



ANNUAL REPORT 2014



Clubs & Community Awards
2014 WINNER
Environment Category

BUSINESS AWARDS
2014 REGIONAL FINALIST



Employer of Choice
Regional Winner 2014

BUSINESS AWARDS
2014 STATE FINALIST





GENERAL MANAGERS REPORT

The 2014 financial year has once again been a very profitable and positive year for us with total revenue for the year of \$12,488,009 which represented an increase over 2013 revenue (\$12,011,149) of \$476,860 or 3.97%. While this is an increase it wasn't as high as previous years as for the first 6 months of the year we were under renovation which declined some trade.

Our net profit for the financial year amounted to \$2,946,065 before depreciation, amortisation, interest and income tax expense compared against \$2,932,037 in the previous year, an improvement of \$14,028. Our net profit for the year amounted to \$1,663,212 against \$1,661,282 the previous year, a difference of \$1,930. These differences are negligible as explained above with the renovations occurring.

Profit and Loss	2014	2013	2012
Total Revenue	\$12,488,009	\$12,011,149	\$11,229,744
Overheads (including donations)	(\$9,541,944)	(\$9,079,112)	(\$8,529,326)
EBITDA	\$2,946,065	\$2,932,037	\$2,700,418
Depreciation and Finance costs	(\$1,282,853)	(\$1,270,755)	(\$1,195,031)
Profit before Income Tax	\$1,663,212	\$1,661,282	\$1,505,387
Income Tax	\$ -	\$ -	\$ -
Net Profit	\$1,663,212	\$1,661,282	\$1,505,387

Key Performance Indicators	2014	2013	2012
Bar			
Gross Profit %	53.66%	52.93%	53.39%
Wages to Sales %	20.12%	17.55%	18.43%
Catering – Café			
Gross Profit %	59.55%	61.38%	44.72%
Wages to Sales %	46.31%	49.68%	32.83%
Wages and Salaries – % of Total Revenue	27.22%	24.32%	23.99%
EBITDA %	23.60%	24.41%	24.05%

Balance Sheet	2014	2013	2012
Current Assets	\$2,359,453	\$3,496,848	\$3,359,772
Non-Current Assets	\$15,047,854	\$11,538,062	\$10,665,220
Total Assets	\$17,407,307	\$15,034,910	\$14,024,992
Current Liabilities	\$1,901,101	\$1,198,099	\$1,071,762
Non-Current Liabilities	\$1,619,125	\$1,612,942	\$2,390,643
Total Liabilities	\$3,520,226	\$2,811,041	\$3,462,405
Net Assets	\$13,887,081	\$12,223,869	\$10,562,587
Total Members Funds	\$13,887,081	\$12,223,869	\$10,562,587

This year has been an exciting year with many initiatives including:

- ≈ The Backyard – Involved transforming an unused area into an area that would be used by families and children with a view that it would be a community garden. *The Backyard* project involved reclaiming land, creating a rocky swail to allow a natural flow of water, creating natural grassed areas to complement the external aspects of the Club, plotting various garden beds, animal enclosures, design features and play areas.

The scope was to create an area that was fun, exciting, a heaven space for children and something like no other venue around and this also meant having animals for the children to interact with. Today you walk down the wooden path to firstly encounter the fire pit and giant outdoor TV which leads to a rustic garden gate where you're transported into a magnificent area offering sensory overload bursting with colourful garden beds, a water feature, beautiful open roofed pergola which has the rustic feel of a country barn and is decorated with old bird cages, ladders, fairy lights along with grape vines to create a lovely Tuscan feel. In addition, there's an old wooden bar and coffee shed where you can purchase drinks and coffee.

Separating the two structures, parents and children are shaded by the sail covering the sand pit, while there are cubby houses, log play area and ship climbing gym. A short stroll past the large pergola you cross a bridge that will take you to visit the animals as well as the herb and vegetable gardens. The chicken coop contains six hens that produce eggs for our café to use each day as well as patrons to take home.

Peter, the mini goat is a favourite with everyone. Every day people come out to say hello to him or give him a special treat. The rabbits and guinea pigs are also high on the favourite list with the children as they love to interact with them and get their parents to take a picture with them. All of the animals' food is supplemented with food scraps from the kitchen and café, contributing to a balanced and varied diet also reducing waste disposal.

Today, *The Backyard* is booked every weekend for family events from 1st birthdays to 90th birthdays and people of all ages coming together to enjoy such a wonderful space. During the days the garden is utilised by many mothers groups and seniors to sit in the sun and enjoy coffee and lunch. In the evenings many families are choosing to come for dinner outside with the animals as the children are occupied. It has surpassed any expectations we had of how much it would be used and wanted by the community with visitors travelling from other catchment areas because of word of mouth about *The Backyard*. It really has become a family area where everyone is comfortable, able to relax and enjoy their family time.

- ≈ ClubsNSW Clubs and Community Awards – In May this year Sporties won the Environment Award in these awards for our work done with The Backyard project. It highlights the enormous impact it has had on our Club and our Community to be recognised against our industry peers.
- ≈ NSW Business Chamber Awards SWS (South West Sydney) – In August this year Sporties won the Employer of Choice Award in these awards and this highlights our excellence in Human Resource practises against businesses across all industries. Well done to Ben McGuiness our Human Resources Manager and the whole team. We now go to the NSW Awards night in November.
- ≈ Max Potential – this is our third year hosting this coaching model for maximising personal leadership, networks and partnerships for the youth of our area. Max Potential offers our youth the opportunity to explore 10 life principles (MAXIMISERS) aimed at maximising their potential, particularly with respect to youth leadership and entrepreneurial directions.

Max Potential draws on leaders in the Community and the Club to work one-on-one as coaches with the young adults to mentor them through the process. We worked with 22 students from Holsworthy High

School and Moorebank High School. The outcomes have been different from year to year but I must say this year I have been amazed by some of the changes seen at both schools.

- ≈ Again this year we donated over \$185,000 to community groups in our local area including the students completing Max Potential, Liverpool Neighbourhood Connections, Autism Spectrum Australia and all of our local sporting teams for which we are here for.
- ≈ Indulge and our café saw a renovation of their kitchen's growing the floor spaces and making them more functional to enable us to continue to provide excellent quality meals in a timely manner.
- ≈ This year saw us totally refurbish with new paint and new furniture throughout the Club which certainly gives a different and more elegant feel.
- ≈ Health and Fitness Centre – At this stage seems an unlikely event to occur. Given our delays and battles to obtain the land from Council there are now pop up gyms on every street corner. We endeavour to ensure that we will make the best financial decision to make sure that Sporties will be here for many years to come and putting a full gym complex on our site at this time may not be financially viable. In saying this we are still trying to come to an agreement with Council which totally fell over last year for no known reason. There is now a whole new Management structure at Council so we have begun negotiations again for the sale of the land either to build a new carpark which we are in dire need of or some alternate uses.
- ≈ Alfresco eating spaces – Given the success of our Indulge brasserie we will be explaining outside once again this year growing the area that is currently outside of the brasserie now.
- ≈ We are continuing to grow our poker machine entitlements to ensure the longevity of the Club in a very competitive and demanding environment. The end of 2013 saw us open our new indoor and outdoor gaming room with plenty of space and new product available.
- ≈ We will continue to grow the Club's profits and net assets to be able to provide the best facilities and a unique experience each and every time you come to the Club.

To my Management Team, thank you for your commitment, dedication and expertise in achieving our objectives in what has been our most rewarding year. Every member of my team holds and performs an integral role to the organisation that I couldn't be without.

To all of my Members of staff, thank you for continuing to provide excellence in service that are the envy of many clubs, for making my job most enjoyable and for being fun to be around both for myself and our customers. My thanks go to my Board of Directors for giving myself and my Management team the support and encouragement to continually grow and develop our Club.

The Board of Directors, Management and staff will continue to provide amenities and facilities that are of the finest standard and comfort to meet your social, entertainment and sporting needs.



Tracey Lentell ACCM
Chief Executive Officer

PRESIDENT'S REPORT

On Behalf of the Board I am pleased to present the Annual Report and Financial Statements of Moorebank Sports Club Ltd for the financial year ending 30 June 2014.

2013-14 was a period of substantial and significant growth, both commercially and physically, with a net profit of \$1,663,193, representing a record profit for the club. This growth has seen significant increases in key metrics including revenue, member equity, staff retention and community engagement. This is certainly an outstanding achievement.

Many exciting projects were successfully completed throughout the year, the most notable being 'The Backyard', which proved a masterstroke in attracting a wide array of members and commercial growth. The success of this initiative is best evidenced by the club winning the Environment Award at the NSW Club of the Year Awards in May 2014.

In addition to the 'Backyard' development, the club continued to refresh its physical presence and offerings with an extension to the gaming area, expansion of our cafe and the introduction of 'Q Zero' technology to name a few. The Board thank all the Members for their patience and understanding throughout these developments. As the club continues to grow, many new developments are on the horizon for the year ahead, most notably a large refurbishment and upgrade to the car park and front entrance. Just recently, the club entered an agreement with Liverpool Council to lease an additional 50m² of land. This land will enable the community to continue to enjoy the benefits and facilities at Sporties.

Our support within our community continued with over \$185,000 donated to many worthwhile organisations and local community groups such as Max Potential, Autism Spectrum Australia and Liverpool Neighbourhood Connections, to name a few.

In addition, we are proud to have supported our sub clubs and hundreds of local sports men and women. I thank the codes for carrying the Moorebank name with pride, dignity and competitive spirit on and off the field.

I extend my thanks to Tracey Lentell and her management team in what has been a challenging and rewarding year for the club. Without Tracey's vision and her team's commitment to the continuous improvement of our people, products and presentation, the club would not be the club it is today. I also thank the exceptional staff for their efforts in serving the members, guests and visitors to the club.

I would like to make special mention of the passion and commitment of my fellow Board members for their efforts throughout the year. Your selfless dedication in serving your community cannot be undervalued and I thank them for representing the views of the members.

Finally I would like to thank you, the members of this club. Our success is a testament to your support and I am again proud to have served you as your president

See you at the club

Robert Fleeton
President

Moorebank Sports Club Limited

ABN 21 002 081 905

**Annual Financial Report
30 June 2014**

DIRECTOR'S REPORT

The directors present their report together with the financial statements of Moorebank Sports Club Limited (the company) for the year ended 30 June 2014.

Directors

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

Name	Board Status	Period of directorship	Qualification
Robert Fleeton	President	Appointed 07 Dec 1990	Driver
Stephen Keegan	Vice President	Appointed 19 Dec 1999	Manager
Philip Sampson	Treasurer	Appointed 30 Oct 2011	Business Owner
Dennis Errington	Director	Appointed 30 Oct 2011	Industrial Sales
Fred Schuyt	Director	Appointed 31 Oct 2005	Business Owner
John Sibbald	Director	Appointed 25 Jun 2013	Sales Manager
Peter Wilkie	Director	Appointed 07 Dec 1990	Public Servant

Directors' meetings

The number of directors' meetings attended by each of the directors of the company during the financial year is:

Director	Number of Meetings Attended	Number of Meetings Held *
Robert Fleeton	14	16
Stephen Keegan	14	16
Philip Sampson	15	15
Dennis Errington	15	16
Fred Schuyt	15	16
John Sibbald	13	16
Peter Wilkie	16	16

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

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2014 and the comparison with last year is as follows:

	2014	2013
Ordinary	12,356	11,812
Life	17	17
Permanent	22	22
	<hr/>	<hr/>
	12,395	11,851
	<hr/>	<hr/>

Directors' Report (continued)

Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$20 per member in the event of the winding up of the company during the time that they are a member or within one year thereafter.

Operating result

The net profit before tax for the year amounted to \$1,663,212 compared with \$1,661,282 for the prior year. This resulted after charging \$1,286,505 (2013: \$1,142,781) for depreciation/amortisation, and after reversing \$83,850 for a prior period impairment charge, and before charging \$Nil (2013: \$Nil) for income tax.

Objectives

Short term

In the short term the Company objectives are to grow revenues through existing revenue streams and look at potential diversification of income and continue to promote and develop sporting activities and expand the Club's offerings. We will continue to provide quality entertainment and social activities for members to support our principal activities whilst maintaining state of the art facilities and amenities that serve our many members.

Long term

In the long term the Company's primary objective is to investigate and implement successful alternate revenue streams that complement the Club's core business whilst still maintaining the principal activities.

Strategy for achieving the objectives

The Company will strive to continue to be a market leader in the Licensed Club Industry in the current offerings provided to members while undertaking due diligence, extensive research and looking at market demands to determine the viability of any potential alternate revenue streams.

The primary strategies to achieve the Club's objectives is through sound financial management and the use of financial ratios and key performance indicators (KPIs) to ensure that organisational business plans, budgets and cash flows are current, accurate and relevant.

Principal activities

The principal activities of the company during the year have continued to be that of a sporting and athletic club supported by licensed operations to provide members, their guests and the community with the amenities and facilities usually associated with a sporting and recreational licensed Club. The Club's activities enhance, support and continue to develop and promote a range of sporting and social activities that have assisted the Club and the broader community. These activities have not been limited to the provision of sporting infrastructure but also to the development and promotion of a wide range of activities including all forms of sport for all levels of players. There has been no significant change in the nature of that activity during the year.

Directors' Report (continued)

How these activities assist in achieving the objectives

The principal activities assist in achieving the objectives as they are our core revenues and foundations to be able to achieve the objectives.

Performance measurement and key performance indicators

The Company measures its success in the following areas:

- Satisfaction of its members and guests
- Success of marketing and promotional events, entertainment and major calendar events
- Financial performance through review of:
 - Earnings before interest, tax, depreciation and amortisation
 - Revenue
 - Wages cost as a percentage of revenues
 - Profitability
 - Targeted budgets being met
 - Business Plan targets achieved
 - Financial ratios and KPIs
 - Patron visitations

Key Performance Indicators

	2014 %	2013 %
Bar		
Gross profit percentage	53.66%	52.93%
Wages to sales percentage	20.12%	17.55%
Catering – Cafe		
Gross profit percentage	59.55%	61.38%
Wages to sales percentage	46.31%	49.68%
Wages and salaries – percentage of total revenue	27.22%	24.32%
EBITDA percentage	23.60%	24.41%

Directors' Report (continued)

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 10.

Signed in accordance with a resolution of the directors.

Dated at Moorebank this 22nd day of September 2014.



Stephen Keegan
Vice President



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www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY PAUL CHEESEMAN TO THE DIRECTORS OF MOOREBANK SPORTS CLUB LIMITED

As lead auditor of Moorebank Sports Club Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Paul Cheeseman
Partner

BDO East Coast Partnership

Sydney, 22 September 2014

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



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Level 11, 1 Margaret St
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 Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Moorebank Sports Club Limited

Report on the Financial Report

We have audited the accompanying financial report of Moorebank Sports Club Limited, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



INDEPENDENT AUDITOR'S REPORT (continued)

Independence

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

Opinion

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

- (a) Giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

BDO East Coast Partnership

Paul Cheeseman

Partner

Sydney, 22 September 2014



Directors' Declaration

The directors of Moorebank Sports Club Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 14 to 38, are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance, for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and *Corporations Regulations 2001*.
- (b) 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 Moorebank this 22nd day of September 2014.

Stephen Keegan
 Vice President

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue			
Sale of goods		3,217,617	3,117,665
Rendering of services		8,950,467	8,605,000
Other revenue		319,925	288,484
		<hr/>	<hr/>
Total Revenue	2	12,488,009	12,011,149
		<hr/>	<hr/>
Other Income	2	46,091	-
		<hr/>	<hr/>
Expenses			
Raw material and consumables used		(1,526,904)	(1,503,442)
Depreciation and amortisation expenses	3	(1,286,505)	(1,142,781)
Employee benefits expense		(3,399,138)	(2,921,275)
Entertainment, marketing and promotional costs		(1,022,467)	(982,420)
Poker machine licences and taxes		(1,980,036)	(1,964,416)
Finance costs	3	(80,198)	(127,974)
Occupancy expenses		(891,388)	(919,728)
Donations and grants paid		(181,984)	(174,686)
Impairment reversal of land and buildings	3	83,850	-
Other expenses		(586,118)	(613,145)
		<hr/>	<hr/>
Total Expenses		(10,870,888)	(10,349,867)
		<hr/>	<hr/>
Profit before income tax		1,663,212	1,661,282
Income tax expense	4(a)	-	-
		<hr/>	<hr/>
Net profit after income tax expense attributable to members		1,663,212	1,661,282
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		1,663,212	1,661,282
		<hr/>	<hr/>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 18 to 38.

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,972,811	3,249,148
Trade and other receivables	6	69,699	58,280
Inventories	7	114,045	128,347
Other current assets	8	202,898	61,073
Total Current Assets		2,359,453	3,496,848
Non-Current Assets			
Property, plant and equipment	9	13,179,493	10,009,723
Intangible assets	10	1,868,361	1,528,339
Total Non-Current Assets		15,047,854	11,538,062
Total Assets		17,407,307	15,034,910
LIABILITIES			
Current liabilities			
Trade and other payables	11	1,295,686	743,974
Financial liabilities	12	251,794	181,543
Employee benefits	13	313,528	238,942
Other current liabilities	14	40,093	33,640
Total Current Liabilities		1,901,101	1,198,099
Non-Current Liabilities			
Financial liabilities	12	1,500,811	1,545,542
Employee benefits	13	59,612	37,456
Other non-current liabilities	14	58,702	29,944
Total Non-Current Liabilities		1,619,125	1,612,942
Total Liabilities		3,520,226	2,811,041
Net Assets		13,887,081	12,223,869
Members' Funds			
Retained profits	15	13,887,081	12,223,869
Total Members' Funds		13,887,081	12,223,869

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 18 to 38.

Statement of Changes in Equity For the Year Ended 30 June 2014

	Retained Earnings \$	Total Equity \$
Balance at 1 July 2012	10,562,587	10,562,587
Net profit for the year	1,661,282	1,661,282
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	1,661,282	1,661,282
Balance at 30 June 2013	12,223,869	12,223,869
Net profit for the year	1,663,212	1,663,212
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	13,887,081	13,887,081
Balance at 30 June 2014	13,887,081	13,887,081

The Statement of Changes in Equity should be read in conjunction with the accompanying notes set out on pages 18 to 38.

Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Cash Flows From Operating Activities			
Receipts from customers (incl. GST)		13,424,176	12,889,356
Payments to suppliers and employees (incl. GST)		(10,277,341)	(10,306,962)
Interest received		51,152	84,942
Rent received		295,650	223,896
Finance costs paid		(80,198)	(127,974)
Net cash inflow from operating activities		3,413,439	2,763,258
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment		46,091	-
Payment for property, plant and equipment		(4,421,365)	(1,898,336)
Payment for intangible assets		(340,022)	(131,334)
Net cash outflow from investing activities		(4,715,296)	(2,029,670)
Cash Flows From Financing Activities			
Repayment of borrowings		-	(1,000,000)
Proceeds from hire purchase liabilities		247,798	544,633
Repayment of hire purchase liabilities		(222,278)	(108,010)
Net cash inflow/(outflow) from financing activities		25,520	(563,377)
Net (decrease)/increase in cash and cash equivalents		(1,276,337)	170,211
Cash and cash equivalents at the beginning of the financial year		3,249,148	3,078,937
Cash and cash equivalents at the end of the financial year	5	1,972,811	3,249,148

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 18 to 38.

Notes to the Financial Statements For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies

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

(a) New, revised or amending Accounting Standards and Interpretations adopted

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

The company has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

The financial report is presented in Australian dollars, which is the company's functional and presentation currency.

The company is a not for profit entity for the purpose of preparing these financial statements, which means that in preparing the financial report, the company has applied the exemptions available for not for profit entities.

The financial report was authorised for issue on 22nd September 2014, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial report.

Historical Cost Convention

The financial statements have been prepared under the historical cost convention.

(b) Revenue Recognition – Note 2

Revenues are recognised at fair value of the consideration received or receivable 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) on the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(b) Revenue Recognition – Note 2 (continued)

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

Rent Revenue

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(c) Other Income

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.

(d) 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 the expense.

Receivables and payables in the Statement of Financial Position 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 Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

(e) Finance Costs

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

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.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(f) Income Tax – Note 4

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted, except for:

- When deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associate or interest in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

(g) Impairment of Assets

Non-financial assets 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 asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(h) Cash and Cash Equivalents – Note 5

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(i) Inventories – Note 7

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) Leased Assets – Note 12

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 12

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.

(k) Fair Value Estimation

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price.

The carrying value of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar liabilities.

(l) Property, Plant and Equipment – Note 9

Property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's 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 profit or loss during the financial period in which they are incurred.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(l) Property, Plant and Equipment – Note 9 (continued)

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line/ diminishing value methods to allocate their cost amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Plant & Equipment	3-20 years
Poker Machines	3-4 years
Leased assets	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position 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.

Capital works in progress are transferred to other categories and amortised when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

(m) Intangible Assets – Note 10

Poker Machine Entitlements

Poker machine entitlements are considered to be intangible assets with an indefinite life as there is no set term for holding the entitlements. As a result, the entitlements are not subject to amortisation. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

(n) Trade and Other Payables – Note 11

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

(o) Financial Liabilities – Note 12

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(p) Employee Benefits – Note 13

Wages, Salaries, Annual Leave

Liabilities for wages and salaries, including non-monetary benefits, annual 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 relating 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 market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. 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

(q) Comparatives

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

(r) Customer Loyalty Program

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

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

1 Summary of Significant Accounting Policies (continued)

(s) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of Useful Lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Long Service Leave Provision

As discussed in Note 1(p), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Intangible Assets

As discussed in Note 1(m), impairment of poker machine entitlements is recognised based on a value in use calculations and is measured at the present value of the estimated future cash inflows available to the company from the use of these licenses. In determining the present value of the cash inflows, growth rates and appropriate discount factors have been considered.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	2014 \$	2013 \$
2 Revenue and Other Income		
Sale of Goods Revenue		
Bar sales	2,912,931	2,871,783
Catering sales – Cafe	304,686	245,882
	<hr/>	<hr/>
	3,217,617	3,117,665
	<hr/>	<hr/>
Rendering of Services Revenue		
Poker machines – net clearances	8,571,564	8,299,461
Members' subscriptions	51,561	48,386
Commission received	238,431	168,933
Sundry income	88,911	88,220
	<hr/>	<hr/>
	8,950,467	8,605,000
	<hr/>	<hr/>
Other Revenue		
Interest received	51,152	84,942
Rent received	268,773	203,542
	<hr/>	<hr/>
Total Other Revenue	319,925	288,484
	<hr/>	<hr/>
Total Revenue	12,488,009	12,011,149
	<hr/>	<hr/>
Other Income		
Net gain on disposal of property, plant and equipment	46,091	-
	<hr/>	<hr/>
Total Other Income	46,091	-
	<hr/>	<hr/>
Total Revenue and Other Income	12,534,100	12,011,149
	<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	2014 \$	2013 \$
3 Expenses		
Profit before income tax includes the following specific expenses:		
Finance costs		
Bank loans	62,766	117,757
Other borrowing costs	17,432	10,217
Total Finance costs	80,198	127,974
Depreciation		
Buildings	246,201	224,435
Plant and equipment	471,398	429,785
Poker machines	402,197	392,899
Amortisation		
Leased Assets	166,709	95,662
Total Depreciation and Amortisation	1,286,505	1,142,781
Movements in provision for employee benefits	96,742	42,159
Net loss on disposal of property, plant and equipment	-	14,047
Impairment expense – land and buildings reversal	(83,850)	-
Defined contribution superannuation expense	264,208	223,847

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

4 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.

	2014 \$	2013 \$
The amount set aside for income tax in the Statement of Profit or Loss and Other Comprehensive Income has been calculated as follows:		
Net income subject to tax	100,921	28,808
Current income tax applicable to above at rate of 30%	30,276	8,642
Tax losses claimed	(30,276)	(8,642)
Income tax expense	-	-

(b) Deferred Tax Assets

Deferred tax asset attributable to tax losses carried forward and timing differences has not been recognised as an asset because recovery is not probable.

Tax losses carried forward	39,961	70,238
Timing differences – employee provisions	19,265	11,891
Deferred tax assets not recognised	59,226	82,129

These benefits will only be obtained if:

- The company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised.
- The company continues to comply with the conditions for deductibility imposed by law, and
- No changes in tax legislation adversely affect the company in realising the benefit.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

5 Cash and Cash Equivalents

Reconciliation of Cash

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2014 \$	2013 \$
Cash and cash equivalents	1,063,216	1,137,678
Short term deposits	909,595	2,111,470
	<hr/>	<hr/>
	1,972,811	3,249,148
	<hr/>	<hr/>

Non-Cash Financing and Investment Activities

During the financial year the company acquired property, plant and equipment with an aggregate fair value of \$247,831 (2013: \$481,129) by means of hire purchase. These acquisitions are not reflected in the Statement of Cash Flows.

6 Trade and Other Receivables

Current

Trade receivables	51,172	44,930
Other receivables	18,527	13,350
	<hr/>	<hr/>
	69,699	58,280
	<hr/>	<hr/>

7 Inventories

Current

Finished goods – at cost	114,045	128,347
	<hr/>	<hr/>

8 Other Assets

Current

Prepayments	78,731	53,829
Other Assets	124,167	7,244
	<hr/>	<hr/>
	202,898	61,073
	<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	2014 \$	2013 \$
9 Property, Plant and Equipment		
Freehold Land		
<i>At Cost</i>	11,204	11,204
Buildings		
<i>At Cost</i>	10,587,348	9,265,400
<i>Accumulated Depreciation</i>	(2,193,803)	(1,956,258)
<i>Impairment reversal</i>	83,850	-
	8,477,395	7,309,142
Total Land and Buildings	8,488,599	7,320,346
Plant and equipment		
<i>At cost</i>	4,332,775	2,749,048
<i>Accumulated depreciation</i>	(1,963,125)	(1,832,587)
	2,369,650	916,461
Poker Machines		
<i>At cost</i>	3,502,362	3,051,336
<i>Accumulated depreciation</i>	(2,162,724)	(2,028,544)
	1,339,638	1,022,792
Leased Assets		
<i>At capitalised cost</i>	792,430	544,633
<i>Accumulated amortisation</i>	(274,719)	(108,010)
	517,711	436,623
Capital Works in Progress		
<i>At cost</i>	463,895	313,501
Total property, plant and equipment net book value	13,179,493	10,009,723

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

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

9 Property, Plant and Equipment (continued)

Valuation

The independent valuation of the company's land and buildings was carried out as at 25 June 2014 by Global Valuation Services Pty Ltd (Registered Valuer No. 1578) on the basis of open market value for existing use resulted in a valuation of land at \$875,000 and buildings at \$8,750,000. As freehold land and buildings are recorded at cost the valuation has not been brought to account. The directors do not believe that there has been a material movement in the fair value since the valuation date.

	2014 \$	2013 \$
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	7,309,142	6,993,146
Additions	1,334,318	245,351
Disposals	(3,714)	-
Depreciation expense	(246,201)	(224,435)
Transfers from WIP	-	295,080
Reversal of impairment charge	83,850	-
	<hr/>	<hr/>
Carrying amount at end of year	8,477,395	7,309,142
	<hr/>	<hr/>
Plant and Equipment		
Carrying amount at beginning of year	916,461	931,640
Additions	692,527	382,038
Disposals	(16,970)	(1,393)
Depreciation expense	(471,398)	(429,785)
Transfers from WIP	1,249,030	33,961
	<hr/>	<hr/>
Carrying amount at end of year	2,369,650	916,461
	<hr/>	<hr/>
Poker Machines		
Carrying amount at beginning of year	1,022,792	1,023,649
Additions	747,300	404,696
Disposals	(28,257)	(12,654)
Depreciation expense	(402,197)	(392,899)
	<hr/>	<hr/>
Carrying amount at end of year	1,339,638	1,022,792
	<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

9 Property, Plant and Equipment (continued)

	2014 \$	2013 \$
Leased Assets		
Carrying amount at beginning of year	436,623	51,156
Additions	247,797	481,129
Amortisation expense	(166,709)	(95,662)
	<hr/>	<hr/>
Carrying amount at end of year	517,711	436,623
	<hr/>	<hr/>
Capital Works in Progress		
Carrying amount at beginning of year	313,501	257,420
Additions	1,399,423	385,122
Transfer to Buildings	-	(295,080)
Transfer to Plant and Equipment	(1,249,030)	(33,961)
	<hr/>	<hr/>
Carrying amount at end of year	463,894	313,501
	<hr/>	<hr/>

Core Properties

The following are core properties:

Moorebank Sports – club site

230 Heathcote Road
Hammondville NSW 2170

There are no non-core properties.

10 Intangible Assets

Poker machine entitlement		
<i>At cost</i>	1,868,361	1,528,339
<i>Accumulated amortisation</i>	-	-
	<hr/>	<hr/>
Net carrying value	1,868,361	1,528,339
	<hr/>	<hr/>
Movement		
Opening net book amount	1,528,339	1,397,005
Additions	340,022	131,334
	<hr/>	<hr/>
Closing carrying value	1,868,361	1,528,339
	<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

10 Intangible Assets (continued)

Poker Machine Entitlements

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The company uses the daily net income earned (excluding GST) per machine per day and multiplies by the number of poker machine entitlements it has paid for. The value in use recoverable amount for each entitlement is calculated by dividing the total value of the entitlements with the actual number of entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the poker machine entitlements

- a. 4.86% (2013: 5.02%) pre-tax discount rate;
- b. 3.00% (2013: 3.00%) per annum projected revenue growth rate;
- c. 2.50% (2013: 2.50%) per annum increase in operating costs and overheads.

Sensitivity

As disclosed in Note 1, the directors have made judgements and estimates with respect to impairment testing of poker entitlements. Should these judgements and estimates not occur, the resulting poker entitlements may vary in the carrying amount. The sensitivities are as follows:

- a. Revenue would need to decrease by more than 12.5% for the gaming division before poker entitlements would need to be impaired, with all other assumptions remaining constant.
- b. The discount rate would be required to increase by 29.64% for the gaming division before poker entitlements would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of gaming division's poker entitlements is based would not cause the cash-generating units' carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of poker entitlements is based, this would result in a further impairment of gaming divisions' poker entitlements.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	Note	2014 \$	2013 \$
11 Trade and Other Payables			
Trade payables		753,191	248,083
Goods and Services Tax (GST) payable		73,629	77,689
Other payables and accrued expenses		468,866	418,202
		<hr/>	<hr/>
		1,295,686	743,974
		<hr/>	<hr/>
12 Financial Liabilities			
Current Secured			
Hire purchase liabilities	16	251,794	181,543
		<hr/>	<hr/>
		251,794	181,543
		<hr/>	<hr/>
Non-Current Secured			
Hire purchase liabilities	16	200,811	245,542
Commercial bill facility		1,300,000	1,300,000
		<hr/>	<hr/>
		1,500,811	1,545,542
		<hr/>	<hr/>
Financing Arrangements			
The company has access to the following lines of credit:			
Total facilities available:			
Commercial bill facility		1,300,000	1,300,000
Credit card facility		15,000	15,000
		<hr/>	<hr/>
		1,315,000	1,315,000
		<hr/>	<hr/>
Facilities utilised at reporting date:			
Commercial bill facility		1,300,000	1,300,000
Credit card facility		5,399	5,356
		<hr/>	<hr/>
		1,305,399	1,305,356
		<hr/>	<hr/>

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

12 Financial Liabilities (continued)

Financing Arrangements

Commercial Bill Facility

The non-current commercial bill facility balance represents the portion of the company's commercial bill facility not due within one year.

The facility is based on a variable interest rate which at year end was 5.02%. The facility repayment terms are interest only until 30 December 2016.

Security

The commercial bill facility is secured by;

- First registered mortgage over non-residential property located at Lot 1 Heathcote Road, Hammondville NSW 2170.
- First registered company charge over the whole of its assets and undertakings including uncalled capital.

	2014 \$	2013 \$
13 Employee Benefits		
Current	313,528	238,942
Non-current	59,612	37,456

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

Inflation rate	1.27%	1.14%
Discount rate	3.54%	3.76%
Settlement term (years)	8.15yrs	8.59yrs

Superannuation Plans

Contributions

The company is under a legal obligation to contribute 9.5% of each employee's base salary to a superannuation fund.

14 Other Liabilities

Current

Income received in advance	40,093	33,640
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Non-Current

Income received in advance	58,702	29,944
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Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	2014 \$	2013 \$
15 Retained Profits		
Retained profits at the beginning of the year	12,223,869	10,562,587
Net profit for the year	1,663,212	1,661,282
	<hr/>	<hr/>
Retained profits at the end of the year	13,887,081	12,223,869
	<hr/>	<hr/>
16 Commitments		
Capital Expenditure Commitments		
Buildings, plant and equipment	-	836,384
	<hr/>	<hr/>
Non Cancellable Operating Lease Expense Commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	9,780	19,560
One year or later and no later than five years	-	9,780
	<hr/>	<hr/>
	9,780	29,340
	<hr/>	<hr/>
Hire Purchase Commitments		
Hire purchase instalment commitments are payable:		
Within one year	251,794	181,543
One year or later and no later than five years	200,811	245,542
	<hr/>	<hr/>
Minimum hire purchase payments	452,605	427,085
	<hr/>	<hr/>

The company leases poker machines under hire purchase agreements expiring in 3 years. The hire purchase facility is secured against the assets purchased under this facility as disclosed in Note 9.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

	2014 \$	2013 \$
17 Contingent Liabilities		
Bank Guarantees		
The company has given the following bank guarantees:		
TAB Limited	5,000	5,000
Sydney Water Corporation	-	62,000
	<hr/>	<hr/>
	5,000	67,000
	<hr/>	<hr/>

18 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.

Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

19 Key Management Personnel Details

(a) Directors

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

Robert Fleeton
 Stephen Keegan
 Philip Sampson
 Dennis Errington
 Fred Schuyt
 John Sibbald
 Peter Wilkie

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

19 Key Management Personnel Details (continued)

(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
Tracey Lentell	General Manager
Jeff Gibbs	Assistant General Manager
Troy Crisp	Finance Manager

(c) Key Management Personnel Compensation

	2014 \$	2013 \$
Benefits and payments made to the Directors and Other Key Management Personnel named in (b) above	449,889	421,677

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.

A Director, Mr Fred Schuyt, is also the company owner of M Serve Signs and Maintenance. During the previous year Moorebank Sports Club Limited engaged M Serve Signs and Maintenance for various repairs and maintenance services. All dealings with this firm were based on normal commercial terms and conditions.

The aggregate amounts of each of the above types of transactions with directors and their Director-related entities were as follows:

Repairs and maintenance works	242	-
	242	-

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.

Notes to the Financial Statements

For the Year Ended 30 June 2014 (continued)

20 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 19.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

21 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 \$20 per member in the event of the winding up of the company during the time that they are a member or within one year thereafter.

At 30 June 2014 there were 12,356 Ordinary Members, 17 Life Members and 22 Permanent Members (2013: 11,812 Ordinary Members, 17 Life Members and 22 Permanent Members).

The registered office of the company is:

230 Heathcote Road
HAMMONDVILLE NSW 2170

22 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.

President's Report – Moorebank Sports Soccer Club Inc. - Season 2014

Once again the Soccer club had a great year with record participation from our local area and surrounds. We fielded 69 teams in 2014 (an increase of 8 teams on last year). We had 57 junior teams and 12 senior teams, a total of 865 players.

The performance on the field was also successful. While our Under 14 div 3 and our All Age Ladies div 2 were our only Minor Premiers, twelve of our junior boys and girls teams made it through to the finals series and eight senior men's & women's teams also went on to the finals series with a total of seven teams making it all the way through to the Grand Final. The ladies faired strongly with our U16 girls and All Age Ladies Div 3 taking out the grand final and our All Age Ladies 2 team also winning the Grand Final and adding - Premiers and - Knock Out Champions to their - Minor Premiership success.

At the commencement of the season the club purchased new sets of playing strips for every team in the club. Even with this significant purchase, through good financial management the soccer club has also performed well financially throughout the season, much of this through fundraising and canteen revenue.

We once again hosted the Southern Districts Grand Finals (for Div2+) at Hammondville Park, our 10th successive year. While the Saturday was quite successful getting through all eighteen matches, unfortunately the "Rain Gods" weren't as kind on the Sunday washing the whole day out. In hindsight losing one Grand Final day in 10 yrs. are pretty good odds, but rest assured it didn't feel like that on the day.

Thanks go to all those players and parents who volunteered their time, not only for the Grand Finals but throughout the whole season, whether it was coaching or managing a team, serving in the canteen, cooking the barbeque or generally helping to run of the day. You have all done our club proud.

We continued our "specialised" coaching courses throughout 2014, a continuation from last year further expanding on the development of both player and coach. To enable our players to be their best we continue to support coaching development initiatives and accreditations to enable knowledge and skills to be passed on to our players at all levels.

Our club isn't the best because we let things "plod" along. The committee at Moorebank Soccer is proactive and always working hard in the best interests of the players. We have a strong belief in not only our club, but ourselves and continue to improve things and deliver to the local community. Something that I am indeed proud of I would like to thank all of the committee for their hard work, dedication and commitment to making the club what it is and no doubt will continue to be for many years to come.

I'd especially like to thank all of our coaches & managers for the dedication that you show week in, week out for your team. We encourage everyone in our community to participate in organised healthy sport and we do our very best to cater to their needs no matter what skill level they have.

On behalf of our members, I would also like to thank all of our sponsors for their support this season, especially 'Sporties' who have continued to show their generosity in supporting our club and our players. Our sponsors enable us to maintain the great facilities, coaching programs and support to all of our players.

Yours in Sport,



Phil Sampson
President
Life Member

Moorebank Sports Soccer Club Inc.

President's Report - Moorebank RAMS JRLFC – Season 2014

This season, of 2014, was certainly one of achievement. As a club we have continued to increase our player numbers, with over 410 players registered in all but one age division, from U6's to A Grade. This makes Moorebank Rams the largest club in the district.

There were a couple of teams this year of special note. We had 8 teams make the Semi-finals, U9 Div2, 10 Div2, U10 Div3 White, U12 Div2 White, U13 Div3, U14 Div1, U17 Div3 and U19 Div2. For most of the players in these teams it was their first appearance in the final series and they all did themselves proud. The U9 and U10's teams all were Minor Premiers and went on to win their Grand Finals, in one very spectacular Saturday. The U17 also made the Grand Final but unfortunately it wasn't their day but it was not through lack of trying.

We also had some individual achievements, by both players and committee. We had a number of players selected in junior development squads and selected to play in junior representative teams. This is a great achievement and I wish all players luck in furthering themselves in Rugby League. Special mention must go to Rhys McGrath for being selected in the NSW CCC President's Rugby League team, Daniel Parker for being selected in the NSWRL U16 Aboriginal Team and Daniel De Vecchis for receiving the Coaches Awards for his efforts in the Sharks Matthew's Cup side. Off the field we have been blessed with a very committed and hard working committee, none of which work harder than our secretary Dave Christensen. Dave was awarded the "Canterbury JRL Volunteer of the Year". This award is extremely well deserved for the years of service in making our club what it is today.

Our club continues to grow as a strong community. This can be seen by the ongoing sponsorship the club has received. We have been able to work with our sponsors by hosting Sporties Craft Markets, sharing our facilities with them and entertaining them with great football and friendship. To all our sponsors, we are extremely grateful for the support you show us and I encourage all club members to use the sponsor services whenever possible. Special mention to the Moorebank Sports Club who again showed their support by being able to accommodate our annual Sportsman's Lunch and our senior teams' game day presentations.

We continue to build our community by being the best dressed club in the district. This is more than evident when you see the sea of blue and white at any of the grounds we visit. We also continue to improve the club's infrastructure, with some minor improvements this year.

On a final note, I would like to thank and recognise the committee for the work they do and the support they have shown me in my first year as President. Everyone plays a roll and it is much appreciated. For those of you not returning next year I would like to thank you for your years of services. For those continuing and anyone looking to join the committee next year, the challenge is to make our great club even better. This can only be done by fostering an inclusive, tolerant community with a passion to see our kids enjoy themselves playing the greatest game of all.

Yours in Sport,



David Hine
President
Moorebank RAMS JRLFC