will be required. Therefore many of the pending items proposed in the Strategic Plans will have to wait until the grass is a little greener.

One thing I'm sure members are aware of is that the club cannot survive without your support. If you have an event that needs catering, beverage or floor space, our friendly staff are only too willing to assist you. It will save you and your guests an immense amount of time, preparation and cleaning up afterwards.

Many thanks to our management and staff. They all help to make the club a great place to visit and without their dedication it would not take long for things to start to fall apart. From the Board, and I, we thank you.

Our Sub-Branch has done a tremendous job under the leadership of Bill Shepherd. The executive of the Sub-Branch are a very dedicated bunch of workers. The official days of Anzac Day and Remembrance Day were very successful with large crowds at both functions. The Sub-Branch is also supported by the RSL Women's Auxiliary who are all extremely committed to their fund raising. A large number of them are at the club every Monday to run Bingo, with monies raised going towards the support of RSL charities. If you wish to support these ladies go along any Monday and make yourself known, they can always use an extra helper.

I'd like to thank the committees of our Sporting Clubs for their time, effort and contributions in the running of these activities. Also those who have participated both home and away, I congratulate you all on your wins.

The Club continues to support local charities and community groups through ClubGrant donations. A total of \$48,683 was donated this financial year and page 29 of this report list the organisations that were successful in their applications for funding of projects from the Club.

To those members who lost loved ones during the year, I offer our condolences, from Management, Staff, Directors and myself.

The Board is committed in continuing the support to local projects, charities and people needing assistance throughout the year. We aspire to achieve this in the future.

BRIAN DUNCAN  
PRESIDENT

## SECRETARY MANAGER'S REPORT

The 2012-2013 financial year has once again provided the Club with exciting and unique operational challenges that were well met by the Members, Management, Staff and Directors of the club. It was a financially challenging year with the Club impacted by many external conditions, for instance the economy and increasing costs of energy and supplies.

The Financial Reports will show a Profit before Income Tax of \$663,932 which has been achieved as a result of the sale of the Motel Miramar. Adjustments for Capital Gain related to that sale results in an Operational Loss of \$506,742. Proceeds from the sale have been used to pay down debt in an effort to reduce the future interest expense faced by the Club.

In highlighting some of the operational trading departments, the following information may be of interest;

- Gaming Machine Revenues decreased by \$361,779 or -11% over the reporting period
- Bar Revenues decreased by \$21,760 or -2%
- Catering decreased by \$35,211 or -3%
- Bottleshop (Liquor Legends) increased by \$87,409 or +11%
- Membership increased by 582 or +14%.

I would like to recognise the outstanding efforts of all our staff members ranging from Bar, Catering, Bottleshop, Cellar & Maintenance, Cleaning, Administration and Management. Our staff are a key component of the quality service and amenity of the Club. My thanks go to you all for another great year and a job well done despite difficult circumstance.

The Directors have done a great job over the past 12 months and should be commended for the time and effort that they put in to the Strategic Direction of the Club. This year has been a busy year for them with numerous meetings/seminars plus a number of Subcommittee meetings. They willingly give their time for the betterment of the Club and its members. I commend you to attend the AGM to be held on Sunday, 24th November and approve the resolutions as per the notice of meeting as fair and reasonable for the effort made.

The past year has been mostly about planning and preparing for the future and growing the value of membership of this Great Club. Beneficial Business Partnerships have been developed so that we may deliver better services while improving returns on investment. Special mention needs to be made of Liquor Legends, CUB, Treasury Wines, Quad Services, C3 Group, Aristocrat, CornerPost Marketing and Axis Print.

At the time of writing of this report, significant progress has been made with the installation of background systems needed to deliver better rewards for Members. Keep an eye on our advertising for details of new offerings coming soon. We invite you to take advantage of the Rewards that are already available, in particular the exceptional deals available for "Liquor Legends Rewards"... grab a card from reception if you have not already done so.

The continued success of the Club is always dependent upon the support of our members who we frequently see enjoying our great facilities. I would like to extend a thank you to all of our members for contributing to the "Family" of the Nambucca Heads RSL and trust that we will see you here at the Club in the not too distant future as we look forward to an even Greater 2013-2014.

Peter Brewis, ACCM  
Secretary Manager  
Nambucca Heads RSL Club  
P: 02 6568 6288  
E: peter.brewis@nambuccarsl.com.au

## **R&SL SUB-BRANCH REPORT**

This past year has seen continued improvement on all fronts.

The ANZAC Day Dawn Service was a great success with similar crowd to 2012. Estimates range in excess of 800. It seems that the annual trend is for increased attendance caused most likely from a greater public awareness and the fact that we have soldiers serving overseas who deserve this demonstration of support and respect. It is hoped that increasing liaison between the sub branch and our local schools will continue to encourage our youth to take up the torch. This year Frank Partridge VC School recorded our ANZAC Day activities and interviewed a number of our members. It was very pleasing to see several young members of our current ADF present on these days.

ANZAC day however would not have been as successful had it not been for our hard working Women's Auxiliary who again provided a wonderful hot breakfast and also the Nambucca Heads RSL Club who's generous donation made the event one that the community can be justly proud.

The other annual Sub Branch sponsored event was Remembrance Day. Again this activity was well supported and the day was a success. The Stuarts Point Sub Branch hosted the other Sub Branches in the valley for Vietnam Veterans Day and the Nambucca Heads RSL Sub Branch was strongly represented. It was very well attended and from comments received was highly successful.

Membership of the Sub Branch is growing slowly and our attendance varies at monthly meetings. Sandwiches continue to be provided at the conclusion of each meeting for the purpose of giving something back to members and to attract members to remain a little longer and enjoy the comradeship. The year has seen several presentations of memorabilia made to the sub branch by not only one of our oldest members but by our youngest member as well. We are attempting to modernise our cenotaph and club memorabilia to include all conflicts past and present. It is important that young ADF personnel feel that they are welcome and their contributions are valued.

The ATO deed of agreement has been signed off with NSW State Branch and this will have the effect of ensuring that our donations benefit the Service Community that we are supporting. State Branch representatives will be visiting us in early November to audit our books and provide a briefing to all Sub Branch, Women's Auxiliary and Day Club members.

The R & SL Women's Auxiliary continues to do its fine work under the guiding hand of Maureen Shepherd. Their fundraising activities are warmly welcomed by the recipients of their donations. Maureen has been attending sub branch meetings to brief sub branch members on all things "Women's Auxiliary" and this has had a positive influence.

The RSL Day Club continues to function efficiently with Bill, Catherine, Nancy and their helpers. Theirs' is an extremely important contribution to our community and has been given further support by the Sub Branch and the Women's Auxiliary. The feedback from clients who attend this activity is outstanding and I have encouraged Bill to come to our meetings to brief our members.

In closing I am able to report that we have a strong and robust R & SL Sub Branch. Its strength remains with those who give their time and skills to assist where needed. There are far too many to list but to all a hearty thank you from myself, the Sub Branch and the community you serve.

BILL SHEPHERD

NAMBUCCA HEADS R&SL SUB-BRANCH



## DIRECTORS' REPORT

Your directors present their report on Nambucca Heads RSL Club Limited for the financial year ended 30 June 2013.

### 1. GENERAL INFORMATION

#### Information on directors

William B. Duncan

Qualifications Retired

Experience Previous Director and Previous President of an RSL Sub Branch

Special responsibilities President

Ray Stevens

Qualifications Retired

Experience Previous Director

Special responsibilities Deputy President/ Sports Director

Beryle Jones

Qualifications Retired

Experience Previous Director

Special responsibilities Vice President/ Director  
Deceased 2nd December 2012

Patricia Byleveld

Qualifications Retired

Experience Previous Director

Special responsibilities Director/ Sexual Harassment Officer

Bill Henderson

Qualifications Retired

Experience Previous Director

Special responsibilities Director

Henry Dowse

Qualifications Retired

Experience Previous Director

Special responsibilities Director

Louis Barnes

Qualifications Retired

Experience Previous Director

Special responsibilities Director/ Sports Council

Robert Sheaves

Qualifications Retired

Experience Previous Director

Special responsibilities Director

Donald Seward

Qualifications Retired

Experience Previous Director

Special responsibilities Director

## Nambucca Heads RSL Club Limited ABN 36 000 962 185

William Winter

Qualifications	Retired
Experience	Previous Director
Special responsibilities	Director

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

### Principal activities

The principal activity of Nambucca Heads RSL Club Limited during the financial year were the conduct of a Registered Licensed Club, the provision of reasonably priced food and beverages, entertainment, responsible approved gaming including TAB, Keno and poker machines and the provision of meeting venues as required.

No significant changes in the nature of the entity's activity occurred during the financial year.

The Nambucca Heads RSL Club plays an important role in honouring present and returned servicemen and servicewomen.

### Short term objectives

The company's short term objectives are to:

- Provide entertainment, food and beverages for the community at reasonable prices.
- Encourage new membership
- Derive income to support local sporting groups and charitable organisations.
- Improve profitability and efficiency of Club operations.

### Long term objectives

The company's long term objectives are to:

- Maintain the ethics and tradition of the RSL and continue to provide a place for Returned Servicemen and Women to meet.
- Maintain financial stability of the Club.
- Repay the debt incurred in modernising the Club's premises.
- Ensure facilities continue to cater for members' needs.

### Strategy for achieving the objectives

To achieve these objectives, the company has adopted the following strategies:

- Provide best possible facilities to members.
- Provide entertainment and activities to attract patronage to the Club.
- Offer high quality, low priced meals and reasonably priced beverages.
- Annual development of a financial budget and monthly monitoring of financial performance to ensure the Club operates within its financial capabilities.

### Performance measures

The following measures are used within the company to monitor performance:

- Monitoring performance by comparing actual results to past performance and budget forecasts.
- Reviewing key performance indicators such as gross profit margins, wages to turnover ratios, net returns from trading and average return per poker machine.

**Members guarantee**

Nambucca Heads RSL Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2, subject to the provisions of the company’s constitution. At 30 June 2013 the collective liability of members was \$9,386 (2012: \$8,222).

**Meetings of directors**

During the financial year, 14 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	<b>Directors’ Meetings</b>		<b>Membership Approval Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>	<b>Number eligible to attend</b>	<b>Number attended</b>
William B. Duncan	14	14	40	40
Ray Stevens	14	13	40	39
Beryle Jones	6	5	18	13
Patricia Byleveld	14	12	22	22
Bill Henderson	14	12		
Henry Dowse	14	12		
Louis Barnes	14	13	40	40
Robert Sheaves	14	12		
Donald Seward	14	13		
William Winter	14	13		

## DIRECTORS' REPORT 30 JUNE 2013

### AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2013 has been received and can be found on page 10 of the financial report.

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

Director: .....  
William Brian Duncan

Director: .....  
Robert Sheaves

Dated 4 October 2013



### AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NAMBUCCA HEADS RSL CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, there have been:

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

*Hooykaas Lawry Valjan*

Hooykaas Lawry Valjan

*A. Hooykaas*

Aart Hooykaas  
Partner

4 October 2013  
Nambucca Heads

#### HOOPYKAAS LAWRY VALJAN

ABN 36 764 761 064

#### PARTNERS

Aart Hooykaas CA  
Peter Lawry FCA  
Peter Valjan BFA JP CA

#### MACKSVILLE

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Chartered Accountants

NUMBER ONE IN NUMBERS

Liability limited by a Scheme approved under Professional Standards Legislation.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
<b>INCOME</b>			
Poker Machine Revenue		3,008,707	3,370,486
Bar Sales		966,158	987,918
Catering Revenue		1,179,283	1,214,494
Bottle Shop Revenue		852,125	764,716
Keno Revenue		82,930	104,055
Commissions		40,754	36,678
Entertainment & Promotions		162,125	164,307
Member Subscriptions		19,226	30,871
Sub club Revenue		19,185	17,155
Rental income		168,769	188,369
Interest		892	1,349
Gain on disposal of assets	6	1,170,674	-
Other income		62,156	58,812
<b>TOTAL INCOME</b>		<b>7,732,984</b>	<b>6,939,210</b>
<b>EXPENSES</b>			
Cost of Sales		(1,507,154)	(1,427,445)
Employee benefits expense		(2,318,843)	(2,435,048)
Depreciation & Amortisation Expense		(520,564)	(536,781)
Impairment of Poker Machine Entitlements	7	(26,667)	-
Repairs & Maintenance		(256,593)	(243,812)
Entertainment & Promotions		(481,064)	(469,593)
Poker Machine Tax		(496,880)	(576,511)
Loss on Disposal of Assets		(25,855)	(35,040)
Finance costs		(333,028)	(396,500)
Other operating expenses		(1,102,404)	(925,559)
<b>TOTAL EXPENSES</b>		<b>(7,069,052)</b>	<b>(7,046,289)</b>
<b>Profit before income tax</b>		<b>663,932</b>	<b>(107,079)</b>
Income tax expense	1(j)	-	-
<b>Profit for the year</b>		<b>663,932</b>	<b>(107,079)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>663,932</b>	<b>(107,079)</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	2	<b>381,346</b>	363,361
Trade and other receivables	3	<b>39,810</b>	18,151
Inventories	4	<b>144,370</b>	147,349
Other assets	8	<b>35,547</b>	34,350
<b>TOTAL CURRENT ASSETS</b>		<b>601,073</b>	563,211
NON CURRENT ASSETS			
Property, plant and equipment	5	<b>7,012,563</b>	7,345,352
Investment property	6	-	588,651
Intangible assets	7	<b>83,334</b>	110,000
<b>TOTAL NON CURRENT ASSETS</b>		<b>7,095,897</b>	8,044,003
<b>TOTAL ASSETS</b>		<b>7,696,970</b>	8,607,214
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	<b>1,155,636</b>	1,057,049
Borrowings	10	<b>2,605,750</b>	367,621
Short term provisions	11	<b>11,912</b>	11,723
Employee benefits	12	<b>97,376</b>	109,773
Other liabilities		<b>6,941</b>	9,432
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,877,615</b>	1,555,598
NON CURRENT LIABILITIES			
Borrowings	10	<b>93,008</b>	3,972,068
Employee benefits	12	<b>71,157</b>	88,290
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>164,165</b>	4,060,358
<b>TOTAL LIABILITIES</b>		<b>4,041,780</b>	5,615,956
<b>NET ASSETS</b>		<b>3,655,190</b>	2,991,258
<b>EQUITY</b>			
Retained earnings		<b>3,655,190</b>	2,991,258
<b>TOTAL EQUITY</b>		<b>3,655,190</b>	2,991,258

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

<b>2013</b>	<b>Note</b>	<b>Retained Earnings</b>
		<b>\$</b>
<b>Balance at 1 July 2012</b>		<b>2,991,258</b>
Profit/ (Loss) for the year		<b>663,932</b>
<b>Balance at 30 June 2013</b>		<b><u>3,655,190</u></b>
<b>2012</b>	<b>Note</b>	<b>Retained Earnings</b>
		<b>\$</b>
<b>Balance at 1 July 2012</b>		<b>3,098,337</b>
Profit/ (Loss) for the year		<b>(107,079)</b>
<b>Balance at 30 June 2012</b>		<b><u>2,991,258</u></b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		<b>7,187,960</b>	7,620,078
Payments to suppliers and employees		<b>(6,731,263)</b>	(6,827,504)
Interest received		<b>892</b>	1,349
Finance Costs		<b>(333,028)</b>	(396,500)
Net cash provided by (used in) operating activities		<b><u>124,561</u></b>	<u>397,423</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property		<b>1,745,621</b>	13,636
Purchase of property, plant and equipment		<b>(211,267)</b>	(156,801)
Net cash used by investing activities		<b><u>1,534,354</u></b>	<u>(143,165)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		<b>-</b>	197,002
Repayment of borrowings		<b>(1,640,930)</b>	(381,585)
Net cash used by financing activities		<b><u>(1,640,930)</u></b>	<u>(184,583)</u>
Net increase (decrease) in cash and cash equivalents held		<b>17,985</b>	69,675
Cash and cash equivalents at beginning of year		<b>363,361</b>	293,686
Cash and cash equivalents at end of financial year 2		<b><u>381,346</u></b>	<u>363,361</u>

The accompanying notes form part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

The financial statements are for Nambucca Heads RSL Club Limited as a not for profit individual entity.

### **1 Summary of Significant Accounting Policies**

#### **(a) Basis of preparation**

The financial statements are a general purpose financial statements that has been prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements 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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

#### **(b) Comparative figures**

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

#### **(c) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

#### **(d) Property, plant and equipment**

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

##### **Property**

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

##### **Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

##### **Depreciation**

The depreciable amount of plant and equipment is depreciated on a reducing balance basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the



## Nambucca Heads RSL Club Limited ABN 36 000 962 185

shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Buildings are shown at cost and depreciated using the straight line method over periods from 10 to 50 years. Land is not depreciated.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2 % - 10%
Plant and Equipment	7.5% - 50%
Leased plant and equipment	15% - 33%
Leasehold improvements	4% - 10%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

### (e) Financial instruments

#### **Initial recognition and measurement**

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

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

#### **Classification and subsequent measurement**

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

*Amortised cost* is calculated as:

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

The *effective interest* method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably

## Nambucca Heads RSL Club Limited ABN 36 000 962 185

predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held to maturity assets.

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

### *(i) Loans and receivables*

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

### *(ii) Financial liabilities*

Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## **FAIR VALUE**

### **Impairment**

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available for sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that impairment has arisen.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

### **Derecognition**

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

When available for sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

### **(f) Impairment of non financial assets**

At the end of each reporting year, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

### **(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

### **(h) Employee benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

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

### **(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 by the company during the

## **Nambucca Heads RSL Club Limited ABN 36 000 962 185**

reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **(j) Income tax**

Income Tax is not levied in the operations of the Club as they pertain to members, only as regards activities concerning visitors. Therefore, normal company rates of tax are not based on the operating surplus for the year, but on the proportion applicable visitors, based on the principle of mutuality. As at the balance date, the club has carried forward income tax losses of \$113,351. Although the club may trade profitably in future years, after applying the principle of mutuality for taxation purposes, the probability of absorbing the entire balance of carry forward income tax losses is considered to be very low. Therefore, in accordance with accounting standards, no deferred tax asset has been recognised as there is no certainty that the taxation losses will provide an economic benefit in the future.

### **(k) Leases**

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

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

### **(l) Revenue and other income**

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Nambucca Heads RSL Club Limited's activities as discussed below.

#### **Sale of goods**

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

#### **Interest revenue**

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

**Rental income**

Investment property revenue is recognised on a straight line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

**Subscriptions**

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

**(m) Goods and services tax (GST)**

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

Cash flows are presented 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.

**(n) Critical accounting estimates and judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**(o) Adoption of new and revised accounting standards**

During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Nambucca Heads RSL Club Limited.

Standard Name	Impact
AASB 1053 Application of Tiers of Australian Accounting Standards and amending standards	The adoption of these standards resulting in the removal of a number of disclosures in the general purpose financial statements in accordance with the Reduced Disclosure Requirements. There was no impact on the reported financial position and performance

**Nambucca Heads RSL Club Limited ABN 36 000 962 185**

AASB AASB 2011 9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income	The adoption of this standard has not changed the reported financial position and performance of the entity, however the presentation of items in other comprehensive income has changed
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance.
AASB 2011 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	There has been no impact due the entity not being a government department.

**2 Cash and Cash Equivalents**

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		<b>\$</b>	<b>\$</b>
Cash on hand		<b>137,304</b>	127,463
Cash at bank		<b>105,897</b>	235,898
Short term bank deposits		<b>138,145</b>	-
Cash at bank and in hand		<b><u>381,346</u></b>	<u>363,361</u>

**3 Trade and Other Receivables**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Trade receivables	<b>39,810</b>	18,151

**4 Inventories**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Inventories at cost:	<b>144,370</b>	147,349

**5 Property, Plant and Equipment**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
LAND AND BUILDINGS		
Freehold land		
At cost	<b>75,606</b>	75,606
Total Land	<b><u>75,606</u></b>	<u>75,606</u>

**Nambucca Heads RSL Club Limited ABN 36 000 962 185**

Building		
At cost	<b>7,399,177</b>	7,399,177
Accumulated depreciation	<b>(2,082,667)</b>	(1,883,842)
Total buildings	<b>5,316,510</b>	5,515,335
Total land and buildings	<b>5,392,116</b>	5,590,941
Plant and equipment		
At cost	<b>5,174,397</b>	5,114,608
Accumulated depreciation	<b>(3,718,164)</b>	(3,541,274)
Total plant and equipment	<b>1,456,233</b>	1,573,334
Leasehold Improvements		
At cost	<b>421,755</b>	421,755
Accumulated amortisation	<b>(257,541)</b>	(240,678)
Total leasehold improvements	<b>164,214</b>	181,077
Total plant and equipment	<b>1,620,447</b>	1,754,411
<b>Total property, plant and equipment</b>	<b>7,012,563</b>	7,345,352

**(a) Movements in Carrying Amounts**

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

	Land	Buildings	Furniture and Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
<b>Balance at 30 June 2013</b>					
Balance at the beginning of year	<b>75,606</b>	<b>5,515,335</b>	<b>1,573,334</b>	<b>181,077</b>	<b>7,345,352</b>
Additions	-	-	<b>199,921</b>	-	<b>199,921</b>
Disposals - written down value	-	-	<b>(25,855)</b>	-	<b>(25,855)</b>
Depreciation expense	-	<b>(198,825)</b>	<b>(291,167)</b>	<b>(16,863)</b>	<b>(506,855)</b>
<b>Balance at 30 June 2013</b>	<b>75,606</b>	<b>5,316,510</b>	<b>1,456,233</b>	<b>164,214</b>	<b>7,012,563</b>

**6 Investment Property**

	2013	2012
	\$	\$
Balance at beginning of the period	<b>588,651</b>	869,826
Depreciation to date of disposal	<b>(13,709)</b>	(281,175)
Disposal written down value	<b>(574,942)</b>	-
Balance at end of the period	<b>-</b>	588,651

The Motel Miramar was sold during the year for \$1,750,000 resulting in a net gain on disposal of \$1,170,674.

## 7 Intangible Assets

	2013 \$	2012 \$
Poker Machine Entitlements at cost	222,942	222,942
Accumulated amortisation and impairment	(139,608)	(112,942)
<b>Net carrying value</b>	<b>83,334</b>	<b>110,000</b>

The poker machine entitlements are licenses purchased under current Government regulation that allow the club to increase the number of poker machines. It is considered that the life of the entitlements is indefinite, so the cost cannot be amortised. However, under the applicable accounting standards, these intangible assets must be tested annually for impairment. Impairment on an asset occurs when the carrying amount exceeds the recoverable amount. Where this occurs, the value of the asset must be reduced to the lower amount with the resulting loss being shown in the Statement of Comprehensive Income. Based on indicative market values, the impairment write off for the year ended 30th June 2013 was \$26,666. The total write down recognised to date is \$139,608 as shown above.

### (a) Movement in Carrying Amounts

	Poker Machine Entitlements \$
<b>Year ended 30 June 2013</b>	
Balance at the beginning of the year	110,000
Additions	-
Disposals	-
Impairment loss in income	(26,666)
<b>Closing value at 30 June 2013</b>	<b>83,334</b>

## 8 Other Assets

	2013 \$	2012 \$
CURRENT		
Prepayments	35,547	34,350

## 9 Trade and Other Payables

	2013 \$	2012 \$
CURRENT		
Trade payables	294,798	156,545
Annual Leave Entitlements	306,468	305,576
Other payables	554,370	594,931
	<b>1,155,636</b>	<b>1,057,052</b>

### (a) Financial liabilities at amortised cost classified as trade and other payables



**Nambucca Heads RSL Club Limited ABN 36 000 962 185**

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		\$	\$
Trade and other payables:			
total current		<u>1,155,636</u>	1,057,052
Less:			
Annual leave entitlements		<u>(306,468)</u>	(305,576)
Financial liabilities as trade and other payables 14		<u>849,168</u>	751,476

**10 Borrowings**

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		\$	\$
<b>CURRENT</b>			
Secured liabilities:			
Commercial Bill Payable		2,500,000	-
Fully Drawn Advances		-	258,000
Lease liability secured		76,398	65,354
Hire Purchase Liabilities		29,352	44,267
<b>Total current borrowings</b>		<u>2,605,750</u>	367,621

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		\$	\$
<b>NON CURRENT</b>			
Commercial Bill Payable		-	2,500,000
Fully Drawn Advances		10	1,379,601
Lease liability secured		64,239	69,858
Hire Purchase Liabilities		28,759	22,609
<b>Total non current borrowings</b>		<u>93,008</u>	3,972,068

**(a) Commercial Bill payable**

The commercial bill payable has been classified as current as it matures on 9 February 2014 and bears fixed interest only payments at 4.37% payable monthly in arrears plus a 3.1% p.a. line fee payable quarterly in advance.

Discussions with the ANZ Bank strongly indicate that the commercial bill will continue on an interest only basis for at least a further 12 month after maturity. However no formal loan offer had been received at the date of this report.

The Commercial Bill Payable is secured by a registered first mortgage over the Club premises located at Nelson Street, Nambucca Heads, along with a fixed and floating charge over all present and future assets of the Club.

**(b) Full Drawn Advances**

The fully drawn advances were repaid, apart from \$10, from the net proceeds of sale of the Miramar Motel in May, 2013.

The Fully Drawn Advances are secured by a registered first mortgage over the Club premises located at Nelson Street, Nambucca Heads, along with a fixed and floating charge over all present and future assets of the Club.

**(c) Leased Liabilities**

Leased liabilities relate to agreements for Poker Machine and their related games and licences for terms of 36 months. The liabilities are secured by the underlying leased assets.

**(d) Hire Purchase Liabilities**

The hire purchase contracts relate to the purchase of poker machines and games with 3 year terms commencing in 2010. An additional Hire Purchase contract for the acquisition of a commercial air conditioning plant commenced in February, 2013 for a period of 5 years.

**11 Provisions**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Provision for Club Grants (Donations)	<b>11,912</b>	11,723

A liability has been provided for Club Grants (Donations) in lieu of payment of Poker Machine Duty.

**12 Employee Benefits**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Provision for employee benefits	<b>97,376</b>	109,773
NON CURRENT		
Provision for employee benefits	<b>71,157</b>	88,290

**(a) Reconciliation of amounts in the statement of financial position**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Beginning of the year	<b>198,063</b>	235,674
Current service cost	<b>(1,810)</b>	17,194
Benefits paid	<b>(27,720)</b>	(54,805)
End of year	<b>168,533</b>	198,063

**13 Leasing Commitments**

**(a) Finance lease and Hire Purchase commitments**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Payable minimum lease payments:		
no later than 1 year	<b>105,750</b>	109,621
between 1 year and 5 years	<b>92,998</b>	92,467
greater than 5 years	-	-
Minimum lease payments	<b>198,748</b>	202,088

Finance leasing commitments relate to hire purchase and leasing arrangements for poker machine and their related games and licences with terms of 36 months.

**(b) Operating lease commitments**

Non cancellable operating leases contracted for but not capitalised in the financial statements:

	Note	2013 \$	2012 \$
Payable minimum lease payments:			
no later than 1 year		35,000	35,000
between 1 year and 5 years		105,000	140,000
greater than 5 years		140,000	140,000
		280,000	315,000

The operating lease relates to a property lease agreement with the Nambucca Shire Council for the lease of the portion of the car park on land not owned by the Club. The term is for 25 years from November 2006 to November 2021. The rent payable is varied and recalculated by market rent review every 5 years. Increases in lease commitments may also occur in line with the Consumer Price Index (CPI). A market review was completed in August 2010 and the revised rent commencing November 2011 was \$35,000 for the next 5 years.

**14 Financial Risk Management**

The main risks Nambucca Heads RSL Club Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and equity price risk.

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 \$	2012 \$
<b>Financial Assets</b>			
Cash and cash equivalents		381,346	363,361
<b>Total financial assets</b>		381,346	363,361
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
Trade and other payables		849,168	751,476
Borrowings		2,698,758	4,339,689
<b>Total financial liabilities</b>		3,547,926	5,091,165

**15 Members' Guarantee**

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the company. At 30 June 2013 the number of members was 4,693 (2012: 4,111).

**16 Interests of Key Management Personnel**

The total remuneration paid to key management personnel of the company is \$ 367,129 (2012: \$ 553,251).

**17 Contingent Liabilities and Contingent Assets**

In the opinion of the Directors, the company did not have any contingencies at 30 June 2013 (30 June 2012:None).

**18 Related Party Transactions**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**19 Events after the end of the Reporting Period**

The financial report was authorised for issue on 4 October 2013 by the Board of Directors.

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

**20 Capital Expenditure Commitments**

Between the end of the financial year and the date of these financial statements, the entity has committed to the following capital expenditure (net of GST):

Poker Machines & Equipment	\$9,096
Computer Server	\$10,000


In addition, a new Aristocrat Gaming Management System (DACOM) agreement has been undertaken at a total price of \$90,746 plus estimated costs of \$10,000 for relocation of the computer room. The system price will be paid by 36 monthly instalments of \$2,520.72.

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 26, are in accordance with the Corporations Act 2001 and:
  - a. comply with Accounting Standards Reduced Disclosure Requirement; and
  - b. give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable. This declaration is made in accordance with a resolution of the Board of Directors.

Director:.....  
William Brian Duncan

Director:.....  
Robert Sheaves

Dated 4 October 2013



## **Independent Audit Report to the Members of Nambucca Heads RSL Club Limited**

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

We have audited the accompanying financial report of Nambucca Heads RSL Club Limited, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Nambucca Heads RSL Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



## Independent Audit Report to the Members of Nambucca Heads RSL Club Limited

### Opinion

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'Hooykaas Lawry Valjan'.

Hooykaas Lawry Valjan

A handwritten signature in black ink that reads 'A. Hooykaas'.

Aart Hooykaas  
Partner

Nambucca Heads, 4 October 2013

**HOOYKAAS LAWRY VALJAN**  
ABN 56 764 761 064

**PARTNERS**  
Aart Hooykaas CA  
Peter Lawry FCA  
Peter Valjan BFA JP CA

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 **Chartered Accountants**  
NUMBER ONE IN NUMBERS  
Liability limited by a Scheme approved under Professional Standards Legislation.

## DONATIONS

1st July, 2012 – 30th June, 2013

Cancer Council - Daffodil Day / Relay for Life / Breast Cancer Event & Biggest Morning Tea.....	1326.80
Elly Stig Memorial Charity Golf Day.....	500.00
Give Me 5 for Kids Bowls Day .....	45.45
Group 2 Referees Association .....	909.09
HeartKids .....	665.00
Lara Jean Association Inc.....	1200.00
Lions Club, Nambucca Heads .....	5146.95
Nambucca Heads Bowling & Rec Club - Ken Howard Memorial Carnival .....	250.00
Nambucca Head Women's Bowling Club .....	100.00
Nambucca Heads High School .....	145.45
Nambucca Heads Primary School .....	47.00
Nambucca Heads Indoor Pool Fundraiser .....	58.50
Nambucca Heads Island Golf Club .....	54.55
Nambucca Heads Junior Rugby League Football Club .....	1000.00
Nambucca Heads Men's Shed.....	5200.00
Nambucca Heads R&SL Sub Branch.....	9234.99
Nambucca Heads RSL Thourghbred Tipping Competition.....	300.00
Nambucca Heads RSL Women's Auxiliary.....	60.00
Nambucca River Dragons Inc.....	154.00
Nambucca River & District Agricultural Association.....	250.00
Nambucca River Jockey Club .....	1500.00
Nambucca Strikers Football Club.....	1000.00
Nambucca Valley Arts Council .....	100.00
Nambucca Valley Care.....	45.45
Nambucca Valley Dialysis .....	49.96
Nambucca Valley Ex-Service Women's Association .....	1000.00
Nambucca Valley Phoenix .....	1000.00
Nambucca Valley RSL Day Club.....	5000.00
Nambucca Valley Youth Services Centre .....	5000.00
Ngambaga Bindarry Girrwa Community Services Inc. ....	36.36
Northern Region SLSA Helicopter Rescue Service.....	3000.00
NSW State Emergency Service .....	1000.00
St Patricks School .....	45.45
Shane Cross Benefit Evening .....	45.45
Shave for a Cure .....	59.99
Valla Beach Caravan Park - Salvation Army Youth Network .....	45.45
Valleys to Plateau Community Support Services Inc. ....	3000.00
Liquor Gaming & Racing.....	107.11
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	<b>\$48,683.00</b>

Throughout the year the Club also makes “*In Kind*” donations in excess of \$ 15,000 to various organisations and charities, as follows:

Cancer Council	Nambucca Heads High School P&C Association
Engadine Rotary Club	Nambucca Heads R&SL Day Club
Group 2 Rugby League Football	Nambucca Heads R&SL Women’s Auxiliary
Lions Club, Nambucca Heads	Nambucca Heads R&SL Sub-Branch
Legacy, Nambucca Valley Division	Nambucca Rotary
Laurel Club	R&SL Services Bowls Day
Nambucca Heads High School	

## *Gambling Problems?*

For further information, please call 1800 858 858  
or visit the Government’s web site [www.gamblinghelp.nsw.gov.au](http://www.gamblinghelp.nsw.gov.au)

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