
Windsor & District RSL Sub-Branch Club Limited
ACN 000 811 290

Annual Financial Report
31 March 2007

Windsor & District RSL Sub-Branch Club Limited

Directors' Report

Directors

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 2007 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 |
|----------------|------------------------|------------------------------|
| Crouch | William James | Chairman |
| Williams | Herbert Charles | Vice Chairman |
| Ryan | Ross Eric | Vice Chairman |
| Butler | Keith William | Director |
| Duclos | Albert Sutton | Director |
| Phillips | John Joseph | Director – Resigned 18/03/07 |
| Slee | Andrew Brian | Director |
| Wilson | Colin | Treasurer |
| Williamson | Robert Edward | Director |

Information on Directors

William James Crouch

Age: 59
Retired
24 years Chairman

Herbert Charles Williams

Age: 72
Retired
18 years Vice Chairman
18 years Director

Ross Eric Ryan

Age: 66
Driver
7 years Director
5 years Vice Chairman

Keith William Butler

Age: 65
Driver
5 years Director

Albert Sutton Duclos

Age: 73
Retired
14 years Director

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

Information on Directors (continued)

John Joseph Phillips

Age: 78
Retired
3 years director
Resigned 18 March 2007

Andrew Brian Slee

Age: 43
Machine Operator
3 years Director

Colin Wilson

Age: 66
Retired
13 years Treasurer

Robert Edward Williamson

Age: 59
Corrective Services Officer
5 years director

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 | 20 | 20 |
| Mr H Williams | 18 | 20 |
| Mr A Duclos | 11 | 20 |
| Mr R Ryan | 17 | 20 |
| Mr J Phillips | 10 | 20 |
| Mr A Slee | 16 | 20 |
| Mr C Wilson | 20 | 20 |
| Mr K Butler | 15 | 20 |
| Mr R Williamson | 17 | 20 |

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

Company Secretary

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

Mr Jason Moore

Mr Moore was appointed Company Secretary on 7 June 2005 and is also the General Manager of Windsor & District RSL Sub-Branch Club Limited.

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 March 2007 and the comparison with last year is as follows:

| | 2007 | 2006 |
|-------------------------|-------------|-------------|
| Ordinary and Associates | 3,985 | 2,976 |
| Sub-branch | 97 | 99 |
| Life | 11 | 11 |
| | <hr/> | <hr/> |
| | 4,093 | 3,086 |
| | <hr/> <hr/> | <hr/> <hr/> |

Operating Result

The net profit from ordinary activities before tax for the year amounted to \$145,312 compared with a loss of \$35,578 for the prior year. This resulted after charging \$509,829 (2006: \$468,038) for depreciation and before charging \$56,425 (2006: crediting \$21,676) for income tax.

Review of Operations

A review of the operations of the company during the financial year and the results of these operations are as follows:

The main reason for the increase in net profit was due to an increase in poker machine takings and profit on sale of members units.

Also, the loss from catering department has increased from the prior year, impacting the final profit.

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.

Directors' Report (continued)

Likely and Future Developments and Expected Results

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

At the date of this report there have been several developments in the operations of the company:

- Redevelopment of the club premises is planned over the next few years.
- Proposed sale of the vacant land at 74 Mileham Street, South Windsor.
- The State Government has increased poker machine taxes as from 1 September 2004 with further increases being phased in over four years and has also imposed a complete smoking ban from July 2007. These regulations and taxes will increasingly affect the profitability of the company.

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 (2006: \$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.

Directors' Report (continued)

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 Auditors. The Declaration is attached as page 6.

Signed in accordance with a resolution of the directors.

Dated at Windsor this 14th day of May 2007.

W Crouch
Chairman

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 2007, 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.

PKF

Jim Hollington
Partner

Sydney
14 May 2007

Audit Report

Scope

The Financial Report and Directors' Responsibilities

The financial report comprises the Income Statement, Balance Sheet, Cash Flow Statement, accompanying Notes to the Statements and the Directors' Declaration set out on pages 9 to 40 for Windsor & District RSL Sub-Branch Club Limited (the company) for the year ended 31 March 2007.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporation Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Accounting Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position and of its performance as represented by the results of its operations and its cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Audit Report (continued)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the financial report of the company is in accordance with:

- a) The Corporations Act 2001, including:
 - i) giving a true and fair view of the company's financial position as at 31 March 2007 and of its performance for the year ended on that date;
 - ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b) Other mandatory financial reporting requirements in Australia.

PKF

Jim Hollington
Partner

Sydney
14 May 2007

Windsor & District RSL Sub-Branch Club Limited

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 10 to 40, 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 2007 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 14th day of May 2007.

W Crouch
Chairman

Windsor & District RSL Sub-Branch Club Limited

Income Statement For the Year Ended 31 March 2007

| | Note | 2007 \$ | 2006 \$ |
|--|------|-------------|-------------|
| Revenue from continuing operations | | | |
| Sale of goods | | 1,132,679 | 802,786 |
| Rendering of services | | 3,646,232 | 3,254,188 |
| Other revenue | | 361,657 | 93,760 |
| | | <hr/> | <hr/> |
| Total revenue from continuing operations | 2 | 5,140,568 | 4,150,734 |
| | | <hr/> | <hr/> |
| Expenses | | | |
| Cost of Sales | | (551,362) | (317,921) |
| Poker machine licence and taxes | | (565,917) | (488,117) |
| Employee expenses | | (1,475,148) | (1,095,883) |
| Entertainment, advertising and promotions | | (840,041) | (712,624) |
| Property expenses | | (447,946) | (439,086) |
| Bus net expenses | | (94,135) | (76,268) |
| Catering subsidy | | - | (10,000) |
| Licence and fees | | (14,247) | (15,003) |
| Donations | | (32,889) | (53,000) |
| Printing and stationery | | (21,672) | (20,776) |
| Loss on disposal of non-current assets | | - | (60,685) |
| Other expenses from ordinary activities | | (177,723) | (142,194) |
| | | <hr/> | <hr/> |
| Total expenses | | (4,221,080) | (3,431,557) |
| | | <hr/> | <hr/> |
| Earnings before depreciation expense and finance costs | | 919,488 | 719,177 |
| Depreciation expenses | 3(a) | (509,829) | (468,038) |
| Finance costs | 3(a) | (264,347) | (286,717) |
| | | <hr/> | <hr/> |
| Profit/(loss) before income tax | | 145,312 | (35,578) |
| Income tax benefit/(expense) | 5(a) | (56,425) | 21,676 |
| | | <hr/> | <hr/> |
| Net profit/(loss) from continuing operations after income tax expense attributable to members | 17 | 88,887 | (13,902) |
| | | <hr/> | <hr/> |

The Income Statement should be read in conjunction with the accompanying notes set out on pages 14 to 40.

Windsor & District RSL Sub-Branch Club Limited

Statement of Changes in Equity For the Year Ended 31 March 2007

| | Note | 2007 \$ | 2006 \$ |
|--|------|------------|------------|
| Total equity at the beginning of the financial year | | 4,866,912 | 4,880,814 |
| Retained profits | | 4,866,912 | 4,880,814 |
| Profit/(loss) for the year | | 88,887 | (13,902) |
| Total recognised income and expense for the year | | 88,887 | (13,902) |
| Total equity at the end of the financial year | 17 | 4,955,799 | 4,866,912 |

Windsor & District RSL Sub-Branch Club Limited

Balance Sheet As at 31 March 2007

| | Note | 2007 \$ | 2006 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 6 | 685,133 | 1,066,523 |
| Current financial assets | 7 | 103 | - |
| Trade and other receivables | 8 | 53,755 | 55,891 |
| Inventories | 9 | 72,293 | 45,274 |
| Current tax assets | 5(b) | - | 14,758 |
| Other | 10 | 52,335 | 80,480 |
| Total Current Assets | | 863,619 | 1,262,926 |
| Non-Current Assets | | | |
| Property, plant and equipment | 11 | 7,298,814 | 7,022,512 |
| Investment property | 12 | 210,445 | 218,102 |
| Deferred tax assets | 5(c) | 11,786 | 42,415 |
| Other | 10 | - | 9,872 |
| Total Non-Current Assets | | 7,521,045 | 7,292,901 |
| Total Assets | | 8,384,664 | 8,555,827 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Current tax liability | 5(b) | 14,341 | - |
| Trade and other payables | 13 | 482,338 | 324,014 |
| Borrowings | 14 | 15,209 | - |
| Employee benefits | 15 | 103,298 | 130,755 |
| Other | 16 | 18,183 | 24,870 |
| Total Current Liabilities | | 633,369 | 479,639 |
| Non-Current Liabilities | | | |
| Trade and other payables | 13 | 52,500 | - |
| Borrowings | 14 | 2,730,365 | 3,200,000 |
| Employee benefits | 15 | 12,631 | 9,276 |
| Total Non-Current Liabilities | | 2,795,496 | 3,209,276 |
| Total Liabilities | | 3,428,865 | 3,688,915 |
| Net Assets | | 4,955,799 | 4,866,912 |
| Members' Funds | | | |
| Retained profits | 17 | 4,955,799 | 4,866,912 |
| Total Members' Funds | | 4,955,799 | 4,866,912 |

The Balance Sheet should be read in conjunction with the accompanying notes set out on pages 14 to 40.

Windsor & District RSL Sub-Branch Club Limited

Cash Flow Statement For the Year Ended 31 March 2007

| | Note | 2007 \$ | 2006 \$ |
|---|-------|-------------|-------------|
| Cash Flows From Operating Activities | | | |
| Receipts from customers | | 5,211,021 | 4,560,877 |
| Payments to suppliers and employees | | (4,428,807) | (4,057,654) |
| Interest received | | 42,423 | 49,303 |
| Borrowing costs paid | | (264,347) | (286,717) |
| Income taxes (paid)/refunded | | 3,366 | 21,676 |
| | | <hr/> | <hr/> |
| Net cash inflow from operating activities | 22(b) | 563,656 | 287,485 |
| | | <hr/> | <hr/> |
| Cash Flows From Investing Activities | | | |
| Proceeds on disposal of non-current assets | 12 | 840,664 | 18,286 |
| Payment for property, plant and equipment | 12 | (1,231,915) | (648,467) |
| | | <hr/> | <hr/> |
| Net cash outflow from investing activities | | (391,251) | (630,181) |
| | | <hr/> | <hr/> |
| Cash Flows From Financing Activities | | | |
| Repayment of borrowings | | (552,995) | - |
| Hire purchase payments | | (800) | - |
| | | <hr/> | <hr/> |
| Net cash outflow from financing activities | | (553,795) | - |
| | | <hr/> | <hr/> |
| Net decrease in cash and cash equivalents | | (381,390) | (342,696) |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at the beginning of the financial year | | 1,066,523 | 1,409,219 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the financial year | 22(a) | 685,133 | 1,066,523 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The Cash Flow Statement should be read in conjunction with the accompanying notes set out on pages 14 to 40.

Notes to the Financial Statements For the Year Ended 31 March 2007

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 equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations 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 the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) when control of the goods passes to the customer.

Rendering of Services

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

Interest Revenue

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

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

1 Statement of Significant Accounting Policies (continued)

(b) Revenue Recognition – Note 2 (continued)

Sale of Property, Plant and Equipment

The gross proceeds of property, plant and equipment sales are recognised as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

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 the 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 Office is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis.

(d) Borrowing Costs

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

Ancillary costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings.

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

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

1 Statement of Significant Accounting Policies (continued)

(e) Income Taxes – Note 5

Income taxes are 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

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 8

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 9

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.

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

1 Statement of Significant Accounting Policies (continued)

(j) Property, Plant and Equipment – Note 11

Land and buildings (except for investment properties – refer to Note 12) are shown at cost, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. 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 income statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings 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 income statement.

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:

| | 2007 | 2006 |
|----------------------------------|-------------|-------------|
| Buildings and Improvements | 40 years | 40 years |
| Furniture, Fitting and Equipment | 11.11 years | 11.11 years |
| Poker Machines | 6 years | 6 years |
| Holiday Units | 40 years | 40 years |
| Kitchen Equipment | 11.11 years | 11.11 years |
| Vehicles | 7.7 years | 7.7 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 income statement. 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.

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

1 Statement of Significant Accounting Policies (continued)

(k) Investment Property – Note 12

Investment property, principally comprising freehold buildings, is held for long-term rental yields and is not occupied by the company. Investment property is carried at cost.

(l) Employee Benefits – Note 15

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.

(m) Comparatives

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

(n) Trade and Other Payables – Note 13

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.

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

1 Statement of Significant Accounting Policies (continued)

(o) Borrowings – Note 14

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 Income Statement 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.

(p) 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.

Finance Leases – Note 14

A lease 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.

Operating Leases

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

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| 2 Revenue from Continuing Operations | | |
| Sale of Goods Revenue | | |
| Bar sales | 785,085 | 799,895 |
| Catering sales | 347,594 | 2,891 |
| | 1,132,679 | 802,786 |
| Rendering of Services Revenue | | |
| Functions | 64,338 | 22,810 |
| Poker machines – net clearances | 3,130,745 | 2,905,918 |
| Members' subscriptions | 24,700 | 21,636 |
| Entertainment and promotions | 288,982 | 242,885 |
| TAB commission | 6,403 | 7,155 |
| Keno sales | 42,144 | 38,225 |
| Commission received | 20,013 | 14,175 |
| Insurance Proceeds | 68,715 | - |
| Sundry income | 192 | 1,384 |
| | 3,646,232 | 3,254,188 |
| Other Revenues | | |
| Interest received | 42,423 | 49,303 |
| Rent received | | |
| Units and villas | 18,238 | 26,005 |
| Windsor farms | 13,135 | 18,452 |
| | 73,796 | 93,760 |
| Total operating revenue | 73,796 | 93,760 |
| Non-operating activities | | |
| Net gain on disposal of non-current assets | 287,861 | - |
| | 287,861 | - |
| Total non-operating revenue | 287,861 | - |
| Total revenue from continuing operations | 5,140,568 | 4,150,734 |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| 3 Expenses | | |
| (a) Profit before income tax includes the following specific expenses: | | |
| Finance costs | | |
| Bank loans and overdraft | 264,347 | 286,717 |
| Depreciation | | |
| Buildings and improvements | 28,094 | 25,554 |
| Poker machines | 274,706 | 240,843 |
| Bus | 25,260 | 25,260 |
| Kitchen equipment | 11,522 | 10,238 |
| Furniture, fittings and equipment | 156,657 | 142,027 |
| Holiday units | 5,933 | 16,367 |
| Investment property | 7,657 | 7,749 |
| Total depreciation | 509,829 | 468,038 |
| Net expense from movements in provision for | | |
| Employee benefits | (24,447) | (68,896) |
| Poker machine jackpots (written back) | (345) | (36) |
| | (24,792) | (68,932) |
| Net loss on disposal of property, plant and equipment | - | 60,685 |
| | % | % |
| (b) Key Performance Indicators | | |
| Bar | | |
| Gross profit percentage | 58.02% | 61.25% |
| Wages to sales percentage | 35.13% | 42.06% |
| Wages and salaries – percentage of total revenue | 28.71% | 26.79% |
| Catering | | |
| Gross profit percentage | 40.61% | - |
| Wages to sale percentage | 80.17% | - |
| EBITDA percentage | 11.77% | 17.60% |
| Interest cover ratio | 2.48:1 | 0.88:1 |

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

| | 2007 | 2006 |
|---|-------------|-------------|
| | \$ | \$ |
| 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 | | |
| <i>PKF</i> | | |
| Audit and review of financial reports | 15,500 | 15,000 |
| | <hr/> | <hr/> |
| Other Services: | | |
| Auditors of the company | | |
| <i>PKF</i> | | |
| Taxation services | 2,200 | 2,000 |
| Other assurance services | 29,940 | 24,621 |
| | <hr/> | <hr/> |
| | 32,140 | 26,621 |
| | <hr/> <hr/> | <hr/> <hr/> |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

5 Taxation

(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.

| | 2007 \$ | 2006 \$ |
|---|-------------------|-------------------|
| The amount set aside for income tax in the Income Statement has been calculated as follows: | | |
| Proportion of income attributable to non-members | 1,665,021 | 1,374,245 |
| Less: Proportion of expenses attributable to non-members | (1,598,797) | (1,291,314) |
| | <hr/> | <hr/> |
| Add: Other taxable income | 66,224 159,729 | 82,931 130,886 |
| | <hr/> | <hr/> |
| Less: Other deductible expenses | 225,953 | 213,817 |
| Tax losses | (336,892) | (310,113) |
| Capital gain on sale of units | (96,294) | 96,296 |
| | 272,554 | - |
| | <hr/> | <hr/> |
| Net income subject to tax | 65,321 | - |
| | <hr/> | <hr/> |
| Current income tax applicable to above at rate of 30% | 19,596 | - |
| Under provided in prior years | 6,200 | 1,092 |
| (Increase)/decrease in deferred tax assets | 30,629 | (22,768) |
| | <hr/> | <hr/> |
| Income tax expense | 56,425 | (21,676) |
| | <hr/> <hr/> | <hr/> <hr/> |

(b) Current Tax (Assets)/Liabilities

Movements during the year:

| | | |
|---|-------------|-------------|
| Balance at beginning of year | (14,758) | (3,554) |
| Income tax paid | (13,671) | (14,758) |
| Current year's income tax expense on profit | 19,596 | - |
| Under provision in prior year | 6,200 | 1,092 |
| Income tax refund received | 17,037 | 2,462 |
| | <hr/> | <hr/> |
| Current tax assets/(Liabilities) | 14,341 | (14,758) |
| | <hr/> <hr/> | <hr/> <hr/> |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|--|-------------|-------------|
| 5 Taxation (continued) | | |
| (c) Deferred Tax Assets | | |
| The balance comprises temporary differences attributable to: | | |
| <i>Amounts recognised in profit or loss</i> | | |
| Employee benefits | 11,786 | 13,527 |
| Tax losses | - | 28,888 |
| | <hr/> | <hr/> |
| Net deferred tax assets | 11,786 | 42,415 |
| | <hr/> <hr/> | <hr/> <hr/> |
| 6 Cash and Cash Equivalents | | |
| Cash at bank and on hand | 356,289 | 440,417 |
| Bank short term deposits – at cost | 328,844 | 626,106 |
| | <hr/> | <hr/> |
| | 685,133 | 1,066,523 |
| | <hr/> <hr/> | <hr/> <hr/> |
| 7 Current Financial Assets | | |
| Shares in IAG – at cost | 103 | - |
| | <hr/> | <hr/> |
| | 103 | - |
| | <hr/> <hr/> | <hr/> <hr/> |
| 8 Trade and Other Receivables | | |
| Current | | |
| Trade debtors | 49,645 | 23,410 |
| Pending insurance claim | - | 32,004 |
| Interest receivable | 4,110 | 477 |
| | <hr/> | <hr/> |
| | 53,755 | 55,891 |
| | <hr/> <hr/> | <hr/> <hr/> |
| 9 Inventories | | |
| Finished goods – at cost | | |
| Bar | 52,464 | 44,195 |
| Catering | 18,750 | - |
| Promotions | 1,079 | 1,079 |
| | <hr/> | <hr/> |
| | 72,293 | 45,274 |
| | <hr/> <hr/> | <hr/> <hr/> |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|-------------|-------------|
| 10 Other Assets | | |
| Current | | |
| Prepayments | 42,462 | 64,967 |
| Prepaid borrowing costs | 9,873 | 15,513 |
| | 52,335 | 80,480 |
| Non-Current | | |
| Prepaid borrowing costs | - | 9,872 |
| | | |
| 11 Property, Plant and Equipment | | |
| Freehold Land | | |
| <i>At cost</i> | 4,035,515 | 4,035,515 |
| | 4,035,515 | 4,035,515 |
| Buildings and Improvements | | |
| <i>At cost</i> | 1,433,159 | 1,008,921 |
| <i>Accumulated depreciation</i> | (104,011) | (75,917) |
| | 1,329,148 | 933,004 |
| Total Land, Buildings and Improvements | 5,364,663 | 4,968,519 |
| Furniture, Fittings and Equipment | | |
| <i>At cost</i> | 2,490,701 | 2,116,563 |
| <i>Accumulated depreciation</i> | (1,761,515) | (1,631,267) |
| | 729,186 | 485,296 |
| Poker Machines | | |
| <i>At cost</i> | 2,913,357 | 2,696,350 |
| <i>Accumulated depreciation</i> | (2,280,449) | (2,040,636) |
| | 632,908 | 655,714 |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| 11 Property, Plant and Equipment (continued) | | |
| Bus | | |
| <i>At cost</i> | 128,613 | 121,519 |
| <i>Accumulated depreciation</i> | (70,053) | (44,793) |
| | 58,560 | 76,726 |
| Motor Vehicles Under Hire Purchase | | |
| <i>At cost</i> | 88,219 | - |
| | 88,219 | - |
| Holiday Units | | |
| <i>At cost</i> | - | 605,130 |
| <i>Accumulated depreciation</i> | - | (136,496) |
| | - | 468,634 |
| Kitchen Equipment | | |
| <i>At cost</i> | 132,100 | 123,222 |
| <i>Accumulated depreciation</i> | (61,099) | (49,578) |
| | 71,001 | 73,644 |
| Capital Works in Progress | | |
| <i>At cost</i> | 354,277 | 293,979 |
| | 354,277 | 293,979 |
| Total property, plant and equipment net book value | 7,298,814 | 7,022,512 |

Refer to Note 14 for details of security over property, plant and equipment.

Valuation

An independent valuation of the company's land and buildings carried out by Frank Knight as 2 August 2005 on the basis of open market value for existing use resulted in a valuation of land, buildings and improvements of \$6,500,000 for the club premises. The vacant land at 74 Mileham Street, South Windsor was valued by Rushton Valuers Pty Ltd as at 9 May 2005 on the basis of open market value for existing use resulted in a valuation of \$3,175,000. As land and buildings are recorded at cost the valuation has not been brought to account.

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|--|-------------|-------------|
| 11 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: | | |
| Buildings | | |
| Carrying amount at beginning of year | 933,004 | 885,072 |
| Additions | 50,651 | 73,486 |
| Depreciation expense | (28,094) | (25,554) |
| Transfer from WIP | 367,626 | - |
| Adjustment | 5961 | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 1,329,148 | 933,004 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Furniture, Fittings and Equipment | | |
| Carrying amount at beginning of year | 485,296 | 497,866 |
| Additions | 392,142 | 150,515 |
| Depreciation | (156,657) | (142,027) |
| Retirements | (61,455) | (21,058) |
| Adjustments | 69,860 | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 729,186 | 485,296 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Poker Machines | | |
| Carrying amount at beginning of year | 655,714 | 648,597 |
| Additions | 253,627 | 305,895 |
| Depreciation | (274,706) | (240,843) |
| Retirements | (1,727) | (57,935) |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 632,908 | 655,714 |
| | <hr/> <hr/> | <hr/> <hr/> |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| 11 Property, Plant and Equipment (continued) | | |
| Reconciliations | | |
| Bus | | |
| Carrying amount at beginning of year | 76,726 | 101,986 |
| Additions | - | - |
| Depreciation | (25,260) | (25,260) |
| Adjustments | 7,094 | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 58,560 | 76,726 |
| | <hr/> | <hr/> |
| Motor Vehicles Under Hire Purchase | | |
| Carrying amount at beginning of year | - | - |
| Additions | 88,219 | - |
| | <hr/> | <hr/> |
| | 88,219 | - |
| | <hr/> | <hr/> |
| Members Units | | |
| Carrying amount at beginning of year | 468,634 | 485,001 |
| Depreciation | (5,933) | (16,367) |
| Disposal | (462,701) | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | - | 468,634 |
| | <hr/> | <hr/> |
| Kitchen Equipment | | |
| Carrying amount at beginning of year | 73,644 | 19,169 |
| Additions | 19,352 | 64,713 |
| Depreciation | (11,522) | (10,238) |
| Adjustments | (10,473) | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 71,001 | 73,644 |
| | <hr/> | <hr/> |
| Capital Works in Progress | | |
| Carrying amount at beginning of year | 293,979 | 240,121 |
| Additions | 427,124 | 53,858 |
| Transfer to buildings | (367,626) | - |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 354,277 | 293,979 |
| | <hr/> | <hr/> |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| 12 Investment Property | | |
| Villa | | |
| At cost | 278,982 | 278,982 |
| Accumulated depreciation | (68,537) | (60,880) |
| | 210,445 | 218,102 |
| Movements in Carrying Amounts | | |
| Villa | | |
| Carrying amount at beginning of year | 218,102 | 225,849 |
| Depreciation | (7,657) | (7,747) |
| | 210,445 | 218,102 |
| (a) Amounts recognised in profit and loss for investment property | | |
| Rent income | 18,238 | 18,269 |
| Direct operating expenses from property that generated rental income | (22,382) | (10,053) |
| | (4,144) | 8,216 |
| (b) Valuation Basis | | |
| <p>The basis of the valuation of investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The 2006 revaluations were based on an independent assessment made by Shire Real Estate Agents on 11 May 2006 on the basis of open market value of existing use resulting in the valuation of the villas at \$460,000.</p> | | |
| (c) Leasing Arrangements | | |
| <p>The investment properties are leased to tenants under long term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:</p> | | |
| <p>Minimum lease payments under operating leases of investment properties not recognised in the financial statements are receivable as follows:</p> | | |
| | 18,720 | 18,720 |
| Within one year | 18,720 | 18,720 |
| Later than one year but not later than 5 years | 74,880 | 74,880 |
| | 93,600 | 93,600 |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| 13 Trade and Other Payables | | |
| Current | | |
| Trade creditors | 225,399 | 149,983 |
| Goods and Services Tax (GST) payable | 1,078 | 16,916 |
| Other creditors and accruals | 255,861 | 157,115 |
| | 482,338 | 324,014 |
| Non-Current | | |
| Other creditors and accruals | 52,500 | - |
| | 52,500 | - |
| 14 Borrowings | | |
| Current | | |
| Secured | | |
| Hire purchase creditors | 15,209 | - |
| Non-Current | | |
| Secured | | |
| Bank loans | 2,647,005 | 3,200,000 |
| Hire purchase creditors | 83,360 | - |
| | 2,730,365 | 3,200,000 |
| Financing Arrangements | | |
| The company has access to the following lines of credit: | | |
| Total facilities available: | | |
| Bank loans | 2,889,850 | 3,200,000 |
| ANZ Visa Card | 2,000 | 2,000 |
| | 2,891,850 | 3,202,000 |

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

| | 2007 | 2006 |
|--|-------------|-------------|
| | \$ | \$ |
| 14 Borrowings (continued) | | |
| Financing Arrangements (continued) | | |
| Facilities utilised at reporting date: | | |
| Bank loans | 2,647,005 | 3,200,000 |
| ANZ Visa Card | - | - |
| | <hr/> | <hr/> |
| | 2,647,005 | 3,200,000 |
| Facilities not utilised at reporting date: | | |
| Bank loans | 242,845 | - |
| ANZ Visa Card | 2,000 | 2,000 |
| | <hr/> | <hr/> |
| | 244,845 | 2,000 |
| | <hr/> | <hr/> |

Bank Loans

The loans bear interest at 8.6% (2006: 8.17%) payable monthly.

The non-current bank loans are payable on or before 31 January 2018. The loan is currently payable on an interest-only basis. This term has been extended until 30 November 2007 from which then the loan is payable on a principle and interest basis for the remainder of the term.

Security

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

- First Registered Company Charge (Mortgage Debenture) over all the assets and undertaking of Windsor & District RSL Sub-Branch Club Limited ABN 87 000 811 290.

This is a fixed and floating charge over all present and future assets, undertaking (including goodwill) and unpaid/uncalled capital of the company.
- First Registered Mortgage given by Windsor & District RSL Sub-Branch Club Limited ABN 87 000 811 290 over the property situated at 74 Mileham Street, Windsor NSW.
- First Registered Mortgage given by Windsor & District RSL Sub-Branch Club Limited ABN 87 000 811 290 over the property situated at 84-94 Mileham Street, Windsor NSW.
- First Registered Mortgage given by Windsor & District RSL Sub-Branch Club Limited ABN 87 000 811 290 over the property situated at Units 1 & 2, 95B Mileham Street, South Windsor NSW.

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|---|--------------------------|--------------------------|
| 15 Employee Benefits | | |
| Aggregate liability for employee benefits including on-costs | | |
| Current | 103,298 | 130,755 |
| Non-current | 12,631 | 9,276 |
| | 115,929 | 140,031 |
| | 115,929 | 140,031 |
| 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: | 2007 | 2006 |
| Assumed rate of increase in wage and salary rates | 3% | 3% |
| Discount rate | 5.8% | 5.8% |
| Settlement term (years) | 10 | 10 |
| | 2007 No | 2006 No |
| Number of Employees | | |
| Number of employees at year end | 42 | 33 |
| | 42 | 33 |
| | 42 | 33 |

Superannuation Plans

Contributions

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

| | 2007 \$ | 2006 \$ |
|---|--------------------------|--------------------------|
| Employer contributions to the plans | 75,104 | 72,065 |
| | 75,104 | 72,065 |
| Employer contributions payable to the plans at reporting date | - | - |
| | - | - |
| | - | - |

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| 16 Other Liabilities | | |
| Current | | |
| Income received in advance | 2,865 | 3,776 |
| Subscriptions received in advance | 15,318 | 21,094 |
| | <hr/> | <hr/> |
| | 18,183 | 24,870 |
| | <hr/> | <hr/> |
| 17 Retained Profits | | |
| Retained profits at the beginning of the year | 4,866,912 | 4,880,814 |
| Net profit/(loss) attributable to members of the company | 88,887 | (13,902) |
| | <hr/> | <hr/> |
| Retained profits at the end of the year | 4,955,799 | 4,866,912 |
| | <hr/> | <hr/> |

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

18 Additional Financial Instruments Disclosure

The company's financial instruments and the policies associated with the risks of carrying these are summarised below:

(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:

| 2007 | 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 \$ |
|-----------------------------------|------|--|------------------------------------|---|---|-----------------------------------|-------------|
| Financial assets | | | | | | | |
| Cash and cash equivalents | 6 | 2.68% | 201,389 | - | - | 154,900 | 356,289 |
| Bank short term deposit | 6 | 6.22% | 328,844 | - | - | - | 328,844 |
| Current financial assets | 7 | - | - | - | - | 103 | 103 |
| Trade and other receivables | 8 | - | - | - | - | 53,755 | 53,755 |
| | | | 530,233 | - | - | 208,758 | 738,991 |
| Financial liabilities | | | | | | | |
| Trade and other payables | 13 | - | - | - | - | 534,838 | 534,838 |
| Motor vehicle under hire purchase | 14 | 9.43% | - | 15,209 | 83,360 | - | 98,569 |
| Bank loans | 14 | 8.60% | 2,647,005 | - | - | - | 2,647,005 |
| | | | 2,647,005 | 15,209 | 83,360 | 534,838 | 3,280,412 |

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

18 Additional Financial Instruments Disclosure (continued)

(a) Interest Rate Risk (continued)

| 2006 | 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 \$ |
|------------------------------|------|----------------------------------|---------------------------|--|---|-------------------------|-----------|
| Financial assets | | | | | | | |
| Cash and cash equivalents | 6 | 2.53% | 259,547 | - | - | 180,870 | 440,417 |
| Bank short term deposit | 6 | 5.85% | 626,106 | - | - | - | 626,106 |
| Trade and other receivables | 8 | - | - | - | - | 55,891 | 55,891 |
| | | | 885,653 | - | - | 236,761 | 1,122,414 |
| Financial liabilities | | | | | | | |
| Trade and other payables | 13 | - | - | - | - | 324,014 | 324,014 |
| Bank loans | 14 | 8.17% | 3,200,000 | - | - | - | 3,200,000 |
| | | | 3,200,000 | - | - | 324,014 | 3,524,014 |

(b) Credit Risk Exposures

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

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) 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.

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

| | Note | 2006 \$ | 2005 \$ |
|---|------|------------|------------|
| 19 Commitments | | | |
| (a) Hire Purchase Commitments | | | |
| Hire purchase payments are payable as follows: | | | |
| Within one year | | 24,041 | - |
| One year or later and no later than five years | | 100,286 | - |
| | | <hr/> | <hr/> |
| Minimum hire purchase payments | | 124,327 | - |
| Less: Future hire purchase charges | | (25,758) | - |
| | | <hr/> | <hr/> |
| Carrying amount of hire purchase liabilities | | 98,569 | - |
| | | <hr/> | <hr/> |
| Hire purchase liabilities provided for in the financial statements: | | | |
| Current | 14 | 15,209 | - |
| Non-current | 14 | 83,360 | - |
| | | <hr/> | <hr/> |
| Total hire purchase liabilities | | 98,569 | - |
| | | <hr/> | <hr/> |

The company hires motor vehicle and training equipment under hire purchase agreements expiring from one to three years. The hire purchase facility is secured against the assets purchased under this facility as disclosed in Note 11.

(b) Capital Commitments

The Club is currently considering plans and a DA application for submission to the council. The intention is to redevelop the club premise which is planned over the next four years.

The club has expensed some amounts towards these items however, as at year end the club has not entered into any contractual agreement in relation to this redevelopment with any entity.

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

21 Contingent Liabilities

Mutuality Principle

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

Following the recent 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.

21 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.

**Notes to the Financial Statements
For the Year Ended 31 March 2007 (continued)**

22 Notes to the Cash Flow Statement

(a) Reconciliation of Cash

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

| | 2007 | 2006 |
|---------------------------|-------------|-------------|
| | \$ | \$ |
| Cash and cash equivalents | 685,133 | 1,066,523 |

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

| | | |
|---|-----------|-----------|
| Profit/(loss) from ordinary activities after income tax | 88,887 | (13,902) |
| Add/(less) items classified as investing/ financing activities: | | |
| (Profit)/loss on sale of non-current assets | (287,861) | 60,685 |
| Hire purchase charges | 7 | - |
| Add/(less) non-cash items: | | |
| Depreciation | 509,829 | 468,038 |
| (Increase)/decrease in deferred tax assets | 30,629 | (22,768) |
| (Increase)/decrease in current tax assets | 14,758 | - |
| Increase/(decrease) in current tax liabilities | 14,341 | (11,204) |
| Net cash provided by operating activities before change in assets and liabilities | 370,590 | 480,849 |
| Change in assets and liabilities during the financial year | | |
| (Increase)/decrease in receivables | 2,136 | (45,781) |
| (Increase)/decrease in inventories | (27,019) | (1,111) |
| (Increase)/decrease in other assets | 38,017 | 20,376 |
| (Increase)/decrease in current financial assets | (103) | - |
| Increase/(decrease) in payables | 210,824 | (106,342) |
| Increase/(decrease) in other liabilities | (6,687) | 8,426 |
| Increase/(decrease) in employee benefits | (24,102) | (68,896) |
| Net cash inflow from operating activities | 563,656 | 287,485 |

(c) Non Cash items

During the financial year the company acquired property, plant and equipment with an aggregate fair value of \$88,219 (2005: Nil) by means of hire purchases. These acquisitions are not reflected in the statement of cash flows.

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

23 Key Management Personnel Details

(a) Directors

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

Mr W Crouch
Mr H Williams
Mr A Duclos
Mr R Ryan
Mr J Phillips
Mr A Slee
Mr C Wilson
Mr K Butler
Mr R Williamson

Mr J Phillips resigned in March 2006.

There have been no new appointments.

(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 |
|-------------|-----------------|
| Jason Moore | General Manager |

(c) Key Management Personnel Compensation

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

| | 2007 \$ | 2006 \$ |
|------------------------------|------------|------------|
| Short term employee benefits | 110,310 | 81,571 |
| Other long term benefits | 3,172 | 1,674 |
| | <hr/> | <hr/> |
| | 113,482 | 83,245 |
| | <hr/> | <hr/> |

Notes to the Financial Statements For the Year Ended 31 March 2007 (continued)

24 Related Parties

Key Management Personnel

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

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.

25 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 2007 there were 4,794 members.

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

26 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.

Windsor & District RSL Sub-Branch Club Limited

Disclaimer

The additional financial data presented on pages 42 to 53 is in accordance with the books and records of Windsor & District RSL Sub-Branch Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 March 2007. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

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

PKF

Sydney
14 May 2007

Windsor & District RSL Sub-Branch Club Limited

Statement of Operating Profit For the Year Ended 31 March 2007

| | Schedule | 2007 \$ | 2006 \$ |
|--|----------|-------------|-------------|
| Net Profit/(Loss) – Poker Machine Trading | 1 | 1,984,143 | 1,779,434 |
| – Bar Trading | 2 | 32,814 | 89,669 |
| – Functions | 3 | 61,037 | 2,942 |
| Members Subscriptions Received | | 24,700 | 21,636 |
| Interest Received | | 42,423 | 49,303 |
| Rent – Windsor Farms | | 13,137 | 18,452 |
| Vending and ATM Machines Commissions | | 20,013 | 14,175 |
| Sundry Revenue | | 68,906 | 1,384 |
| Profit on Sale of Non-current Assets | | 287,861 | 18,304 |
| | | <hr/> | <hr/> |
| | | 2,535,034 | 1,995,299 |
| | | <hr/> | <hr/> |
| Expenses | | | |
| Net Loss – Catering Trading | 4 | 261,246 | 70,622 |
| – Units and Villa Trading | 5 | 4,144 | 21,788 |
| – Keno Trading | 6 | 38,791 | 31,733 |
| – TAB Trading | 7 | 72,844 | 53,913 |
| – Entertainment Trading | 8 | 208,611 | 136,917 |
| – Promotions Trading | 9 | 376,286 | 325,858 |
| Administration and Operating | 10 | 1,179,731 | 1,121,425 |
| Bank Interest | | 248,069 | 268,621 |
| | | <hr/> | <hr/> |
| | | 2,389,722 | 2,030,877 |
| | | <hr/> | <hr/> |
| Net Profit/(Loss) Before Income Tax | | 145,312 | (35,578) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The Detailed Income Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 1

Poker Machine Trading Statement

| | 2007 \$ | 2006 \$ |
|---|-------------|-------------|
| Net Revenue | 3,443,398 | 3,196,441 |
| Less: GST applicable | (312,946) | (290,560) |
| | <hr/> | <hr/> |
| | 3,130,402 | 2,905,881 |
| | <hr/> | <hr/> |
| Less: Expenses | | |
| Authorisation | 3,043 | 1,500 |
| Bonus prizes | 25,400 | 41,802 |
| Cleaning | 7,258 | 9,924 |
| Consultants fees | 3,850 | 4,200 |
| Depreciation | 274,706 | 240,618 |
| Light and power | 29,843 | 28,540 |
| Loss on sale of non-current assets | - | 58,160 |
| Payroll tax | 6,489 | 6,025 |
| Poker machine duty | 528,748 | 452,129 |
| Printing and stationery | 1,978 | 4,219 |
| Promotional prizes | 10,930 | 18,036 |
| Provision – Employee benefits | 19,774 | 17,344 |
| Provision – Poker machine jackpots (written back) | (345) | (36) |
| Repairs and maintenance | 52,836 | 59,711 |
| Staff meals and amenities | 5,727 | 7,534 |
| Staff training | 625 | 2,131 |
| Staff uniforms | 630 | - |
| Superannuation | 10,996 | 16,161 |
| TAB monitoring | 37,169 | 35,987 |
| Wages | 117,867 | 113,884 |
| Workers compensation insurance | 8,735 | 8,578 |
| | <hr/> | <hr/> |
| | 1,146,259 | 1,126,447 |
| | <hr/> | <hr/> |
| Net Profit | 1,984,143 | 1,779,434 |
| | <hr/> <hr/> | <hr/> <hr/> |

The Poker Machine Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 2

Bar Trading Statement

| | 2007 | 2006 |
|---------------------------------|-------------|-------------|
| | \$ | \$ |
| Sales | 785,085 | 799,895 |
| Less: Cost of Goods Sold | | |
| Opening Stock | 44,195 | 41,676 |
| Purchases | 337,838 | 312,469 |
| | 382,033 | 354,145 |
| Less: Closing Stock | 52,464 | 44,195 |
| | 329,569 | 309,950 |
| Gross Profit | 455,515 | 489,947 |
| Less: Expenses | | |
| Bar requisites | 1,674 | 3,624 |
| Cleaning | 7,947 | 10,721 |
| Depreciation | 12,532 | 11,379 |
| Freight and cartage | 5,979 | 6,104 |
| Light and power | 28,242 | 25,754 |
| Payroll tax | 14,576 | 7,462 |
| Provision – Employee benefits | 18,998 | 14,079 |
| Repairs and maintenance | 6,141 | 1,184 |
| Replacements | 1,765 | 1,266 |
| Staff meals and amenities | 3,095 | 3,088 |
| Staff training | - | 1,444 |
| Staff uniforms | 4,469 | 1,304 |
| Stocktaker's fees | - | 3,801 |
| Superannuation | 24,834 | 20,009 |
| Wages | 279,776 | 276,626 |
| Workers compensation insurance | 12,673 | 12,433 |
| | 422,701 | 400,278 |
| Net Profit | 32,814 | 89,669 |
| Gross Profit Bar | 58.02% | 61.25% |

The Bar Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 3

Functions

| | 2007 | 2006 |
|----------------------------|-------------|-------------|
| | \$ | \$ |
| Functions Revenue | 96,180 | 22,810 |
| | <hr/> | <hr/> |
| Less: Expenses | | |
| Advertising | 2,957 | 5,405 |
| Bar cost of sales | 15,367 | 5,253 |
| Cleaning | - | 1,176 |
| Hire party equipment, etc. | 2,922 | 1,722 |
| Light and power | 3,726 | 2,031 |
| Replacements – General | 1,771 | 1,291 |
| Repairs and maintenance | - | 100 |
| Wages | 8,400 | 2,890 |
| | <hr/> | <hr/> |
| | 35,143 | 19,868 |
| | <hr/> | <hr/> |
| Contribution | 61,037 | 2,942 |
| | <hr/> | <hr/> |

The Functions Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 4

Catering Trading Statement

| | 2007 \$ | 2006 \$ |
|----------------------------------|------------|------------|
| Sales | 347,594 | 2,891 |
| <hr/> | | |
| Less: Cost of Goods Sold | | |
| Opening Stock | - | - |
| Purchases | 225,173 | 2,717 |
| <hr/> | | |
| | 225,173 | 2,717 |
| Less: Closing Stock | 18,750 | - |
| <hr/> | | |
| | 206,423 | 2,717 |
| <hr/> | | |
| Gross Profit | 141,172 | 174 |
| <hr/> | | |
| Less: Expenses | | |
| Advertising | 264 | - |
| Café Bar catering | 240 | - |
| Catering requisites | 5,631 | 3,460 |
| Cleaning | 16,843 | 6,893 |
| Depreciation | 11,522 | 10,259 |
| Laundry | 2,709 | - |
| Light and power | 15,225 | 14,534 |
| Payroll tax | 10,410 | 569 |
| Provision – Employee entitlement | 13,265 | - |
| Repairs and maintenance | 14,913 | 6,940 |
| Replacements | 8,048 | - |
| Staff meals and amenities | 470 | - |
| Staff training | 1,067 | - |
| Staff uniforms | 3,329 | 502 |
| Subsidy | - | 10,000 |
| Superannuation | 16,581 | 1,542 |
| Telephone | 980 | (85) |
| Wages | 278,658 | 14,039 |
| Workers compensation insurance | 2,263 | 2,143 |
| <hr/> | | |
| | 402,418 | 70,796 |
| <hr/> | | |
| Net Loss | (261,246) | (70,622) |
| <hr/> | | |

The Catering Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 5

Units and Villa Trading Statement

| | 2007 | 2006 |
|-------------------------|----------------|-----------------|
| | \$ | \$ |
| Rent Received | 18,238 | 26,005 |
| | <hr/> | <hr/> |
| Less: Expenses | | |
| Cleaning | - | 2,551 |
| Depreciation | 13,590 | 24,114 |
| Insurance | 1,414 | 624 |
| Land tax | 4,100 | 3,856 |
| Light and power | 481 | 1,557 |
| Rates and taxes | 2,456 | 6,395 |
| Repairs and maintenance | - | 5,455 |
| Strata levies | 341 | 3,012 |
| Sundry expenses | - | 229 |
| | <hr/> | <hr/> |
| | 22,382 | 47,793 |
| | <hr/> | <hr/> |
| Net Loss | (4,144) | (21,788) |
| | <hr/> <hr/> | <hr/> <hr/> |

The Units and Villa Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 6

Keno Trading Statement

| | 2007 \$ | 2006 \$ |
|--------------------------------|-----------------|-----------------|
| Keno sales | 42,144 | 38,225 |
| Less: Expenses | | |
| Cleaning | 2,979 | 4,062 |
| Depreciation | 3,134 | 2,845 |
| Light and power | 1,863 | 1,784 |
| Payroll tax | 2,580 | 1,435 |
| Printing and stationery | - | 2,621 |
| Provision – Employee benefits | 1,866 | 552 |
| Repairs and maintenance | 1,580 | 1,993 |
| Staff training | - | 1,136 |
| Superannuation | 4,383 | 3,849 |
| Wages | 60,355 | 47,534 |
| Workers compensation insurance | 2,195 | 2,147 |
| | 80,935 | 69,958 |
| Net Loss | (38,791) | (31,733) |

The Keno Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 7

TAB Trading Statement

| | 2007 \$ | 2006 \$ |
|--------------------------------|-----------------|-----------------|
| TAB Commissions | 6,403 | 7,155 |
| Less: Expenses | | |
| Cleaning | 803 | 1,091 |
| Depreciation | 3,134 | 2,845 |
| Light and power | 1,863 | 1,784 |
| Payroll tax | 2,613 | 1,724 |
| Printing and stationery | 775 | 597 |
| Provision – Employee benefits | 1,865 | 536 |
| Superannuation | 4,436 | 4,619 |
| TAB promotions | 2,283 | 2,868 |
| Wages | 59,280 | 42,857 |
| Workers compensation insurance | 2,195 | 2,147 |
| | 79,247 | 61,068 |
| Net Loss | (72,844) | (53,913) |

The TAB Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 8

Entertainment Trading Statement

| | 2007 \$ | 2006 \$ |
|--------------------------------|------------|------------|
| Income | | |
| Entertainment revenue | 13,570 | 18,177 |
| | <hr/> | <hr/> |
| Less: Expenses | | |
| Advertising | 23,614 | 14,124 |
| Anzac Day | 1,975 | 6,094 |
| Annual general meeting | 762 | 1,346 |
| Apra and other licences | 3,769 | 2,569 |
| Artists | 79,960 | 15,677 |
| Bands | 42,750 | 58,831 |
| Café Bar | 251 | (235) |
| Christmas kids | 2,786 | 2,801 |
| Cleaning | 1,088 | 1,784 |
| Entertainment | 12,082 | 2,693 |
| Film hire | - | 2,718 |
| Light and power | 1,528 | 1,429 |
| Management fee | 2,050 | 4,150 |
| Melbourne Cup | 9,955 | 4,842 |
| Payroll tax | 517 | 304 |
| Provision – Employee benefits | 1,088 | 1,944 |
| Sky Channel | 35,848 | 28,202 |
| Sound projectionist | - | 1,285 |
| Superannuation | 876 | 770 |
| Wages | 718 | 3,123 |
| Workers compensation insurance | 569 | 643 |
| | <hr/> | <hr/> |
| | 222,181 | 155,094 |
| | <hr/> | <hr/> |
| Net Loss | (208,611) | (136,917) |
| | <hr/> | <hr/> |

The Entertainment Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 9

Promotions Trading Statement

| | 2007 \$ | 2006 \$ |
|--------------------------------|-------------|-------------|
| Income | | |
| Promotions revenue | 243,566 | 224,708 |
| | <hr/> | <hr/> |
| Less: Expenses | | |
| Advertising | 53,017 | 30,545 |
| Australia Day | 17,177 | - |
| Bat the Bomb | 866 | - |
| Bingo – Expense | 62,181 | 51,565 |
| Cleaning | 2,724 | 3,719 |
| Deal or No Deal | 327 | - |
| Happy Hour | 7,297 | 18,068 |
| Klub Kash | 18 | 4,681 |
| Light and power | 2,238 | 2,139 |
| Market – Expense | 130,899 | 132,480 |
| Payroll tax | 2,163 | 2,011 |
| Poker tournament | 5,305 | - |
| Promotions | 206,297 | 165,565 |
| Provision – Employee benefits | 4,137 | 5,423 |
| Raffles | 68,825 | 72,516 |
| Superannuation | 3,666 | 5,388 |
| Wages | 50,528 | 54,496 |
| Workers compensation insurance | 2,187 | 1,970 |
| | <hr/> | <hr/> |
| | 619,852 | 550,566 |
| | <hr/> | <hr/> |
| Net Loss | (376,286) | (325,858) |
| | <hr/> <hr/> | <hr/> <hr/> |

The Promotions Trading Statement is to be read in conjunction with the Disclaimer set out on page 41.

**Supplementary Information to the Financial Statements
For the Year Ended 31 March 2007**

Schedule 10

Administration and Operating Expenses

| | 2007 | 2006 |
|------------------------------------|-------------|-------------|
| | \$ | \$ |
| Accountancy | 32,039 | 28,621 |
| Advertising | 8,067 | 12,227 |
| Armguard and security | - | 103 |
| Audit | 15,601 | 15,000 |
| Bank charges and government duties | 5,931 | 6,402 |
| Borrowing expenses | 15,513 | 18,096 |
| Bus expenses | 94,136 | 76,267 |
| Cash shortages | 885 | 751 |
| Cleaning | 30,489 | 15,416 |
| Club Journal | 12,550 | 8,503 |
| Computer maintenance and service | 10,418 | 11,918 |
| Consultancy | 23,880 | 19,512 |
| Depreciation | 191,211 | 175,978 |
| Directors expenses | 25,151 | 22,397 |
| Donations | 32,888 | 53,001 |
| Floral tributes | 1,252 | 696 |
| Fringe benefits tax | 7,025 | 12,225 |
| Garden and garden requisites | 7,279 | 7,669 |
| Insurance | 40,418 | 46,114 |
| Legal fees | - | 2,050 |
| Licences and fees | 14,246 | 15,004 |
| Light and power | 7,461 | 8,674 |
| Light and power – Mushroom farm | 2,844 | 1,660 |
| Loss on sale of non-current assets | - | 20,829 |
| Membership cards | 2,374 | 4,315 |
| Mortality payments | 800 | 1,212 |
| Motor vehicle expenses | 7,359 | 3,705 |
| Mushroom farm – rates, fees, etc. | 12,574 | 13,239 |
| Payroll tax | 16,252 | 10,850 |
| Printing, stationery and postage | 18,919 | 13,339 |
| Provision – Employee benefits | 34,316 | 31,422 |
| Rates and taxes | 2,015 | 15,047 |
| Repairs and maintenance – Building | 3,136 | 1,312 |
| Repairs and maintenance – General | 44,757 | 43,376 |
| Replacements – General | 10,556 | 14,805 |
| Rubbish removal | 7,296 | 7,198 |

Administration and Operating Expenses are to be read in conjunction with the Disclaimer set out on page 41.

Windsor & District RSL Sub-Branch Club Limited

Supplementary Information to the Financial Statements For the Year Ended 31 March 2007

Schedule 9

Administration and Operating Expenses (continued)

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| Security | 34,948 | 19,811 |
| Sporting functions, prizes and supplies | 6,670 | 1,546 |
| Staff meals and amenities | 5,416 | 4,831 |
| Staff training | 4,582 | 4,426 |
| Staff uniforms | 1,831 | 1,935 |
| Sundry expenses | 4,517 | 4,090 |
| Superannuation | 21,463 | 22,459 |
| Telephone | 17,424 | 14,438 |
| Termination benefits | 27,305 | - |
| Wages – Administration and general | 298,999 | 278,282 |
| Wages – Cleaning | 4,044 | 18,024 |
| Workers compensation insurance | 12,894 | 12,650 |
| | <hr/> | <hr/> |
| Total | 1,179,731 | 1,121,425 |
| | <hr/> | <hr/> |

Administration and Operating Expenses are to be read in conjunction with the Disclaimer set out on page 41.