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

Annual Financial Report
31 March 2009

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 2009 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
Slee	Andrew Brian	Director
Wilson	Colin	Treasurer
Williamson	Robert Edward	Director – resigned 29 June 2008
Watts	William James	Director – appointed 29 June 2008
Hyland	Frank	Director – appointed 29 June 2008

Information on Directors

William James Crouch

Age: 61
Retired
25 years Chairman

Herbert Charles Williams

Age: 74
Retired
19 years Vice Chairman
19 years Director

Ross Eric Ryan

Age: 68
Retired
8 years Director
6 years Vice Chairman

Keith William Butler

Age: 67
Driver
6 years Director

Albert Sutton Duclos

Age: 74
Retired
15 years Director

Andrew Brian Slee

Age: 45
Machine Operator
4 years Director

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

Information on Directors (continued)

Colin Wilson

Age: 68
Retired
14 years Treasurer

Robert Edward Williamson

Age: 61
Corrective Services Officer
6 years director
Resigned 29 June 2008

William James Watt

Age: 56
Sales Manager
1 year director
Appointed 29 June 2008

Frank Hyland

Age: 59
Broker
1 year director
Appointed 29 June 2008

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	16	16
Mr H Williams	14	16
Mr A Duclos	14	16
Mr R Ryan	15	16
Mr A Slee	14	16
Mr C Wilson	14	16
Mr K Butler	14	16
Mr R Williamson	4	5
Mr W Watts	9	11
Mr F Hyland	9	11

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

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

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 resigned on 31 May 2008.

Ms Tanya Freund

Ms Freund was appointed Company Secretary on 15 June 2008 and is also the General Manager of Windsor & District RSL Sub-Branch Club Limited.

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 March 2009 and the comparison with last year is as follows:

	2009	2008
Ordinary and Associates	4,436	5,021
Sub-branch	149	154
Life	11	11
	<hr/>	<hr/>
	4,596	5,186
	<hr/> <hr/>	<hr/> <hr/>

Operating Result

The net loss from ordinary activities before tax for the year amounted to \$389,822 compared with a loss of \$705,126 for the prior year. This resulted after charging \$507,255 (2008: \$524,579) for depreciation and before debiting \$47,506 (2008: crediting \$108,129) 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:

Rendering of services decreased by \$437,357 mainly due to decreases in poker machine revenue and income from entertainment and promotions.

The company has now outsourced its catering function, which has resulted in a decline in sale of goods and cost of sales.

Employee expenses have decreased by \$220,613 while entertainment and promotions have also decreased by \$264,030, due to restructuring programs implemented by management in order to cut expenses.

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.

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

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

During the year the club negotiated a \$600,000 loan with the sub-branch that was due to be re-negotiated on 1 May 2009. Subsequent to year end, the club has successfully negotiated to roll over the loan and extend it for a further year subject to RSL Head Office approval.

Other than the above, 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

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

- The club has conducted extensive cost cutting and staff restructures which have decreased expenses greatly which means management expects financial results in 2009/10 and future years to be greatly improved.

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 (2008: \$Nil).

Windsor & District RSL Sub-Branch Club Limited

Directors' Report (continued)

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 Auditors. The Declaration is attached as page 6.

Signed in accordance with a resolution of the directors.

Dated at Windsor this 17th day of May 2009.

W Crouch
Chairman

Windsor & District RSL Sub-Branch Club Limited

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 2009, 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

Paul Cheeseman
Partner

Sydney
17 May 2009

Windsor & District RSL Sub-Branch Club Limited

Independent Audit Report

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

We 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 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration set out on pages 9 to 41.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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.

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

Emphasis of Matter

Inherent Uncertainty Regarding Continuity of Business Operations

Without qualifying our opinion we draw your attention to Note 1(r) in the financial report which indicates that the company incurred a net loss before tax of \$389,822 (2008: \$705,126) during the year ended 31 March 2009 and as at the reporting date had net current liabilities of \$194,825. As a result of the matters described in Note 1(r) there is material uncertainty that may cause significant doubt about the company's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

No adjustments have been made in the financial report relating to the recoverability and classification of recorded assets amounts and description of liabilities that might be necessary if the company does not continue as a going concern.

Windsor & District RSL Sub-Branch Club Limited

Independent Audit Report (continued)

Independence

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

Auditor's Opinion

In our opinion the financial report of Windsor & District RSL Sub-Branch Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 March 2009 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.

PKF

Paul Cheeseman
Partner

17 May 2009

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia
DX 10173 | Sydney Stock Exchange | New South Wales

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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 41, 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 2009 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 17th day of May 2009.

W Crouch
Chairman

Windsor & District RSL Sub-Branch Club Limited
Income Statement
For the Year Ended 31 March 2009

	Note	2009 \$	2008 \$
Revenue from continuing operations			
Sale of goods		1,084,538	1,146,052
Rendering of services		2,646,811	3,084,168
Other revenue		171,519	48,483
		<hr/>	<hr/>
Total revenue from continuing operations	2	3,902,868	4,278,703
		<hr/>	<hr/>
Expenses			
Cost of Sales		(482,567)	(574,384)
Poker machine licence and taxes		(425,083)	(488,016)
Employee expenses		(1,515,577)	(1,736,190)
Entertainment, advertising and promotions		(456,611)	(720,641)
Property expenses		(465,255)	(432,894)
Bus net expenses		(9,257)	(20,153)
Licence and fees		(12,045)	(20,409)
Donations		(33,125)	(40,906)
Printing and stationery		(16,179)	(15,021)
Other expenses from ordinary activities		(145,150)	(132,400)
		<hr/>	<hr/>
Total expenses		(3,560,849)	(4,181,014)
		<hr/>	<hr/>
Earnings before depreciation and finance costs		342,019	97,689
Depreciation and amortisation expenses	3(a)	(507,255)	(524,579)
Finance costs	3(a)	(224,586)	(278,236)
		<hr/>	<hr/>
Loss before income tax		(389,822)	(705,126)
Income tax benefit/(expense)	5(a)	(47,506)	108,129
		<hr/>	<hr/>
Net loss from continuing operations after income tax expense attributable to members	16	(437,328)	(596,997)
		<hr/>	<hr/>

The Income Statement should be read in conjunction with the accompanying notes set out on pages 14 to 41.

Windsor & District RSL Sub-Branch Club Limited
Statement of Changes in Equity
For the Year Ended 31 March 2009

	Note	2009 \$	2008 \$
Total equity at the beginning of the financial year	16	4,358,802	4,955,799
		<hr/>	<hr/>
Loss for the year		(437,328)	(596,997)
		<hr/>	<hr/>
Total recognised income and expense for the year	16	(437,328)	(596,997)
		<hr/>	<hr/>
Total equity at the end of the financial year		3,921,474	4,358,802
		<hr/> <hr/>	<hr/> <hr/>

Windsor & District RSL Sub-Branch Club Limited
Balance Sheet
As at 31 March 2009

ASSETS	Note	2009 \$	2008 \$
Current Assets			
Cash and cash equivalents	6	423,991	455,014
Trade and other receivables	7	8,020	3,080
Inventories	8	41,659	42,467
Other current assets	9	65,493	118,948
Current tax assets	5(b)	6,322	5,703
Total Current Assets		545,485	625,212
Non-Current Assets			
Property, plant and equipment	10	4,886,235	7,796,257
Investment property	11	-	203,232
Deferred tax assets	5(c)	52,813	100,319
Total Non-Current Assets		4,939,048	8,099,808
Total Assets		5,484,533	8,725,020
LIABILITIES			
Current Liabilities			
Current tax liability	5(b)	-	-
Trade and other payables	12	446,382	457,169
Financial liabilities	13	191,469	300,613
Employee benefits	14	97,530	105,773
Other	15	4,929	3,672
Total Current Liabilities		740,310	867,227
Non-Current Liabilities			
Trade and other payables	12	-	10,500
Financial liabilities	13	802,230	3,466,849
Employee benefits	14	9,348	18,775
Other	15	11,171	2,867
Total Non-Current Liabilities		822,749	3,498,991
Total Liabilities		1,563,059	4,366,218
Net Assets		3,921,474	4,358,802
Members' Funds			
Retained profits	16	3,921,474	4,358,802
Total Members' Funds		3,921,474	4,358,802

The Balance Sheet should be read in conjunction with the accompanying notes set out on pages 14 to 41.

Windsor & District RSL Sub-Branch Club Limited
Cash Flow Statement
For the Year Ended 31 March 2009

	Note	2009 \$	2008 \$
Cash Flows From Operating Activities			
Cash receipts from customers		4,108,204	4,729,017
Cash paid to suppliers and employees		(3,864,696)	(4,680,678)
Interest received		12,661	23,383
Borrowing costs paid		(224,586)	(278,236)
Income taxes paid		(619)	(511)
		<hr/>	<hr/>
Net cash (outflows)/inflows from operating activities	21(b)	30,964	(207,025)
		<hr/>	<hr/>
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment		2,781,659	97,728
Acquisition of property, plant and equipment		(24,674)	(1,126,308)
		<hr/>	<hr/>
Net cash inflows/(outflows) from investing activities		2,756,985	(1,028,580)
		<hr/>	<hr/>
Cash Flows From Financing Activities			
Repayment of borrowings		(3,150,000)	-
Proceeds from borrowings		627,266	502,995
Hire purchase payments		(339,708)	(106,673)
Proceeds from hire purchases		43,470	609,164
		<hr/>	<hr/>
Net cash inflows/(outflows) from financing activities		(2,818,972)	1,005,486
		<hr/>	<hr/>
Net decrease in cash and cash equivalents		(31,023)	(230,119)
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the financial year		455,014	685,133
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	21(a)	423,991	455,014
		<hr/> <hr/>	<hr/> <hr/>

The Cash Flow Statement should be read in conjunction with the accompanying notes set out on pages 14 to 41.

Windsor & District RSL Sub-Branch Club Limited

Notes to the Financial Statements

For the Year Ended 31 March 2009

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 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.

Sale of Property, Plant and Equipment

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) 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.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(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) 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 or 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, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

(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.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(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.

(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 income statement 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 income statement.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(j) Property, Plant and Equipment – Note 10

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:

	2009	2008
Buildings and Improvements	40 years	40 years
Furniture, Fitting and Equipment	11 years	11 years
Poker Machines	6 years	6 years
Holiday Units	40 years	40 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 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.

(k) Investment Property – Note 11

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 14

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.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(l) Employee Benefits – Note 14 (continued)

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) Trade and Other Payables – Note 12

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.

(n) Financial Liabilities – Note 13

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.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(o) 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 13

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.

(p) Comparatives

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

(q) 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.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

1 Summary of Significant Accounting Policies (continued)

(r) Going Concern

The company recorded an operational loss before charging/crediting tax of \$389,822 (2008: loss of \$705,126) and the current liabilities exceeded current assets by \$194,825 (2008: \$244,882).

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

1. Cash inflow from operating activities of \$30,964 in the current financial year compared to negative cash flow of \$207,025 in the prior period and cash inflows are expected to continue to improve in future years.
2. Through the sale of investment properties and vacant land and a financial loan from the sub-branch, the company has managed to retire the \$3,150,000 bank loan and alleviate immediate creditor issues.
3. The company has also conducted extensive cost cutting and staff restructures which have decreased expenses greatly.

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 the settlement of liabilities in the ordinary course of business.

(s) New Accounting Standards and Interpretations

Adoption of New Accounting Standards

The company has adopted AASB 7 *Financial Instruments: Disclosures* and all consequential amendments which became applicable on 1 January 2007. The adoption of this standard has only affected the disclosure in these financial statements. There has been no affect on profit and loss or the financial position of the entity.

The following Australian Accounting Standards have been issued or amended and are applicable to the company but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

Accounting Standards

AASB No.	Title	Issue Date	Operative Date
101	Presentation of Financial Statements (Amended)	September 2007	1 January 2009

Australian Interpretations

Int. No.	Title	Issue Date	Operative Date
13	Customer Loyalty Programmes	August 2007	1 July 2008

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
2 Revenue from Continuing Operations		
Sale of Goods Revenue		
Bar sales	781,994	774,787
Catering sales	302,544	371,265
	<hr/>	<hr/>
	1,084,538	1,146,052
	<hr/>	<hr/>
Rendering of Services Revenue		
Functions	33,241	76,400
Poker machines – net clearances	2,407,240	2,708,715
Members' subscriptions	8,912	29,943
Entertainment and promotions	146,988	199,209
TAB commission	4,620	5,232
Keno sales	30,592	36,515
Commission received	11,151	18,441
Sundry income	4,067	9,712
	<hr/>	<hr/>
	2,646,811	3,084,168
	<hr/>	<hr/>
Other Revenues		
Interest received	12,661	23,383
Rent received		
Units and villas	-	17,130
Windsor farms	-	7,970
Catering	7,872	-
	<hr/>	<hr/>
Total other revenue	20,533	48,483
	<hr/>	<hr/>
Total Revenue	3,751,882	4,278,703
	<hr/>	<hr/>
Other Income		
Net gain on disposal of non-current assets	150,986	-
	<hr/>	<hr/>
Total other income	150,986	-
	<hr/>	<hr/>
Total revenue from continuing operations	3,902,868	4,278,703
	<hr/> <hr/>	<hr/> <hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
3 Expenses		
(a) Loss/profit before income tax includes the following specific expenses:		
Finance costs		
Bank loans	156,481	261,834
Hire purchase charges	45,209	16,402
Other loans	22,896	-
	<hr/>	<hr/>
	224,586	278,236
	<hr/>	<hr/>
Depreciation		
Buildings and improvements	50,822	48,605
Plant and equipment	335,901	468,761
Investment property	-	7,213
	<hr/>	<hr/>
Total depreciation	386,723	524,579
	<hr/>	<hr/>
Amortisation		
Hire purchase assets	120,532	-
	<hr/>	<hr/>
Total depreciation and amortisation	507,255	524,579
	<hr/>	<hr/>
Net expense from movements in provision for		
Employee benefits	(17,720)	8,619
	<hr/>	<hr/>
Net loss on disposal of property, plant and equipment	-	13,771
	<hr/> <hr/>	<hr/> <hr/>
	%	%
(b) Key Performance Indicators		
Bar		
Gross profit percentage	59.00%	54.41%
Wages to sales percentage	32.45%	39.76%
Wages and salaries – percentage of total revenue	40.40%	40.58%
Catering		
Gross profit percentage	51.86%	40.43%
Wages to sale percentage	82.32%	96.26%
EBITDA percentage (before profit on sale of assets)	5.09%	2.28%

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
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	18,000	17,000
	<hr/>	<hr/>
Other Services		
Auditors of the company		
<i>PKF</i>		
Taxation services	2,530	2,500
Other assurance services	25,000	15,443
	<hr/>	<hr/>
	27,530	17,943
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

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.

	2009	2008
	\$	\$
The amount set aside for income tax in the Income Statement has been calculated as follows:		
Proportion of income attributable to non-members	590,611	637,050
Less: Proportion of expenses attributable to non-members	(648,826)	(694,857)
	<hr/>	<hr/>
Add: Other taxable income	(58,215) 88,145	(57,807) 135,562
	<hr/>	<hr/>
Less: Other deductible expenses	29,930 (155,903)	77,755 (329,952)
Tax losses carried forward	125,973	252,197
	<hr/>	<hr/>
Net income subject to tax	-	-
	<hr/> <hr/>	<hr/> <hr/>
Current income tax applicable to above at rate of 30%		-
(Over)/under provided in prior years	-	(19,596)
(Increase)/decrease in deferred tax assets	47,506	(88,533)
	<hr/>	<hr/>
Income tax (benefit)/expense	47,506	(108,129)
	<hr/> <hr/>	<hr/> <hr/>

(b) Current Tax (Assets)/Liabilities

Movements during the year:

Balance at beginning of year	(5,703)	14,404
Income tax paid	(619)	(5,703)
Current year's income tax expense on profit	-	-
(Over)/under provision in prior year	-	(19,596)
Income tax refund received	-	5,192
	<hr/>	<hr/>
Current tax (assets)/liabilities	(6,322)	(5,703)
	<hr/> <hr/>	<hr/> <hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
5 Income Tax (continued)		
(c) Deferred Tax Assets		
The balance comprises temporary differences attributable to: <i>Amounts recognised in profit or loss</i>		
Employee benefits	4,980	5,806
Tax losses	37,793	94,513
Tax losses carried forward	76,963	-
Capital gain	(66,923)	-
	<hr/>	<hr/>
Net deferred tax assets	52,813	100,319
	<hr/> <hr/>	<hr/> <hr/>
Movements during the year:		
Balance at the beginning of the year	100,319	11,786
Credited/(charged) to the income statement	(47,506)	88,533
	<hr/>	<hr/>
Closing balance	52,813	100,319
	<hr/> <hr/>	<hr/> <hr/>
6 Cash and Cash Equivalents		
Cash at bank and on hand	423,991	455,014
	<hr/>	<hr/>
7 Trade and Other Receivables		
Current		
Trade debtors	8,020	3,080
	<hr/>	<hr/>
8 Inventories		
Finished goods – at cost		
Bar	41,659	34,695
Catering	-	7,772
	<hr/>	<hr/>
	41,659	42,467
	<hr/> <hr/>	<hr/> <hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
9 Other Assets		
Current		
Prepayments	65,493	69,149
Prepaid borrowing costs	-	49,799
	<hr/>	<hr/>
	65,493	118,948
	<hr/> <hr/>	<hr/> <hr/>
10 Property, Plant and Equipment		
Freehold Land		
<i>At cost</i>	1,995,515	4,035,515
	<hr/>	<hr/>
	1,995,515	4,035,515
	<hr/>	<hr/>
Buildings and Improvements		
<i>At cost</i>	1,945,304	1,945,304
<i>Accumulated depreciation</i>	(199,930)	(149,108)
	<hr/>	<hr/>
	1,745,374	1,796,196
	<hr/>	<hr/>
Total Land, Buildings and Improvements	3,740,889	5,831,711
	<hr/>	<hr/>
Plant and Equipment		
<i>At cost</i>	5,094,134	5,732,386
<i>Accumulated depreciation</i>	(4,373,312)	(4,104,292)
	<hr/>	<hr/>
	720,822	1,628,094
	<hr/>	<hr/>
Hire Purchase Assets		
<i>At cost</i>	604,175	-
<i>Accumulated depreciation</i>	(179,651)	-
	<hr/>	<hr/>
	424,524	-
	<hr/>	<hr/>
Capital Works in Progress		
<i>At cost</i>	-	336,452
	<hr/>	<hr/>
Total property, plant and equipment net book value	4,886,235	7,796,257
	<hr/> <hr/>	<hr/> <hr/>

Refer to Note 13 for details of security over property, plant and equipment.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

10 Property, Plant and Equipment (continued)

Valuation

An independent valuation of the company's land and buildings carried out by Frank Knight 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.

Reconciliations	2009 \$	2008 \$
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	4,035,515	4,035,515
Disposals	(2,040,000)	-
	<hr/>	<hr/>
Carrying amount at end of year	1,995,515	4,035,515
	<hr/>	<hr/>
Buildings and Improvements		
Carrying amount at beginning of year	1,796,196	1,329,148
Disposals	-	(16,609)
Depreciation	(50,822)	(48,605)
Transfer from WIP	-	532,262
	<hr/>	<hr/>
Carrying amount at end of year	1,745,374	1,796,196
	<hr/>	<hr/>
Plant and Equipment		
Carrying amount at beginning of year	1,628,094	1,579,874
Additions	17,674	611,871
Transfers to hire purchase assets	(589,045)	-
Disposals	-	(94,890)
Depreciation	(335,901)	(468,761)
	<hr/>	<hr/>
Carrying amount at end of year	720,822	1,628,094
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

10 Property, Plant and Equipment (continued)

Reconciliations (continued)	2009 \$	2008 \$
Hire Purchase Assets		
Carrying amount at beginning of year	-	-
Transfers from plant and equipment	589,045	-
Disposal	(43,989)	-
Depreciation	(120,532)	-
	<hr/>	<hr/>
Carrying amount at end of year	424,524	-
	<hr/>	<hr/>
Capital Works in Progress		
Carrying amount at beginning of year	336,452	354,277
Additions	7,000	514,437
Transfer to buildings	-	(532,262)
Disposals	(343,452)	-
	<hr/>	<hr/>
Carrying amount at end of year	-	336,452
	<hr/>	<hr/>
11 Investment Property		
Villa		
<i>At cost</i>	-	278,982
<i>Accumulated depreciation</i>	-	(75,750)
	<hr/>	<hr/>
	-	203,232
	<hr/>	<hr/>
Movements in Carrying Amounts		
Villa		
Carrying amount at beginning of year	203,232	210,445
Depreciation	-	(7,213)
Disposal	(203,232)	-
	<hr/>	<hr/>
Carrying amount at end of year	-	203,232
	<hr/>	<hr/>
(a) Amounts recognised in profit and loss for investment property		
Rent income	7,873	17,129
Direct operating expenses from property that generated rental income	(535)	(1,346)
	<hr/>	<hr/>
	7,338	15,783
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
12 Trade and Other Payables		
Current		
Trade creditors	260,158	237,939
Goods and Services Tax (GST) payable	102,177	115,908
Other creditors and accruals	84,047	103,322
	<hr/>	<hr/>
	446,382	457,169
	<hr/>	<hr/>
Non-Current		
Other creditors and accruals	-	10,500
	<hr/>	<hr/>
	-	10,500
	<hr/>	<hr/>
13 Financial Liabilities		
Current		
Secured		
Bank loans	-	57,029
Hire purchase creditors	164,203	243,584
Other creditors	27,266	-
	<hr/>	<hr/>
	191,469	300,613
	<hr/>	<hr/>
Non-Current		
Secured		
Bank loans	-	3,092,971
Hire purchase creditors	202,230	373,878
Other creditors	600,000	-
	<hr/>	<hr/>
	802,230	3,466,849
	<hr/>	<hr/>
Financing Arrangements		
The company has access to the following lines of credit:		
Total facilities available:		
Bank loans	-	3,150,000
ANZ Visa Card	-	5,000
NAB Master Leasing Facility	24,938	350,000
NAB Visa Card	5,000	-
	<hr/>	<hr/>
	29,938	3,505,000
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
13 Financial Liabilities (continued)		
Financing Arrangements (continued)		
Facilities utilised at reporting date:		
Bank loans	-	3,150,000
ANZ Visa Card	-	1,796
NAB Master Leasing Facility	24,938	38,315
NAB Visa Card	3,748	-
	<hr/>	<hr/>
	28,686	3,190,111
	<hr/>	<hr/>
Facilities not utilised at reporting date:		
Bank loans	-	-
ANZ Visa Card	-	3,204
NAB Master Leasing Facility	-	311,685
NAB Visa Card	1,252	-
	<hr/>	<hr/>
	1,252	314,889
	<hr/>	<hr/>

Other Loans

The loan bears interest at 8.55% (2008: Nil%) payable quarterly.

Payments are interest only, due at the end of the loan term. The club has successfully managed to renegotiate a roll-over of the principle as at 8 May 2009.

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
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
14 Employee Benefits		
Aggregate liability for employee benefits including on-costs		
Current	97,530	105,773
Non-current	9,348	18,775
	<hr/>	<hr/>
	106,878	124,548
	<hr/>	<hr/>
	2009	2008
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	3%	3%
Discount rate	5.80%	7.25%
Settlement term (years)	10	10
	2009	2008
	No	No
Number of Employees		
Number of employees at year end	26	45
	<hr/>	<hr/>

Superannuation Plans

Contributions

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

	2009	2008
	\$	\$
Employer contributions to the plans	98,153	113,715
	<hr/>	<hr/>
Employer contributions payable to the plans at reporting date	12,938	17,049
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	2009	2008
	\$	\$
15 Other Liabilities		
Current		
Income received in advance	4,929	3,672
	<hr/>	<hr/>
Non-Current		
Income received in advance	11,171	2,867
	<hr/>	<hr/>
16 Retained Profits		
Retained profits at the beginning of the year	4,358,802	4,955,799
Net loss attributable to members of the company	(437,328)	(596,997)
	<hr/>	<hr/>
Retained profits at the end of the year	3,921,474	4,358,802
	<hr/> <hr/>	<hr/> <hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

17 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:

2009	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	2.12%	283,991	-	-	140,000	423,991
Trade and other receivables	7	-	-	-	-	8,020	8,020
			283,991	-	-	148,020	432,011
Financial liabilities							
Trade and other payables	12	-	-	-	-	446,382	446,382
Hire purchase	13	10.09%	-	164,203	202,230	-	366,433
Other loans	13	8.55%	-	627,266	-	-	627,266
			-	791,469	202,230	446,382	1,440,081

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

17 Additional Financial Instruments Disclosure (continued)

(a) Interest Rate Risk (continued)

2008	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	5.68%	325,014	-	-	130,000	455,014
Trade and other receivables	7	-	-	-	-	3,080	3,080
			325,014	-	-	133,080	458,094
Financial liabilities							
Trade and other payables	12	-	-	-	-	467,731	467,731
Hire purchases	13	11.05%	-	243,584	373,878	-	617,462
Bank loans	13	8.45%	-	57,029	3,092,971	-	3,150,000
			-	300,613	3,466,849	467,731	4,235,193

(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 2009 (continued)

17 Additional Financial Instruments Disclosure (continued)

(d) 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%	-1%	+1%	+1%
		Profit	Equity	Profit	Equity
Financial Assets					
Cash and cash equivalents	283,991	(2,840)	(2,840)	2,840	2,840
Financial Liabilities					
Other loans	627,266	6,273	6,273	(6,273)	(6,273)
Lease liabilities	366,433	3,664	3,664	(3,664)	(3,664)
Increase/(decrease)		7,097	7,097	(7,097)	(7,097)

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

	Note	2009 \$	2008 \$
18 Commitments			
Hire Purchase Commitments			
Hire purchase payments are payable as follows:			
Within one year		214,186	278,512
One year or later and no later than five years		212,791	437,900
		<hr/>	<hr/>
Minimum hire purchase payments		426,977	716,412
Less: Future hire purchase charges		(60,544)	(98,950)
		<hr/>	<hr/>
Carrying amount of hire purchase liabilities		366,433	617,462
		<hr/> <hr/>	<hr/> <hr/>
Hire purchase liabilities provided for in the financial statements:			
Current	13	164,203	243,584
Non-current	13	202,230	373,878
		<hr/>	<hr/>
Total hire purchase liabilities		366,433	617,462
		<hr/> <hr/>	<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 10, under Property, Plant and Equipment.

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

19 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 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.

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.

20 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
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

21 Cash Flow Information

(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:

	2009	2008
	\$	\$
Cash and cash equivalents	423,991	455,014

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

Loss from ordinary activities after income tax	(437,328)	(596,997)
Add/(less) items classified as investing/ financing activities:		
(Profit)/loss on sale of non-current assets	(150,986)	13,771
Hire purchase charges	45,209	16,402
Add/(less) non-cash items:		
Depreciation	507,255	524,579
(Increase)/decrease in deferred tax assets	47,506	(88,533)
(Increase)/decrease in current tax assets	(619)	(5,703)
Increase/(decrease) in current tax liabilities	-	(14,404)
Net cash provided by operating activities before change in assets and liabilities	11,037	(150,885)
Change in assets and liabilities during the financial year		
(Increase)/decrease in receivables	(4,940)	50,675
(Increase)/decrease in inventories	808	29,826
(Increase)/decrease in other assets	53,455	(66,510)
Increase/(decrease) in payables	(21,287)	(67,107)
Increase/(decrease) in other liabilities	9,561	(11,643)
Increase/(decrease) in employee benefits	(17,670)	8,619
Net cash (outflow)/inflow from operating activities	30,964	(207,025)

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

22 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 A Slee	
Mr C Wilson	
Mr K Butler	
Mr R Williamson	Resigned 29 June 2008
Mr W Watts	Appointed 29 June 2008
Mr F Hylands	Appointed 29 June 2008

(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 (appointed 15 June 2008)
Jason Moore	General Manager (resigned 31 May 2008)

(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:

	2009	2008
	\$	\$
Short term employee benefits	146,947	135,995
Other long term benefits	2,884	4,726
	<hr/>	<hr/>
	149,831	140,721
	<hr/>	<hr/>

Windsor & District RSL Sub-Branch Club Limited
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

23 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 22.

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.

24 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 2009 there were 4,596 members.

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

25 Events Subsequent to Reporting Date

During the year the club negotiated a \$600,000 loan with the sub-branch that was due to be re-negotiated on 1 May 2009. Subsequent to year end, the club has successfully negotiated to roll over the loan and extend it for a further year subject to RSL Head Office approval.

Other than the above, 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
Notes to the Financial Statements
For the Year Ended 31 March 2009 (continued)

26 Change in Accounting Policy

The company changed its accounting policy for the financial year ended 31 March 2009 relating to its measurement of land. Land was previously recognised by the company on a fair value basis. The company has now elected to assign valuation of land on a cost basis. This change has been implemented as the directors are of the opinion that the cost method will provide more relevant information in light of current property market conditions. The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 31 March 2009 is as follows (no taxation effect result from these changes).

	Previously stated 2009 \$	Adjustments 2009 \$	Restated 2009 \$	Previously stated 2008 \$	Adjustments 2008 \$	Restated 2008 \$
Income Statement						
Profit before income tax expense	-	-	-	-	-	-
Balance Sheet						
Property, plant and equipment	8,708,220	(3,821,985)	4,886,235	11,618,242	(3,821,985)	7,796,257
Adjustment to opening retained earnings	(8,180,787)	3,821,985	(4,358,802)	(4,955,709)	-	(4,955,709)