

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Concise Financial Report

For the Year Ended 31 December 2008

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

For the Year Ended 31 December 2008

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Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Directors' Report 31 December 2008

Your directors present their report on the Club for the financial year ended 31 December 2008.

Directors

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

Names	Appointed/Resigned
Peter Morrow	
Robert White	
Laurence Malone	
Philip Hooff	
Garry Gibson	
Derek Porter	Resigned 25/2/2008
Michael Denholm Dick	Appointed 18/5/2008
Peter Nash	Appointed 18/5/2008
Richard McEvoy	
Mark Houlder	
Peter Anderson	
Neil McGowan	Appointed 25/2/2008 Resigned 18/5/2008
Angela Mackie	Resigned 18/5/2008
Christopher Elliott	
Malcom French	

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

Company Secretary

Ron Berczelly was company secretary for the whole of the financial year and continues in office at the date of this report. Ron has been with the Club for 17 years, nine of which as General Manager. He is a member of the Clubs Managers Association.

Principal Activities

The principal activities of the Club during the financial year were that of a licensed club for the benefits of its members.

No significant changes in the nature of these activities occurred during the financial year.

Operating Results

The loss attributable to members of the Club amounted to \$ 121,968 (2007: \$274,707).

Avalon Beach RSL Club Limited

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Directors' Report 31 December 2008

Review of Operations

The Club earned an operating profit of \$ 388,535 (2007: \$ 340,020) before depreciation of \$ 314,072 (2007: \$ 403,870) and finance costs of \$ 196,431 (2007: \$ 210,857).

Information on Directors

	Occupation/ Qualifications	Position/Special Responsibilities	Years as Director of Club
Peter Morrow	Carpenter	President	16
Robert White	Glazier	Vice President	22
Laurence Malone	Retired	Vice President	4
Philip Hooff	Retired	Director	10
Garry Gibson	Manager	Director	10
Derek Porter	Retired	Director	9
Richard McEvoy	Primary Producer	Director	4
Mark Houlder	Fire Brigade Officer	Director	4
Peter Nash	Company Director	Director	3
Angela Mackie	Hairdresser	Director	2
Christopher Elliot	Builder	Director	2
Malcolm French	Company Director	Director	2
Peter Nash	Company Director	Director	1
Michael Denholm Dick	Carpenter	Director	1
Neil McGowan	Self Employed	Director	1

Meetings of Directors

During the financial year, 21 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance Committee meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Peter Morrow	13	13	7	7
Robert White	13	13	1	1
Laurence Malone	13	10	7	5
Philip Hooff	13	13	1	1
Garry Gibson	13	13	-	-
Michael Dick	9	7	-	-
Peter Nash	9	7	5	5
Richard McEvoy	13	11	7	5
Mark Houlder	13	12	7	5
Derek Porter	2	-	-	-
Peter Anderson	13	12	-	-
Angela Mackie	4	3	-	-
Christopher Elliott	13	11	-	-
Malcom French	13	9	-	-
Neil McGowan	3	-	-	-

Avalon Beach RSL Club Limited

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Directors' Report 31 December 2008

Dividends Paid, Recommended, and Declared

The Club is a company limited by guarantee, it is prohibited from paying dividends to its members and as such no dividend has been paid or recommended during or since the financial year.

Proceedings on Behalf of Club

No person has applied for leave of Court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is a party for the purpose of taking responsibility on behalf of the Club for all or any part of those proceedings.

The Club was not a party to any such proceedings during the year.

Indemnifying Officers or Auditors

The Club has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Club or of a related body corporate:

(i) indemnified or made any relevant agreement for indemnifying against a liability including costs and expenses in successfully defending legal proceedings; or

(ii) paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings;

with the exception of the payment of a premium to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Club, other than wilful breach of duty in relation to the Club. The amount of insurance premium paid was \$1,899 (2007: \$1,899).

Significant Changes in State of Affairs

No significant changes in the Club's state of affairs occurred during the financial year.

After Balance Date Events

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

Environmental Issues

The Club's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Avalon Beach RSL Club Limited

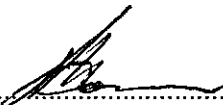
ABN: 59 000 968 838

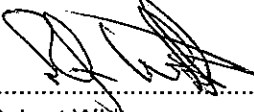
**Directors' Report
31 December 2008**

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 5.

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

Director: 
Peter Morrow

Director: 
Robert White

Avalon Beach

Dated this.....5..... day ofAPRIL..... 2009

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

**Auditors Independence Declaration under Section 307C of the
Corporations Act 2001**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2008 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.


LAWLER PARTNERS
Chartered Accountants


CLAYTON HICKEY
Partner

Sydney

Dated this 6th day of April 2009

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Income Statement For the Year Ended 31 December 2008

	Note	2008 \$	2007 \$
Revenue	2	4,528,947	4,842,922
Other income	2	-	15,649
Cost of sales		(908,401)	(981,952)
Depreciation		(314,072)	(403,870)
Advertising and promotions expense		(54,494)	(44,798)
Employee benefits expense		(1,892,293)	(2,187,743)
Finance costs		(196,431)	(210,857)
Insurance		(89,697)	(99,359)
Lease and rental		(113,885)	(91,060)
Members amenities		(132,118)	(150,804)
Poker machine duty		(315,157)	(367,800)
Repairs and maintenance		(95,792)	(145,859)
Utilities		(100,467)	(100,275)
Loss on disposal of equipment		(8,965)	-
Other expenses		(429,143)	(348,901)
(Loss) before income tax		(121,968)	(274,707)
Income tax expense		-	-
(Loss) attributable to members		(121,968)	(274,707)

The accompanying notes form part of this concise financial statements.

Avalon Beach RSL Club Limited

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Balance Sheet 31 December 2008

	2008	2007
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	183,885	124,876
Trade and other receivables	6,678	3,616
Inventories	69,283	66,125
Other current assets	24,184	35,699
Total current assets	284,030	230,316
Non-current assets		
Financial assets	750	750
Property, plant and equipment	4,130,614	4,384,539
Total non-current assets	4,131,364	4,385,289
TOTAL ASSETS	4,415,394	4,615,605
LIABILITIES		
Current liabilities		
Trade and other payables	255,093	221,698
Financial liabilities	336,202	513,462
Short-term provisions	181,184	241,083
Other current liabilities	38,996	34,613
Total current liabilities	811,475	1,010,856
Non-current liabilities		
Financial liabilities	1,614,009	1,500,946
Other long-term provisions	34,296	26,221
Total non-current liabilities	1,648,305	1,527,167
TOTAL LIABILITIES	2,459,780	2,538,023
NET ASSETS	1,955,614	2,077,582
EQUITY		
Retained earnings	1,955,614	2,077,582
TOTAL EQUITY	1,955,614	2,077,582

The accompanying notes form part of this concise financial statements.

Avalon Beach RSL Club Limited

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Statement of Changes in Equity For the Year Ended 31 December 2008

	Retained Earnings	Total
2008	\$	\$
Opening balance at 1 January 2008	2,077,582	2,077,582
Profit for the year	(121,968)	(121,968)
Balance at 31 December 2008	1,955,614	1,955,614
	Retained Earnings	Total
2007	\$	\$
Opening balance at 1 January 2007	2,352,289	2,352,289
Loss for the year	(274,707)	(274,707)
Balance at 31 December 2007	2,077,582	2,077,582

The accompanying notes form part of this concise financial statements.

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Cash Flow Statement For the Year Ended 31 December 2008

	2008	2007
	\$	\$
Cash from operating activities:		
Receipts from members and customers	4,977,964	5,330,823
Payments to suppliers and employees	(4,589,678)	(4,987,100)
Interest received	463	738
Finance costs	(196,431)	(190,267)
Net cash generated by operating activities	192,318	154,194
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	8,000	20,636
Acquisition of plant and equipment	(56,188)	(264,513)
Net cash (used in) investing activities	(48,188)	(243,877)
Cash flows from financing activities:		
Proceeds from borrowings	-	315,000
Repayment of borrowings	(45,000)	(180,000)
Repayment of lease hire purchase liabilities	(56,046)	(263,017)
Net cash (used in) financing activities	(101,046)	(128,017)
Net increase (decreases) in cash held	43,084	(217,700)
Cash and cash equivalents at beginning of year	(151,644)	66,056
Cash at end of financial year	(108,560)	(151,644)

The accompanying notes form part of this concise financial statements.

Avalon Beach RSL Club Limited

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Discussion and Analysis of the Financial Statements For the Year Ended 31 December 2008

INFORMATION ON CONCISE FINANCIAL REPORT

The financial statements and disclosures in the concise financial report have been derived from the 31 December 2008 full financial report of Avalon Beach RSL Club Limited.

A copy of the full financial report and auditors report is available, free of charge, upon request from the Club. A copy may be requested by contacting the Club and can be collected from the Club's premises at 1 Bowling Green Lane Avalon Beach NSW 2107.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on the full financial report of Avalon Beach RSL Club Limited for the financial year ended 31 December 2008.

INCOME STATEMENT

The operating result for the year was a net loss of \$121,968 compared to a net loss of \$274,707 in the previous year.

Total revenue from continuing activities decreased by \$313,975 (6%) to \$4,528,947. The majority of the net decrease in revenue was due to:

- A decrease in poker machine revenue of \$199,967 (9%) to \$2,045,136 caused by further impact of the introduction of smoking ban legislation from 1 July 2007.
- A decrease in beverage and catering income by \$126,706 (5%) to \$2,284,708.

Total expenses decreased by \$482,363 to \$4,650,915. Expense items impacting the net increase were:

- A decrease in the cost of sales of beverage and catering of \$73,551 (7%) to \$908,401.
- A decrease in depreciation expense of \$89,798 (22%) to \$314,072.
- A decrease in poker machine tax of \$52,643 (14%) to \$315,157 due to decrease in poker machine duty tax rates and decrease in poker machine revenue.
- A decrease in employee costs of \$295,450 (14%) to \$1,892,293 due to decrease in number of permanent staff and by conversion of some full time staff to casual staff.
- A decrease in repairs and maintenance of \$50,067 (34%) to \$95,792.
- An increase in lease and rental expense of \$22,825 (25%) to \$113,885.

The accompanying notes form part of this concise financial statements.

Avalon Beach RSL Club Limited

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Discussion and Analysis of the Financial Statements For the Year Ended 31 December 2008

BALANCE SHEET

Total assets have decreased by \$200,211 (4%) to \$4,415,394. The decrease in total assets was due to:

- Depreciation write-downs to property, plant and equipment of \$314,072.
- Acquisition of plant and equipment of \$78,007.
- An increase in cash and cash equivalents of \$59,009 (47%) to \$183,885.

Commentary on the decrease in cash and cash equivalents asset has been provided as part of the discussion and analysis on the cash flow statement below.

Total liabilities have decreased by \$78,243 (3%) to \$2,459,780. The decrease in total liabilities was due to:

- A decrease in borrowings by \$64,197 (3%).
- An increase in trade and other payables of \$33,395 (15%) to \$255,093.
- A decrease in provision for employee benefits of \$51,824 (19%) to \$215,480 due to reduction in permanent employees.

STATEMENT OF CASH FLOWS

Cash flow from operating activities increased by \$38,124 (25%) to \$192,318 mainly due to the net effect of a decrease in receipts from customers by \$352,859 (7%), decrease in payments to suppliers and employees of \$397,422 (8%) and an increase in finance cost by \$6,164 (3%). Commentary on revenue and expenses are outlined in the above discussion and analysis on the Income Statement.

Cash flow used in investing activities was used to purchase plant and equipment totalling \$56,188. Cash flow used in financing activities was used in the repayment of borrowings and finance leases of \$101,046.

Overall cash deficit decreased by \$43,084 (28%) to \$108,560.

STATEMENT OF CHANGES IN EQUITY

Total equity decreased by \$121,968 (6%) to \$1,955,614. The decrease is due to a net loss for the year ended 31 December 2008.

Avalon Beach RSL Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2008

Note 1 Basis of Preparation of Concise Financial Report

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report is derived from, and is consistent with, the full financial report of Avalon Beach RSL Club Limited. The full financial report is a general purpose financial report that has been prepared in accordance with Australian Equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and operating, financing and investing activities of Avalon Beach RSL Club Limited as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

	2008	2007
	\$	\$

Note 2 Revenue

(a) Operating activities

Bar sales	1,497,958	1,508,246
Food and catering	786,750	903,168
Poker machine revenue	2,045,136	2,245,103
Rent income	61,274	76,424
Member subscriptions	35,762	33,792
Commission received	26,696	21,163
Interest received	463	738
Other revenue	74,908	54,288
	<u>4,528,947</u>	<u>4,842,922</u>

(b) Non-operating activities

Profit on disposal of asset	-	15,649
	<u>-</u>	<u>15,649</u>

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Notes to the Financial Statements For the Year Ended 31 December 2008

Note 3 Segment Reporting

The Club conducts its activities solely in the registered club industry in Avalon Beach, New South Wales.

Note 4 Events After the Balance Sheet Date

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

Note 5 Company Details

The registered office and principal place of business of the Club is

Avalon Beach RSL Club Limited
1 Bowling Green Lane
Avalon Beach NSW 2107

Avalon Beach RSL Club Limited

ABN: 59 000 968 838

Directors' Declaration

The directors of Avalon Beach RSL Club Limited declare that the concise financial report of Avalon Beach RSL Club Limited for the financial year ended 31 December 2008 as set out in the accompanying financial statements and notes:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) has been derived from and is consistent with the full financial report of Avalon Beach RSL Club Limited.

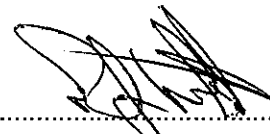
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Peter Morrow

Director



Robert White

Place: Avalon

Dated this.....5..... day of April..... 2009

Avalon Beach RSL Club Limited**ABN: 59 000 968 838****Independent Audit Report to the members of
Avalon Beach RSL Club Limited****Report on the concise financial report**

The accompanying concise financial report of Avalon Beach RSL Club Limited (the Club) comprises the balance sheet as at 31 December 2008, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Avalon Beach RSL Club Limited for the year ended 31 December 2008, and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Avalon Beach RSL Club Limited for the year ended 31 December 2008. Our audit report on the financial report for the year was signed on 6 April 2009 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

Lawler Partners Audit & Assurance (a Limited Partnership) ABN: 91 850 861 839 www.lawlerpartners.com.au

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MEMBER OF
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Avalon Beach RSL Club Limited

ABN: 59 000 968 838

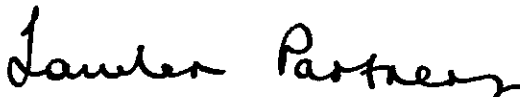
**Independent Audit Report to the members of
Avalon Beach RSL Club Limited**

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Avalon Beach RSL Club Limited on 10 November 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of Avalon Beach RSL Club Limited for the year ended 31 December 2008 complies with Accounting Standard AASB 1039: Concise Financial Reports.



LAWLER PARTNERS
Chartered Accountants



CLAYTON HICKEY
Partner

Sydney

Dated this 6th day of April 2009

