

ANNUAL FINANCIAL REPORT

OF

**WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290**

FOR THE YEAR ENDED

31 MARCH 2011

TABLE OF CONTENTS

	PAGE NO.
Directors' Report	1 - 4
Auditor's Independence Declaration	5
Independent Auditor's Report	6 - 7
Directors' Declaration	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to and forming part of the Financial Statements	13 - 34

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

DIRECTORS' REPORT

Your directors present their report together with the financial report of Windsor & District RSL Sub-Branch Club Limited (the company) for the year ended 31 March 2011 and the auditor's report thereon.

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

Surname	Christian Names	Position
Wilson	Colin	President
Duclos	Albert Sutton	Treasurer
Ryan	Ross Eric	Vice Chairman
Tumminello	David	Vice Chairman (commenced 5 July 2010)
Hyland	Frank	Director
Sheather	Michelle	Director (commenced 27 June 2010)
Ingram	David	Director (commenced 27 June 2010)
Logue	Darrell John	Director (commenced 27 June 2010)
Read	Jason	Director (commenced 17 January 2011)
Crouch	William James	President (ceased 27 June 2010)
Williams	Herbert Charles	Vice Chairman (ceased 27 June 2010)
Butler	Keith William	Director (ceased 20 December 2010)
Slee	Andrew Brian	Director (ceased 27 June 2010)
Watt	William James	Director (ceased 27 June 2010)

INFORMATION ON DIRECTORS

Colin Wilson

Age: 70

Retired

16 years Treasurer - became President 27 June 2010

Albert Sutton Duclos

Age: 76

Retired

17 years Director - became Treasurer 5 July 2010

Ross Eric Ryan

Age: 70

Retired

10 years Director, 8 years Vice Chairman

David Tumminello

Age: 57

Owner/operator small business, 25 years

1 year Vice President - commenced 5 July 2010

Frank Hyland

Age: 61

Broker

3 years Director

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

DIRECTORS' REPORT (continued)

INFORMATION ON DIRECTORS (continued)

Michelle Sheather

Age: 60

Retired

1 year Director - commenced 27 June 2010

David Ingram

Age: 50

Training Development Manager

1 year Director - commenced 27 June 2010

Darrell Logue

Age: 64

Funeral Director

1 year Director - commenced 27 June 2010

Jason Read

Age: 42

Club Manager

1 year Director - commenced 17 January 2011

DIRECTORS' MEETINGS

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

Director	BOARD MEETINGS	
	Number of meetings attended	Number of meetings held*
Mr W Crouch	7	7
Mr C Wilson	18	19
Mr A Duclos	18	19
Mr H Williams	7	7
Mr R Ryan	17	19
Mr D Tumminello	9	11
Mr F Hyland	16	19
Mr K Butler	14	15
Mr A Slee	7	7
Mr W Watt	6	7
Mrs M Sheather	12	12
Mr D Ingram	10	12
Mr D Logue	12	12
Mr J Read	3	3

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

DIRECTORS' REPORT (continued)

COMPANY SECRETARY

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

Ms Tanya Freund held the position of Company Secretary until 22 September 2010. On Tanya's departure, Colin Wilson took over as Licensee. On 30 March 2011 Anthony Rhett Jeffcott was appointed as General Manager.

MEMBERSHIP

The company is a company limited by guarantee and is without share capital. The number of members as at 31 March 2011 and the comparison with last year is as follows:

	2011	2010
Ordinary and Associates	4,074	3,927
Sub-branch	219	210
Life	9	11
	<u>4,302</u>	<u>4,148</u>

OPERATING RESULT

The net loss for the year amounted to \$109,975 compared with a profit of \$3,785 for the prior year.

REVIEW OF OPERATIONS

The club earned an operating profit of \$330,498 (2010: \$522,019) before depreciation of \$366,949 (2010: \$441,182) and finance costs of \$73,524 (2010: \$77,052).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the company's state of affairs that occurred during the financial year.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year has continued to be that of a licensed social club.

There have been no significant changes in the nature of these activities during the year.

EVENTS SUBSEQUENT TO REPORTING DATE

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

LIKELY AND FUTURE DEVELOPMENTS AND EXPECTED RESULTS

There are no likely developments in the operations of the company in future financial years that are expected to significantly affect the results of the company's operations.

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

DIRECTORS' REPORT (continued)

ENVIRONMENTAL REGULATION

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

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

DIVIDENDS

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2010: \$Nil).

INDEMNIFICATION OF OFFICERS

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

The insurance premiums relate to:

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

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

PROCEEDINGS ON BEHALF OF THE 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 party for the purposes 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.

AUDITOR'S INDEPENDENCE DECLARATION

The directors have received the Independence Declaration from the Auditor. The Declaration is attached as Page 5.

Signed in accordance with a resolution of the directors.

Dated at Windsor this 16th day of May 2011.


C Wilson
Chairman

W. L. BROWNE & ASSOCIATES
A LIMITED PARTNERSHIP

JOHN CHEADLE F.C.A.
BRADLEY TURNER C.A.

2F RYEDALE ROAD, WEST RYDE, N.S.W. 2114
email: john@wlbrowne.com.au
brad@wlbrowne.com.au

TELEPHONE: 9807-2188
FAX: 9809-7868
P.O. BOX 150
WEST RYDE 1685

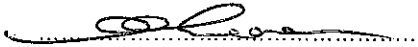
AUDITOR'S INDEPENDENCE DECLARATION

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

To the Directors of Windsor & District RSL Sub-Branch Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 31 March 2011, there have been:

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



John C Cheadle
Registered Company Auditor

Dated: 16 May 2011



Chartered Accountants

Page 5
Liability limited by a scheme approved
under Professional Standards Legislation

W. L. BROWNE & ASSOCIATES

A LIMITED PARTNERSHIP

JOHN CHEADLE F.C.A.
BRADLEY TURNER C.A.

2F RYEDALE ROAD, WEST RYDE, N.S.W. 2114
email: john@wlbrowne.com.au
brad@wlbrowne.com.au

TELEPHONE: 9807-2188
FAX: 9809-7868
P.O. BOX 150
WEST RYDE 1685

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED

I have audited the accompanying financial report of Windsor & District RSL Sub-Branch Club Limited (the company), which comprises the Balance Sheet as at 31 March 2011 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration as set out on pages to

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including 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. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*.



Chartered Accountants

Page 6
Liability limited by a scheme approved
under Professional Standards Legislation

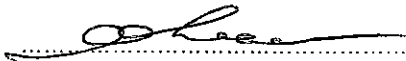
INDEPENDENT AUDIT REPORT (continued)
TO THE MEMBERS OF WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED

Auditor's Opinion

In my opinion the financial report of Windsor & District RSL Sub-Branch Club Limited is in accordance with the *Corporations Act 2001*.

- (a) giving a true and fair view of the company's financial position as at 31 March 2011 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

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



John C Cheadle
Registered Company Auditor

Dated: 16 May 2011

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

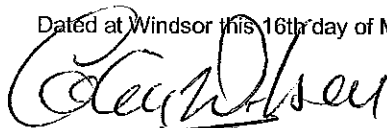
DIRECTORS' DECLARATION

In the opinion of the directors of Windsor & District RSL Sub-Branch Club Limited (the company):

- (a) the financial statements and notes, set out on pages to , are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position of the company as at 31 March 2011 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
- (b) at the date of this declaration there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Dated at Windsor this 16th day of May 2011.



C Wilson
Chairman

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
Revenue from continuing operations			
Sale of goods		693,750	746,540
Rendering of services		2,235,203	2,339,834
Other revenue		<u>30,976</u>	<u>24,420</u>
Total revenue from continuing operations	2	<u>2,959,929</u>	<u>3,110,794</u>
Expenses			
Cost of Sales		(278,363)	(291,460)
Poker machine licence and taxes		(345,443)	(354,353)
Employee expenses		(1,057,482)	(1,063,901)
Entertainment, advertising and promotions		(370,893)	(390,409)
Property expenses		(198,973)	(183,332)
Bus net expenses		(9,949)	(3,843)
Licence and fees		(9,006)	(10,557)
Donations		(17,665)	(6,491)
Printing & stationery		(14,264)	(15,577)
Other expenses		<u>(327,393)</u>	<u>(268,852)</u>
Total expenses		<u>(2,629,431)</u>	<u>(2,588,775)</u>
Earnings before depreciation and finance costs		330,498	522,019
Depreciation and amortisation expenses	3(a)	(366,949)	(441,182)
Finance costs	3(a)	<u>(73,524)</u>	<u>(77,052)</u>
Profit/(Loss) before income tax		(109,975)	3,785
Income tax expense	5(a)	<u>-</u>	<u>(907)</u>
Net profit/(loss) from continuing operations after income tax expense attributable to members	15	<u>(109,975)</u>	<u>2,878</u>
Other Comprehensive Income			
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year, net of tax		<u>(109,975)</u>	<u>2,878</u>

The Statement of Comprehensive Income should be read in conjunction with
the accompanying notes to the financial statements

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2011

	Retained Earnings	Total Equity
Balance at 31 March 2009	3,874,377	3,874,377
Change in equity for 2010		
Total comprehensive income for the year	<u>2,878</u>	<u>2,878</u>
Balance at 31 March 2010	3,877,255	3,877,255
Change in equity for 2011		
Total comprehensive income/(loss) for the year	<u>(109,975)</u>	<u>(109,975)</u>
Balance at 31 March 2011	<u><u>3,767,280</u></u>	<u><u>3,767,280</u></u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

BALANCE SHEET
AS AT 31 MARCH 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	6	528,212	486,385
Trade and other receivables	7	3,337	1,265
Inventories	8	43,561	45,055
Other current assets	9	50,869	43,508
TOTAL CURRENT ASSETS		<u>625,979</u>	<u>576,213</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	4,171,740	4,459,348
Deferred tax assets	5(c)	10,509	10,509
TOTAL NON-CURRENT ASSETS		<u>4,182,249</u>	<u>4,469,857</u>
TOTAL ASSETS		<u>4,808,228</u>	<u>5,046,070</u>
CURRENT LIABILITIES			
Trade and other payables	11	248,491	222,083
Financial liabilities	12	23,711	155,881
Employee benefits	13	139,435	123,712
Other	14	5,494	18,249
TOTAL CURRENT LIABILITIES		<u>417,131</u>	<u>519,925</u>
NON-CURRENT LIABILITIES			
Financial liabilities	12	600,000	626,880
Employee benefits	13	12,309	11,731
Other	14	11,508	10,279
TOTAL NON-CURRENT LIABILITIES		<u>623,817</u>	<u>648,890</u>
TOTAL LIABILITIES		<u>1,040,948</u>	<u>1,168,815</u>
NET ASSETS		<u>3,767,280</u>	<u>3,877,255</u>
MEMBERS' FUNDS			
Retained profits	15	3,767,280	3,877,255
TOTAL MEMBERS' FUNDS		<u>3,767,280</u>	<u>3,877,255</u>

The Balance Sheet should be read in conjunction with
the accompanying notes to the financial statements

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
Cash Flows from Operating Activities			
Cash receipts from customers		3,238,185	3,421,767
Cash paid to suppliers and employees		(2,873,537)	(3,032,813)
Interest received		16,124	6,054
Borrowing costs paid		(76,323)	(77,052)
Net cash inflows from operating activities	20(b)	<u>304,449</u>	<u>317,956</u>
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		20,909	184
Acquisition of property, plant and equipment		(99,400)	(14,295)
Net cash inflows/(outflows) from investing activities		<u>(78,491)</u>	<u>(14,111)</u>
Cash Flows from Financing Activities			
Proceeds from borrowings		-	(27,266)
Hire purchase payments		(184,131)	(214,185)
Net cash (outflows) from financing activities		<u>(184,131)</u>	<u>(241,451)</u>
Net increase in cash and cash equivalents		41,827	62,394
Cash and cash equivalents at the beginning of the financial year		<u>486,385</u>	<u>423,991</u>
Cash and cash equivalents at the end of the financial year	20(a)	<u><u>528,212</u></u>	<u><u>486,385</u></u>

The Statement of Cash Flows should be read in conjunction with
the accompanying notes to the financial statements

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Compliance with IFRS

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

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

Historical Cost Convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) Revenue Recognition - Note 2

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

Sale of goods

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

Rendering of Services

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

Interest Revenue

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Revenue Recognition - Note 2 (continued)

Sale of Property, Plant and Equipment

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

Contribution of Assets

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

(c) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation is included as a current asset or liability in the Balance Sheet.

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 is disclosed as operating cash flows.

(d) Finance Costs

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

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Income Tax - Note 5

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

Deferred tax is accounted for using the comprehensive Balance Sheet liability method whereby:

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

(f) Impairment of Assets

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

(g) Cash and Cash Equivalents - Note 6

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

(h) Trade and Other Receivables - Note 7

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

(i) Inventories - Note 8

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Property, Plant and Equipment - Note 10

Land is shown at periodic, but at least triennial, valuations by external independent valuers. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amounts arising on revaluation of land are credited to other reserves in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the Statement of Comprehensive Income.

Land is not depreciated. Depreciation on other assets is calculated using the straight line/diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

	2011	2010
Buildings and Improvements	40 years	40 years
Furniture, Fittings and Equipment	11 years	11 years
Poker Machines	5 years	5 years
Kitchen Equipment	11 years	11 years
Vehicles	8 years	8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Comprehensive Income. When revalued assets are sold, it is company policy to transfer the amounts included in other reserves with respect to those assets to retained earnings.

The company's properties are now classified as either "Core" or "Non-Core" property. Core property is property occupied by the club as licensed premises. The club can only dispose of its core property if the disposal has been approved by a resolution passed by the majority of members. The property must be sold at public auction after valuation by a registered valuer. These requirements do not apply to non-core property, ie, investment properties.

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee Benefits - Note 13

Wages and Salaries, Annual Leave and Sick Leave

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

Long Service Leave

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

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

Superannuation Plan

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

(l) Trade and Other Payables - Note 11

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

(m) Financial Liabilities - Note 12

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of borrowings using the effective interest method.

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 Balance Sheet date.

(n) Leased Assets

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Leased Assets (continued)

Finance Leases - Note 12

A leased asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

(o) Comparatives

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

(p) Use and Revisions of Accounting Estimates

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

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

(q) Going Concern

The company recorded an operations loss of \$109,975 (2010: profit of \$3,785) and the current assets exceeded the current liabilities by \$208,848 (2010: \$56,288). Current assets to current liabilities are contingent on a \$600,000 loan from the sub branch remaining non-current.

The directors have prepared the financial report on a going concern basis for the following reasons:

- Cash inflow from operating activities for the year amounted to \$304,449 compared to \$317,956 in the prior period and cash inflows are expected to improve in future years.

The directors are satisfied that the going concern basis of preparation is appropriate. The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

**WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Customer Loyalty Program

The company operates a loyalty program where customers accumulated point for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

(s) New Accounting Standards for Application in Future Periods

The AASB has issued new Standards that have mandatory application dates for future reporting periods. The club has decided against early adoption of these Standards.

AASB Number	Title	Operative Date
1053	Application of Tiers of Australian Accounting Standards	1 July 2013

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
2. REVENUE FROM CONTINUING OPERATIONS		
Sale of Goods Revenue		
Bar sales	693,750	746,540
	<u>693,750</u>	<u>746,540</u>
Rendering of Services Revenue		
Functions	20,642	18,204
Poker machines - net clearances	2,036,596	2,085,907
Members' subscriptions	12,289	14,181
Entertainment and promotions	123,313	158,427
TAB commission	3,058	2,959
Keno sales	25,483	32,701
Commission received	11,927	18,577
Sundry income	1,895	8,878
	<u>2,235,203</u>	<u>2,339,834</u>
Other Revenues		
Net gain on disposal of non-current assets	852	184
Interest received	16,124	6,054
Rent received - Catering	14,000	18,182
	<u>30,976</u>	<u>24,420</u>
Total revenue from continuing operations	<u><u>2,959,929</u></u>	<u><u>3,110,794</u></u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
3. EXPENSES		
(a) Profit/(loss) before income tax includes the following specific expenses		
Finance costs		
Finance lease charges	25,081	30,512
Other loans	51,242	46,540
	<u>76,323</u>	<u>77,052</u>
Depreciation		
Buildings and improvements	50,822	50,822
Plant and equipment	297,162	269,829
	<u>347,984</u>	<u>320,651</u>
Amortisation		
Finance lease assets	<u>18,966</u>	<u>120,531</u>
Total depreciation and amortisation	<u>366,950</u>	<u>441,182</u>
Net expense from movements in provision for		
Employee benefits	<u>16,301</u>	<u>28,565</u>
	%	%
(b) Key Performance Indicators		
Bar		
Gross profit percentage	60.08%	61.03%
Wages to sales percentage	20.62%	30.15%
Wages and salaries - percentage of total revenue (before profit on sale of assets)	34.97%	34.20%
EBITDA percentage (before profit on sale of assets)	10.78%	16.78%

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
4. AUDITOR'S REMUNERATION		
During the year the following fees were paid or payable for services provided by the auditor:		
Audit Services		
Auditors of the company		
Audit and review of financial reports		
- PKF	-	18,500
- W L Browne & Associates	13,000	-
Other Services		
Previous auditors of the company		
Taxation services		
- PKF	2,900	2,800

5. INCOME TAX

(a) Income Tax Expense

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

The amount set aside for income tax in the Statement of Comprehensive Income has been calculated as follows:

Proportion of income attributable to non-members	427,740	513,483
Less: Proportion of expenses attributable to non-members	<u>(414,760)</u>	<u>(500,077)</u>
	12,980	13,406
Add: Other taxable income	<u>69,658</u>	<u>104,532</u>
	82,638	117,938
Less: Other deductible expenses	<u>(105,213)</u>	<u>(127,483)</u>
Tax losses carried forward	22,575	9,545
Net income subject to tax	<u><u>-</u></u>	<u><u>-</u></u>
Current income tax applicable to above at rate of 30%		
(Over)/under provided in previous years	-	5,700
(Increase)/decrease in deferred tax assets	<u>-</u>	<u>(4,793)</u>
Income tax expense	<u><u>-</u></u>	<u><u>907</u></u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
5. INCOME TAX (continued)		
(b) Current Tax (Assets)/Liabilities		
Movements during the year:		
Balance at beginning of year	-	(6,322)
Income tax paid	-	-
Current year's income tax expense on profit	-	-
(Over)/under provision in prior year	-	5,700
Income tax refund received	-	622
Current tax (assets)/liabilities	<u>-</u>	<u>-</u>
(c) Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
<i>Amounts recognised in profit or loss</i>		
Employee benefits	6,969	6,969
Tax losses carried forward	3,540	3,540
Net deferred tax assets	<u>10,509</u>	<u>10,509</u>
Movements during the year:		
Balance at the beginning of the year	10,509	5,716
Credited/(charged) to the Statement of Comprehensive Income	-	4,793
Closing balance	<u>10,509</u>	<u>10,509</u>
6. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	<u>528,212</u>	<u>486,385</u>
7. TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	<u>3,337</u>	<u>1,265</u>
8. INVENTORIES		
Finished goods - at cost		
Bar	<u>43,561</u>	<u>45,055</u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
9. OTHER ASSETS		
Current		
Prepayments	<u>50,869</u>	<u>43,508</u>
10. PROPERTY, PLANT AND EQUIPMENT		
Freehold Land - Core Property		
<i>At Cost</i>	<u>1,995,515</u>	<u>1,995,515</u>
	<u>1,995,515</u>	<u>1,995,515</u>
Buildings and Improvements - Core Property		
<i>At Cost</i>	1,945,304	1,945,304
<i>Accumulated depreciation</i>	<u>(301,575)</u>	<u>(250,752)</u>
	<u>1,643,729</u>	<u>1,694,552</u>
Total Land, Buildings and Improvements - Core Property	<u>3,639,244</u>	<u>3,690,067</u>
Plant and Equipment		
<i>At Cost</i>	5,665,427	5,108,429
<i>Accumulated depreciation</i>	<u>(5,169,272)</u>	<u>(4,643,141)</u>
	<u>496,155</u>	<u>465,288</u>
Hire Purchase Assets		
<i>At Cost</i>	110,109	604,175
<i>Accumulated depreciation</i>	<u>(73,768)</u>	<u>(300,182)</u>
	<u>36,341</u>	<u>303,993</u>
Total property, plant and equipment net book value	<u>4,171,740</u>	<u>4,459,348</u>

Refer to Note 12 for details of security over property, plant and equipment

Valuation

An independent valuation of the company's land and buildings carried out by Knight Frank Valuation Services Pty Ltd as at 29 May 2007 on the basis of open market value for existing use resulted in a valuation of land of \$4,077,500 and buildings and improvements of \$2,930,500 for the club premises. As land and buildings are recorded at cost the valuation of \$4,077,500 for land and \$2,930,500 for buildings and improvements has not been brought to account.

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
10. PROPERTY, PLANT AND EQUIPMENT (continued)		
Reconciliations		
Movements in Carrying Amounts		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:		
Freehold Land		
Carrying amount at beginning of year	1,995,515	1,995,515
Disposals	-	-
Carrying amount at end of year	<u>1,995,515</u>	<u>1,995,515</u>
Buildings and Improvements		
Carrying amount at beginning of year	1,694,552	1,745,374
Depreciation	(50,822)	(50,822)
Carrying amount at end of year	<u>1,643,729</u>	<u>1,694,552</u>
Plant and Equipment		
Carrying amount at beginning of year	465,288	720,822
Additions	99,400	14,295
Transfer from Finance Lease Assets	228,629	-
Depreciation	(297,162)	(269,829)
Carrying amount at end of year	<u>496,155</u>	<u>465,288</u>
Finance Lease Assets		
Carrying amount at beginning of year	303,993	424,524
Transfer to Plant and Equipment	(228,629)	-
Disposals	(20,057)	-
Amortisation	(18,966)	(120,531)
Carrying amount at end of year	<u>36,341</u>	<u>303,993</u>
11. TRADE AND OTHER PAYABLES		
Current		
Trade creditors	189,239	191,872
Other creditors and accruals	59,252	30,211
	<u>248,491</u>	<u>222,083</u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
12. FINANCIAL LIABILITIES		
Current		
Secured		
Finance Leases	<u>23,711</u>	<u>155,881</u>
Non-Current		
Secured		
Finance leases	-	26,880
Loan - Sub Branch	<u>600,000</u>	<u>600,000</u>
	<u>600,000</u>	<u>626,880</u>
Financing Arrangements		
The company has access to the following lines of credit:		
Total facilities available:		
NAB Master Leasing Facility	-	35,000
NAB Visa Card	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>40,000</u>
Facilities utilised at reporting date:		
NAB Master Leasing Facility	-	11,839
NAB Visa Card	<u>-</u>	<u>1,166</u>
	<u>-</u>	<u>13,005</u>
Facilities not utilised at reporting date:		
NAB Master Leasing Facility	-	23,161
NAB Visa Card	<u>5,000</u>	<u>3,834</u>
	<u>5,000</u>	<u>26,995</u>

Loan - Sub Branch

The loan bears interest at 7.5% (2010: 7.5%) payable monthly.

Payments are interest only. The maturity date of the loan is 10 July 2014 subject to annual review.

The loan is treated as all non-current so long as the company manages to meet its loan covenants which it has to date.

Security

The loan is secured by registered first mortgages over the following assets of the company:

- First Registered Mortgage over the premises of Windsor & District RSL Club Limited situated at cnr Mileham and Argyle Streets, South Windsor NSW 2756 comprising Lot 9 in Deposited Plan 752061 and Lot 201 in Deposit Plan 801553. This is a fixed and floating charge over the assets and undertaking of Windsor & District RSL Club Limited.

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
13. EMPLOYEE BENEFITS		
Aggregate liability for employee benefits including on-costs		
Current	139,435	123,712
Non-current	12,309	11,731
	<u>151,744</u>	<u>135,443</u>
The present values of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:		
Assumed rate of increase in wage and salary rates	2.90%	2.90%
Discount rate	5.65%	5.65%
Settlement term (years)	10	10
Number of Employees		
Number of employees at year end	<u>24</u>	<u>26</u>
Superannuation Plans		
Contributions		
The company is under a legal obligation to contribute 9% of each employee's base salary to a superannuation fund.		
Employer contribution to the plans	<u>66,681</u>	<u>67,743</u>
Employer contributions payable to the plans at reporting date	<u>-</u>	<u>5,825</u>
14. OTHER LIABILITIES		
Current		
Income received in advance	<u>5,494</u>	<u>18,249</u>
Non-Current		
Income received in advance	<u>11,508</u>	<u>10,279</u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
15. RETAINED PROFITS		
Retained profits at the beginning of the year	3,877,255	3,874,377
Net profit/(loss) attributable to members of the company	<u>(109,975)</u>	<u>2,878</u>
Retained profits at the end of the year	<u><u>3,767,280</u></u>	<u><u>3,877,255</u></u>

16. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

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

The company holds the following instruments:

Financial Assets

Cash and cash equivalents	528,212	486,385
Trade and other receivables	3,337	1,265
Total Financial Assets	<u>531,549</u>	<u>487,650</u>

Financial Liabilities

Trade and other payables	248,491	222,083
Finance liabilities	623,711	782,761
Total Financial Liabilities	<u>872,202</u>	<u>1,004,844</u>

Net Exposure	<u><u>(340,653)</u></u>	<u><u>(517,194)</u></u>
--------------	-------------------------	-------------------------

Financial Risk Management Policies

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

16. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(a) Interest Rate Risk

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

	Note	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in 1 year or less \$	Fixed interest maturing in 1-5 years \$	Non Interest bearing \$	Total \$
2011							
Financial Assets							
Cash & cash equivalents	6	3.50%	407,894	-	-	120,318	528,212
Trade & other receivable	7	-	-	-	-	3,337	3,337
			<u>407,894</u>	<u>-</u>	<u>-</u>	<u>123,655</u>	<u>531,549</u>
Financial Liabilities							
Trade & other payables	11	-	-	-	-	248,491	248,491
Finance leases	12	10.09%	-	23,711	-	-	23,711
Loan - Sub Branch	12	7.50%	-	-	600,000	-	600,000
			<u>-</u>	<u>23,711</u>	<u>600,000</u>	<u>248,491</u>	<u>872,202</u>
2010							
Financial Assets							
Cash & cash equivalents	6	2.34%	357,385	-	-	129,000	486,385
Trade & other receivable	7	-	-	-	-	1,265	1,265
			<u>357,385</u>	<u>-</u>	<u>-</u>	<u>130,265</u>	<u>487,650</u>
Financial Liabilities							
Trade & other payables	11	-	-	-	-	222,083	222,083
Finance leases	12	10.09%	-	155,881	26,880	-	182,761
Loan - Sub Branch	12	7.50%	-	-	600,000	-	600,000
			<u>-</u>	<u>155,881</u>	<u>626,880</u>	<u>222,083</u>	<u>1,004,844</u>

(b) Credit Risk Exposures

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

The credit risk on financial assets, excluding investments, of the company which have been recognised on the Balance Sheet, is the carrying amount, net of any provision for doubtful debts.

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

The company is of the opinion that the effect of volatility with any of these risk areas would not be material.

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

16. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(b) Credit Risk Exposures (continued)

Recognised Financial Instruments

The credit risk on financial assets, excluding investments, of the company which have been recognised on the Balance Sheet, is the carrying amount, net of any provision for doubtful debts.

The company minimises concentrations of credit risk by undertaking transactions with a large number of patrons.

(c) Liquidity Risk

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

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

(d) Net Fair Values

The aggregate fair values and carrying amount of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to the financial statements.

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

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

(e) Summarised Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Balance Sheet date.

	Carrying Amount	-1% Profit	-1% Equity	+1% Profit	+1% Equity
Financial Assts					
Cash and cash equivalents	357,385	(3,574)	(3,574)	3,574	3,574
Financial Liabilities					
Finance lease	23,711	237	237	(237)	(237)
Loan - Sub Branch	600,000	6,000	6,000	(6,000)	(6,000)
Increase/(decrease)		2,663	2,663	(2,663)	(2,663)

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
17. COMMITMENTS			
Finance Lease Commitments			
Finance lease payments are payable as follows:			
Within one year		28,660	184,131
One year or later and not later than five years		-	28,660
Minimum financial lease payments		<u>28,660</u>	<u>212,791</u>
Less: Future finance lease charges		<u>(4,949)</u>	<u>(30,030)</u>
Carrying amount of hire purchase liabilities		<u><u>23,711</u></u>	<u><u>182,761</u></u>
Finance lease liabilities provided for in the financial statements:			
Current	12	23,711	155,881
Non-current	12	-	26,880
		<u><u>23,711</u></u>	<u><u>182,761</u></u>

The company hires motor vehicles and trading equipment under financial lease agreements expiring from one to three years. The finance lease facility is secured against the assets purchased under this facility as disclosed in Note 10, under Property, Plant and Equipment.

18. CONTINGENT LIABILITIES

Mutuality Principle

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

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

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

19. SEGMENT REPORTING

The company operates predominantly in the hospitality and entertainment industry.

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

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011 \$	2010 \$
20. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
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:			
Cash and cash equivalents		<u>528,212</u>	<u>486,385</u>
(b) Reconciliation of Net Cash Provided by Operating Activities with Profit after Income Tax			
Profit/(loss) after income tax		(109,975)	2,878
Add/(less) items classified as investing/financing activities:			
Profit on sale of non-current assets		(851)	(184)
Finance lease charges		25,081	30,512
Add/(less) non-cash items:			
Depreciation		366,950	441,183
(Increase)/decrease in deferred tax assets		-	(4,793)
(Increase)/decrease in current tax assets		-	6,322
Net cash provided by operating activities before change in assets and liabilities		<u>281,205</u>	<u>475,918</u>
Change in assets and liabilities during the financial year			
(Increase)/decrease in receivables		(2,072)	6,755
(Increase)/decrease in inventories		1,494	(3,396)
(Increase)/decrease in other assets		(7,361)	21,985
Increase/(decrease) in payables		26,408	(208,775)
Increase/(decrease) in other liabilities		(11,526)	(3,096)
Increase/(decrease) in employee benefits		16,301	28,565
Net cash flow from operating activities		<u>304,449</u>	<u>317,956</u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

21. KEY MANAGEMENT PERSONNEL DETAILS

(a) Directors

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

Mr W Crouch
 Mr C Wilson
 Mr A Duclos
 Mr H Williams
 Mr R Ryan
 Mr D Tumminello
 Mr F Hyland
 Mr K Butler
 Mr A Slee
 Mr W Watt
 Mrs M Sheather
 Mr D Ingram
 Mr D Logue
 Mr J Reid

(b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year.

Name	Position
Tanya Freund	General Manager
Colin Thyer	Interim General Manager
Anthony Jeffcott	General Manager

(c) Key Management Personnel Compensation

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

	2011	2010
	\$	\$
Short term employee benefits	112,914	116,764
Other long term benefits	-	3,338
Post employment benefits	4,312	7,494
	<u>117,226</u>	<u>127,596</u>

WINDSOR & DISTRICT RSL SUB-BRANCH CLUB LIMITED
ACN 000 811 290

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

22. RELATED PARTIES

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 21.

Directors' 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.

23. COMPANY DETAILS

The Club is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$4 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At 31 March 2011 there were 4,302 members.

The registered office of the company is Cnr Argyle and Mileham Streets, South Windsor NSW 2756.

24. EVENTS SUBSEQUENT TO REPORTING DATE

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