



ANNUAL REPORT 2013
Moorebank Sports Club Ltd

GENERAL MANAGERS REPORT

The 2013 financial year has once again been a very profitable and positive year for us with total revenue for the year of \$12,011,149 which represented an increase over 2012 revenue (\$11,229,744) of \$781,405 or 6.9%. This is a solid and exceptional result and the product of the hard work and determination of my team, the Board of Directors and our loyal and supportive members.

Our net profit for the financial year amounted to \$2,932,037 before depreciation, amortisation, interest and income tax expense compared against \$2,700,418 in the previous year, an improvement of \$231,619 or 9.21%. Our net profit for the year amounted to \$1,661,282 against \$1,505,387 the previous year, a difference of \$155,895 or 10.35%.

Contributions	2013	2012
Total Revenue	\$12,011,149	\$11,229,744
Overheads (including donations)	(\$9,079,112)	(\$8,529,326)
EBITDA	\$2,932,037	\$2,700,418
Depreciation and Finance costs	(\$1,270,755)	(\$1,195,031)
Profit before Income Tax	\$1,661,282	\$1,505,387
Income Tax	0	0
Net Profit	\$1,661,282	\$1,505,387

Key Performance Indicators	2013	2012
Bar		
Gross Profit Percentage	52.93%	53.39%
Wages to Sales Percentage	17.55%	18.43%
Catering – Café		
Gross Profit Percentage	61.38%	44.72%
Wages to Sales Percentage	49.68%	32.83%
Wages and Salaries- percentage of total revenue	24.32%	23.99%
EBITDA percentage	24.41%	24.05%

Balance Sheet	2013	2012
Current Assets	\$3,496,848	\$3,359,772
Non-Current Assets	\$11,538,062	\$10,665,220
Total Assets	\$15,034,910	\$14,024,992
Current Liabilities	\$1,198,099	\$1,071,762
Non-Current Liabilities	\$1,612,942	\$2,390,643
Total Liabilities	\$2,811,041	\$3,462,405
Net Assets	\$12,223,869	\$10,562,587
Total Members Funds	\$12,223,869	\$10,562,587

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

- ≈ Max Potential – this is our second 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 14 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 Moorebank High School.

They have had some fantastic student outcomes including three students who were voted as school Prefects for 2014, one student who will serve as School Captain 2014 and all of the students who participated reported that their time management and communication skills, along with their confidence, have improved significantly, and this has been demonstrated by their well above average results in Year 11 studies.

Two of their students have volunteered to continue their service based projects beyond the scope of the program, providing important and continuing service to the school community in the areas of reading and music tuition support.

- ≈ This year we also donated over \$160,000 to community groups in our local area including Dandelion Support Network, Lifegate Wattle Groovers, Holsworthy Girl Guides, Holsworthy Long Day Care, Hammondcare and our local sporting teams.
- ≈ Indulge saw the launch of a new pizza kitchen which complements our existing offering very well and also delivers on our member's requests to provide pizza. We have a wide menu to choose from and some nice desert pizzas on offer.
- ≈ Health and Fitness Centre – this year saw us pursue this with our architects and planners and we agreed upon a purchase price of the land with Council, unfortunately, when it went to the Council Meeting to be decided upon, it was deferred so that Council can do a revised master plan of the site. At this stage, this is expected to take about 6 months before we can find out what the outcomes are and if we can still go ahead and purchase the land. Unfortunately this is a delay for the project but it is out of our hands until Council decide on the purpose of the land surrounding us.
- ≈ The TAB was moved during the year to give us more room internally and to give the TAB punters a bigger space in an area that was previously underutilised.
- ≈ The Club is continuing to look at all of our promotions and events and ensure they are relevant to our member's needs. This year saw us remove the traditional members badge draw which did not attract people to the Club on a weekly basis and only rewarded one person when the amount went off. We decided to reward more people more often and launched a free member's raffle which occurs every 6 or so weeks and is working really well with all of our members having a chance at winning.
- ≈ We are continuing to grow our poker machine entitlements to ensure the longevity of the Club in a very competitive and demanding environment.

The upcoming year also holds many exciting new ideas and challenges including:

- ≈ Finally, a new outdoor and indoor gaming room that has been held up by Sydney Water for the past 12 months and we can now see an expected completion hopefully just before Christmas. This will further enhance your entertainment experience with us.
- ≈ The Backyard – A new initiative that we are currently building and this program is about making us the ultimate destination and providing an experience that you cannot receive in the area presently. We are enhancing our family friendly experience with a relocation of the existing play gym and building new cubby houses, sand, wood and water play areas, providing areas of community gardens and some chickens and bunnies for the kids to experience farm life.

For the adults, we are extending the main outdoor area with a new fire pit, extension of the deck overlooking the football fields, new seating areas and 2 new pergolas that will seat over 150 people for dining or having a nice relaxing drink with friends. There will be BBQ's, a new bar, plenty of shade and hopefully an area that will provide something for everyone.

President's Report

I am pleased to present the Annual Report and Financial Statements of Moorebank Sports Club Ltd for the financial year ending 30th June 2013.

This year has once again been a very successful year for the club with a net profit of \$1,661,282, which is a 10% increase on last year. This is an outstanding effort and the result of many years of hard work to grow Moorebank Sports Club into the club it is today.

Throughout the year we donated over \$160,000 to local community groups such as Max Potential, Lifegate Community Church, Dandelion Support Network Incorporated, Holsworthy District Girl Guides, Holsworthy Long Day Care and Hammondcare. These are very worthwhile organisations that look after the disadvantaged and provide youth services. We are proud that we can offer assistance to these causes.

We also contributed to our local sporting codes, enabling the codes purchase essential services and equipment such as sporting uniforms and training resources. I thank the codes for all their efforts in carrying the Moorebank name and proudly serving the local community with their sporting achievements.

The club continues to grow. We are still negotiating with Liverpool Council for the purchase of more land. The negotiations may take some time as Council is waiting for a Master Plan of Hammondville to be completed before deciding how to proceed. Despite this the club is providing new services and facilities with extensions and renovations of the existing club. These new developments will be completed at the end of this year and will provide areas for members and their families to continue to enjoy the benefits of Sporties.

I would like to thank my fellow board for their help throughout the year. The board members donate a lot of time and energy to ensure the smooth running of the club and I thank them for representing the views of members.

I would also like to extend my gratitude to Tracey Lentell and her management team. Without the vision, hard work and dedication of this team the club would not be the club it is today. I also thank the staff for their tiresome efforts in serving members, guests and visitors to the club. I'm proud of the strong customer service culture that has been in the club and I'm sure you will agree that it is always a pleasure when entering the club and this is largely due to the exceptional staff.

Finally I would like to thank you, the members of this club. Since being president of Moorebank Sports Club it's been an honour and a privilege to serve as its president. This club has been built by you and for you and I hope you continue to enjoy the benefits of being a member of Sporties.

See you at the club



Robert Fleeton

President



Moorebank Sports Club Limited

ABN 21 002 081 905

Annual Financial Report

30 June 2013



Moorebank Sports Club Limited

Directors' Report

Your directors present their report together with the financial report of Moorebank Sports Club Limited (the company) for the year ended 30 June 2013 and the auditor's report thereon.

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
Fred Schuyt	Treasurer	Appointed 31 Oct 2005	Business Owner
Dennis Errington	Director	Appointed 30 Oct 2011	Industrial Sales
Philip Sampson	Director	Appointed 30 Oct 2011	Business Owner
John Sibbald	Director	Appointed 25 Jun 2013	Sales Manager
Peter Wilkie	Director	Appointed 07 Dec 1990	Public Servant
Mark Simpson	Director	Resigned 22 May 2013	Managing Director

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	13	14
Stephen Keegan	14	14
Fred Schuyt	14	14
Dennis Errington	14	14
Philip Sampson	13	14
John Sibbald	-	-
Peter Wilkie	13	14
Mark Simpson	10	12

* 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 2013 and the comparison with last year is as follows:

	2013	2012
Ordinary	11,812	11,131
Life	17	15
Permanent	22	26
	<hr/>	<hr/>
	11,851	11,172
	<hr/>	<hr/>

Moorebank Sports Club Limited

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 from ordinary activities before tax for the year amounted to \$1,661,282 compared with \$1,505,387 for the prior year. This resulted after charging \$1,142,781 (2012: \$1,014,895) for depreciation/amortisation and before charging \$Nil (2012: \$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.



Moorebank Sports Club Limited

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

	2013 %	2012 %
Bar		
Gross profit percentage	52.93%	53.39%
Wages to sales percentage	17.55%	18.43%
Catering – Cafe		
Gross profit percentage	61.38%	44.72%
Wages to sales percentage	49.68%	32.83%
Wages and salaries – percentage of total revenue	24.32%	23.39%
EBITDA percentage	24.41%	24.05%

Moorebank Sports Club Limited

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 5.

Signed in accordance with a resolution of the directors.

Dated at Moorebank this 16th day of September 2013.

Robert Fleeton
President



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 2013, 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, 16 September 2013

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 2013, 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.

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 2013 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, 16 September 2013



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 9 to 35, 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 2013 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 16th day of September 2013.



Robert Fleeton
President

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
Revenue			
Sale of goods		3,117,665	3,068,242
Rendering of services		8,605,000	7,904,231
Other revenue		288,484	257,271
		<hr/>	<hr/>
Total revenue	2	12,011,149	11,229,744
		<hr/>	<hr/>
Expenses			
Raw material and consumables used		(1,503,442)	(1,494,994)
Depreciation and amortisation expenses	3	(1,142,781)	(1,014,895)
Employee benefits expense		(2,921,275)	(2,626,750)
Entertainment, marketing and promotional costs		(982,420)	(892,869)
Poker machine licences and taxes		(1,964,416)	(1,885,109)
Finance costs	3	(127,974)	(180,136)
Occupancy expenses		(919,728)	(887,306)
Donations and grants paid		(174,686)	(148,958)
Other expenses from ordinary activities		(613,145)	(593,340)
		<hr/>	<hr/>
Total Expenses		(10,349,867)	(9,724,357)
		<hr/>	<hr/>
Profit before income tax		1,661,282	1,505,387
Income tax expense	4(a)	-	-
		<hr/>	<hr/>
Net profit after income tax expense attributable to members		1,661,282	1,505,387
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		1,661,282	1,505,387
		<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 13 to 35.

Statement of Financial Position
As at 30 June 2013

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,249,148	3,078,937
Trade and other receivables	6	58,280	43,155
Inventories	7	128,347	77,596
Other current assets	8	61,073	160,084
Total Current Assets		3,496,848	3,359,772
Non-Current Assets			
Property, plant and equipment	9	10,009,723	9,268,215
Intangible assets	10	1,528,339	1,397,005
Total Non-Current Assets		11,538,062	10,665,220
Total Assets		15,034,910	14,024,992
LIABILITIES			
Current liabilities			
Trade and other payables	11	743,974	815,280
Financial liabilities	12	181,543	21,168
Employee benefits	13	238,942	203,550
Other current liabilities	14	33,640	31,764
Total Current Liabilities		1,198,099	1,071,762
Non-Current Liabilities			
Financial liabilities	12	1,545,542	2,329,988
Employee benefits	13	37,456	30,689
Other non-current liabilities	14	29,944	29,966
Total Non-Current Liabilities		1,612,942	2,390,643
Total Liabilities		2,811,041	3,462,405
Net Assets		12,223,869	10,562,587
Members' Funds			
Retained profits	15	12,223,869	10,562,587
Total Members' Funds		12,223,869	10,562,587

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 35.

Statement of Changes in Equity
For the Year Ended 30 June 2013

	Retained Earnings \$	Total Equity \$
Balance at 1 July 2011	9,057,200	9,057,200
Net profit for the year	1,505,387	1,505,387
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	1,505,387	1,505,387
Balance at 30 June 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

The Statement of Changes in Equity should be read in conjunction with the accompanying notes set out on pages 13 to 35.

Statement of Cash Flows
For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
Cash Flows From Operating Activities			
Receipts from customers		12,889,356	12,046,062
		(10,306,962)	
Payments to suppliers and employees)	(9,501,556)
Interest received		84,942	89,948
Rent received		223,896	184,055
Finance costs paid		(127,974)	(180,136)
		<hr/>	<hr/>
Net cash inflow from operating activities		2,763,258	2,638,373
		<hr/>	<hr/>
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment		-	5,908
Payment for property, plant and equipment		(1,898,336)	(1,131,855)
Payment for intangible assets		(131,334)	(139,553)
		<hr/>	<hr/>
Net cash outflow from investing activities		(2,029,670)	(1,265,500)
		<hr/>	<hr/>
Cash Flows From Financing Activities			
Repayment of borrowings		(1,000,000)	(500,000)
Proceeds from hire purchase liabilities		544,633	63,504
Repayment of hire purchase liabilities		(108,010)	(12,348)
		<hr/>	<hr/>
Net cash outflow from financing activities		(563,377)	(448,844)
		<hr/>	<hr/>
Net increase in cash and cash equivalents		170,211	924,029
Cash and cash equivalents at the beginning of the financial year		3,078,937	2,154,908
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	5	3,249,148	3,078,937
		<hr/>	<hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 35.

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.

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 16th September 2013, 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.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

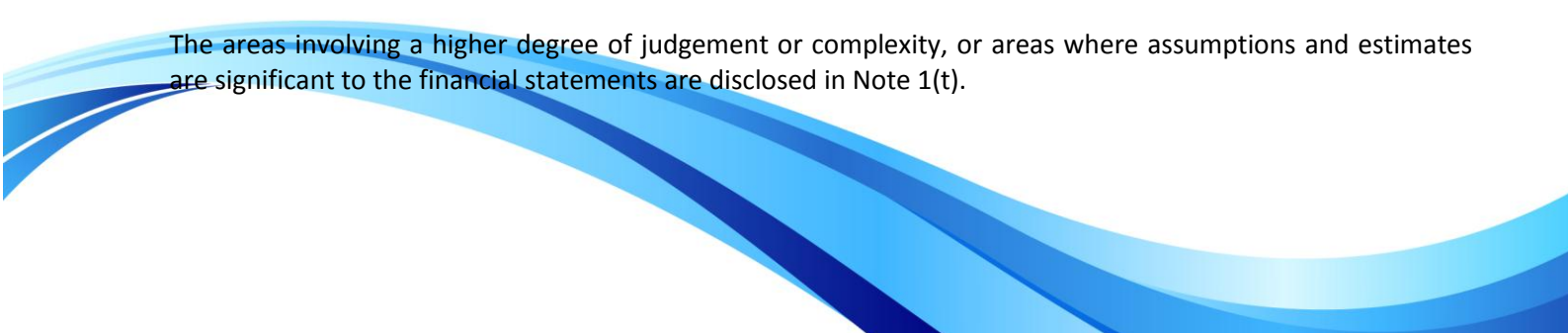
The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1(t).



Notes to the Financial Statements
For the Year Ended 30 June 2013

1 Summary of Significant Accounting Policies (continued)

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

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards,' AASB 2010-02 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements' and later amending Standards, as relevant. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has early adopted AASB 1053 from 1 July 2010. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

The company has early adopted AASB 2010-2 from 1 July 2010. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements

AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and

AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments

The company has early adopted AASB 2011-2, AASB 2012-7 and 2012-11 amendments from 1 July 2012, to the extent that they related to other standards already adopted by the company. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations to significantly reduce the company's disclosure requirements.

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

1 Summary of Significant Accounting Policies (continued)

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

The company has applied AASB 2011-9 amendments from 1 July 2012. The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The amendments also introduced the term 'Statement of profit or loss and other comprehensive income' clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section.

(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.

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.



1 Summary of Significant Accounting Policies (continued)

(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.

(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.

(f) Income Tax – Note 4

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

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 a business combination and that, at the tie 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.

1 Summary of Significant Accounting Policies (continued)

(f) Income Tax – Note 4 (continued)

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) Use and Revisions of Accounting Estimates

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


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

(i) Cash and Cash Equivalents – Note 5

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

(j) 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.



1 Summary of Significant Accounting Policies (continued)

(k) 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.

(l) 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.

(m) 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/group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.



Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

1 Summary of Significant Accounting Policies (continued)

(m) 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.

(n) 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.


(o) 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.

(p) 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.



1 Summary of Significant Accounting Policies (continued)

(q) Employee Benefits – Note 13

Wages, Salaries and Annual Leave

Liabilities for employee benefits for wages, salaries and annual leave expected to be settled within 12 months of the year-end represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the company expects to pay as at reporting date including related on-costs.

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

(r) Comparatives

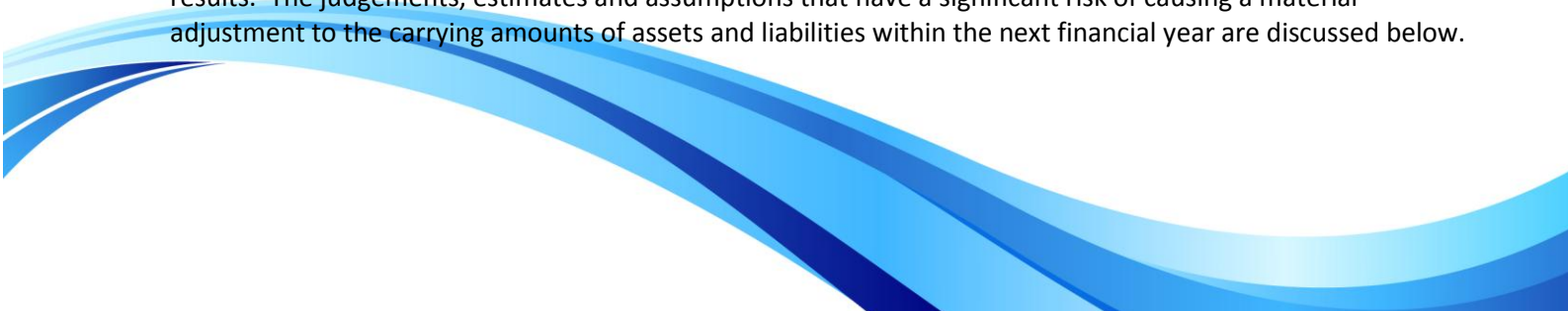
Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(s) 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.

(t) 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.



1 Summary of Significant Accounting Policies (continued)

(t) Critical Accounting Judgements, Estimates and Assumptions (continued)

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(q), 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(n), 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 2013 (continued)

	2013 \$	2012 \$
2 Revenue and Other Income		
Sale of Goods Revenue		
Bar sales	2,871,783	2,885,557
Catering sales – Cafe	245,882	182,685
	<hr/>	<hr/>
	3,117,665	3,068,242
	<hr/>	<hr/>
Rendering of Services Revenue		
Poker machines – net clearances	8,299,461	7,597,894
Members’ subscriptions	48,386	49,506
Commission received	168,933	166,628
Sundry income	88,220	90,203
	<hr/>	<hr/>
	8,605,000	7,904,231
	<hr/>	<hr/>
Other Revenue		
Interest received	84,942	89,948
Rent received	203,542	167,323
	<hr/>	<hr/>
Total other revenue	288,484	257,271
	<hr/>	<hr/>
Total revenue	12,011,149	11,229,744
	<hr/> <hr/>	<hr/> <hr/>



Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
3 Expenses		
Profit before income tax includes the following specific expenses:		
Finance costs		
Bank loans	117,757	170,744
Other borrowing costs	10,217	9,392
	<hr/>	<hr/>
Total Finance costs	127,974	180,136
	<hr/>	<hr/>
Depreciation		
Buildings	224,435	216,423
Plant and equipment	429,785	395,647
Poker machines	392,899	390,477
Amortisation		
Leased Assets	95,662	12,348
	<hr/>	<hr/>
Total Depreciation and Amortisation	1,142,781	1,014,895
	<hr/>	<hr/>
Movements in provision for employee benefits	42,159	6,733
	<hr/>	<hr/>
Net loss on disposal of property, plant and equipment	14,047	17,482
	<hr/>	<hr/>
Defined contribution superannuation expense	223,847	188,849
	<hr/>	<hr/>



Notes to the Financial Statements
For the Year Ended 30 June 2013 (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.

	2013 \$	2012 \$
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	28,808	366,748
	<hr/>	<hr/>
Current income tax applicable to above at rate of 30%	8,642	110,024
Tax losses not brought into account	(8,642)	(110,024)
	<hr/>	<hr/>
Income tax expense	-	-
	<hr/>	<hr/>

(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	70,238	78,880
Timing differences – employee provisions	11,891	19,219
	<hr/>	<hr/>
Deferred tax assets not recognised	82,129	98,099
	<hr/>	<hr/>

These benefits will only be obtained if:

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



Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
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:		
Cash and cash equivalents	1,137,678	1,292,356
Short term deposits	2,111,470	1,786,581
	<hr/>	<hr/>
	3,249,148	3,078,937
	<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 \$481,129 (2012: \$63,504) by means of hire purchase. These acquisitions are not reflected in the Statement of Cash Flows.		
6 Trade and Other Receivables		
Current		
Trade receivables	44,930	39,355
Other receivables	13,350	3,800
	<hr/>	<hr/>
	58,280	43,155
	<hr/>	<hr/>
7 Inventories		
Current		
Finished goods – at cost	128,347	77,596
	<hr/>	<hr/>
8 Other Assets		
Current		
Prepayments	53,829	141,632
Other Assets	7,244	18,452
	<hr/>	<hr/>
	61,073	160,084
	<hr/>	<hr/>

Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
9 Property, Plant and Equipment		
Freehold Land <i>At Cost</i>	11,204	11,204
Buildings <i>At Cost</i> <i>Accumulated Depreciation</i>	9,265,400 (1,956,258)	8,730,322 (1,737,176)
	7,309,142	6,993,146
Total Land and Buildings	7,320,346	7,004,350
Plant and equipment <i>At cost</i> <i>Accumulated depreciation</i>	2,749,048 (1,832,587)	2,356,284 (1,424,644)
	916,461	931,640
Poker Machines <i>At cost</i> <i>Accumulated depreciation</i>	3,051,336 (2,028,544)	2,821,780 (1,798,131)
	1,022,792	1,023,649
Leased Assets <i>At capitalised cost</i> <i>Accumulated amortisation</i>	544,633 (108,010)	63,504 (12,348)
	436,623	51,156
Capital Works in Progress <i>At cost</i>	313,501	257,420
Total property, plant and equipment net book value	10,009,723	9,268,215

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

Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

9 Property, Plant and Equipment (continued)

Valuation

The independent valuation of the company's land and buildings was carried out as at 6 July 2011 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 \$850,000 and buildings at \$7,200,000. 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.

	2013 \$	2012 \$
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	6,993,146	7,200,000
Additions	245,351	11,991
Disposals	-	(2,422)
Depreciation expense	(224,435)	(216,423)
Transfers from WIP	295,080	-
	<hr/>	<hr/>
Carrying amount at end of year	7,309,142	6,993,146
	<hr/>	<hr/>
Plant and Equipment		
Carrying amount at beginning of year	931,640	1,038,920
Additions	382,038	296,351
Disposals	(1,393)	(7,984)
Depreciation expense	(429,785)	(395,647)
Transfers from WIP	33,961	-
	<hr/>	<hr/>
Carrying amount at end of year	916,461	931,640
	<hr/>	<hr/>
Poker Machines		
Carrying amount at beginning of year	1,023,649	924,521
Additions	404,696	502,589
Disposals	(12,654)	(12,984)
Depreciation expense	(392,899)	(390,477)
	<hr/>	<hr/>
Carrying amount at end of year	1,022,792	1,023,649
	<hr/>	<hr/>

Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
9 Property, Plant and Equipment (continued)		
Leased Assets		
Carrying amount at beginning of year	51,156	-
Additions	481,129	63,504
Amortisation expense	(95,662)	(12,348)
	<hr/>	<hr/>
Carrying amount at end of year	436,623	51,156
	<hr/>	<hr/>
Capital Works in Progress		
Carrying amount at beginning of year	257,420	-
Additions	385,122	257,420
Transfer to Buildings	(295,080)	-
Transfer to Plant and Equipment	(33,961)	-
	<hr/>	<hr/>
Carrying amount at end of year	313,501	257,420
	<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>	1,528,339	1,397,005
<i>Accumulated amortisation</i>	-	-
	<hr/>	<hr/>
Net carrying value	1,528,339	1,397,005
	<hr/>	<hr/>
Movement		
Opening net book amount	1,397,005	1,257,452
Additions	131,334	139,553
	<hr/>	<hr/>
Closing carrying value	1,528,339	1,397,005
	<hr/>	<hr/>

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. 5.02% (2012: 5.80%) pre-tax discount rate;
- b. 3.00% (2012: 8.00%) per annum projected revenue growth rate;
- c. 2.50% (2012: 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 carrying amount. The sensitivities are as follows:

- a. Revenue would need to decrease by more than 13.9% 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 37.13% 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 unit's 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 2013 (continued)

	Note	2013 \$	2012 \$
11 Trade and Other Payables			
Trade payables		248,083	425,221
Goods and Services Tax (GST) payable		77,689	80,963
Other payables and accrued expenses		418,202	309,096
		<hr/>	<hr/>
		743,974	815,280
		<hr/>	<hr/>
12 Financial Liabilities			
Current Secured			
Hire purchase liabilities	16	181,543	21,168
		<hr/>	<hr/>
		181,543	21,168
		<hr/>	<hr/>
Non-Current Secured			
Hire purchase liabilities	16	245,542	29,988
Commercial bill facility		1,300,000	2,300,000
		<hr/>	<hr/>
		1,545,542	2,329,988
		<hr/>	<hr/>
Financing Arrangements			
The company has access to the following lines of credit:			
Total facilities available:			
Commercial bill facility		1,300,000	2,300,000
Credit card facility		15,000	15,000
		<hr/>	<hr/>
		1,315,000	2,315,000
		<hr/>	<hr/>
Facilities utilised at reporting date:			
Commercial bill facility		1,300,000	2,300,000
Credit card facility		5,356	6,093
		<hr/>	<hr/>
		1,305,356	2,306,093
		<hr/>	<hr/>

Notes to the Financial Statements
For the Year Ended 30 June 2013 (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 18 June 2015.

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.

	2013	2012
	\$	\$
13 Employee Benefits	238,942	203,550
Current	<u>37,456</u>	<u>30,689</u>
Non-current	<u>37,456</u>	<u>30,689</u>

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	1.14%	1.20%
Discount rate	3.76%	5.15%
Settlement term (years)	8.59yrs	8.30yrs

Superannuation Plans

Contributions

The company is under a legal obligation to contribute 9.25% of each employee's base salary to a superannuation fund.

14 Other Liabilities

Current

Income received in advance	33,640	31,764
	<u>33,640</u>	<u>31,764</u>

Non-Current

Income received in advance	29,944	29,966
	<u>29,944</u>	<u>29,966</u>

Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
15 Retained Profits		
Retained profits at the beginning of the year	10,562,587	9,057,200
Net profit for the year	1,661,282	1,505,387
	<hr/>	<hr/>
Retained profits at the end of the year	12,223,869	10,562,587
	<hr/>	<hr/>
16 Commitments		
Capital Expenditure Commitments		
Buildings, plant and equipment	836,384	628,397
	<hr/>	<hr/>
Non Cancellable Operating Lease Expense Commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	19,560	19,560
One year or later and no later than five years	9,780	29,340
	<hr/>	<hr/>
	29,340	48,900
	<hr/>	<hr/>
Hire Purchase Commitments		
Hire purchase instalment commitments are payable:		
Within one year	181,543	21,168
One year or later and no later than five years	245,542	29,988
	<hr/>	<hr/>
Minimum hire purchase payments	427,085	51,156
	<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 12.

Notes to the Financial Statements
For the Year Ended 30 June 2013 (continued)

	2013 \$	2012 \$
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/>
	67,000	5,000
	<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.

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

These amendments will ensure 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
Fred Schuyt
Dennis Errington
Philip Sampson
John Sibbald – Appointed 25 June 2013
Peter Wilkie
Mark Simpson – Resigned 22 May 2013

Notes to the Financial Statements
For the Year Ended 30 June 2013 (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 (Appointed 18 April 2013)
Alison Kennedy	Finance Manager (Resigned 3 May 2013)
Jason Smit	Operations Manager (Resigned June 2012)

(c) Key Management Personnel Compensation

	2013 \$	2012 \$
Benefits and payments made to the Directors and Other Key Management Personnel named in (b) above	421,677	458,600

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	-	10,428
	-	10,428

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 2013 (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 2013 there were 11,812 Ordinary Members, 17 Life Members and 22 Permanent Members (2012: 11,131 Ordinary Members, 15 Life Members and 26 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.





PRESIDENTS REPORT 2012/13

Hi Everyone,

As my first year as president of this great club, I have to say it has been a year of many ups and some downs.

We welcomed many new families to our club, not only with the under 7's but in all age groups. I hope you have enjoyed your first season with us.

As a club we also saw 3 teams progress to the grand finals, with the 12Blues and 14 Royals falling short on the day, but was a great effort by all being your first year in your age group. And to the U17 winning their Grand final for their 2nd consecutive year and progressing to the Champion of Champions playing hard only to be beaten in the finals. Congratulations.

Once again we had a large number of representative players from Moorebank. We had players in all the Macarthur state cup teams with the U12's (consisting of 5 players and 3 coaching staff from Moorebank), going onto win the Sydney Junior Championships State Cup. We had players in the association cup teams, JAG series and 3 girls represent NSW and NSW country in the U15 Junior all girls' state tiles. We were represented in the Orioles teams and also in the NSW U18 state team.

And still playing we have 4 players, 2 coaches and 1 scorer going to Qld at the end of May to compete in the National Little league titles, play hard and good luck.

Although we have many representative players I don't want you to think that the rest of our players have been forgotten, your commitment to your training and your progress throughout the season was inspirational and the future looks bright with the talent coming through. Keep up the good work!!

To our coaches, managers, and scorers thank you because without you the club couldn't function. Your individual dedication to your teams has not gone unnoticed; thank you on behalf of the players and their parents. To our parents, thank you for getting the kids to training each week and the games each Saturday.

Our umpires, headed by Roger Crowfoot and Grant Heath, saw many new umpires this season willing to learn, under the boys' guidance, well done and we hope to see you back behind the plate next season.

Pink shirt day was again a fun day with Valuable funds raised to go to Liverpool Hospital for cancer research. Thank you to everyone for your efforts on that weekend.

To our Families who have had health battles this season, our thoughts are with you as you continue with your individual treatments.

And to the people who work behind the scenes, our committee. Jason Mills, Scott Pearl, Rebecca Cavill, Robyn Richardson, Danielle Luxford and Melissa Merriman, thank you for all of your work and support throughout this past year, the work you all do does not always get recognised but is greatly appreciated by myself and I'm sure the whole club.

So to finish, I'd like to say what an honour it has been to be your president for the past 12 months, Thank you and hope to see you all next season.

Yours in Sport,

Fiona Heath
MBSC President



PRESIDENT'S REPORT

Congratulations and thanks to the Moorebank Cricket Club Committee and members for a great 20012/13 season.

On the playing fields we had 9 senior teams from 1st grade down to 8th grade .Our 1st grade side won the premiership for the second year running which is a great achievement a big congratulations goes to the Captain George Arvanitis and Rick Towerton . Rick a former captain of this side has nurtured many of these young guys over the last 4 or 5 years who are Moorebank juniors to now reap the rewards.

Our 8th grade also won the competition playing in 2 very exciting finals, both games they were behind on 1st innings and were able to win outright. The most pleasing aspect was we had couple of kids from our under 16s that played with these guys and were instrumental in both wins.

Our 2nd and 5th grade sides made the semifinals and unfortunately got beat. Out of the 9 senior teams 4 teams made the semifinals or better so overall it is a great achievement by the club.

The juniors, we had 20 juniors' teams in total of which 13 played competitive cricket this season in the Fairfield Liverpool and Bankstown competitions from under 10s to 16s with great results. We had 8 teams that made the semifinals or better. Congratulations go to our under 12 BDCA side won the comp in a very exciting Grand Final where the match was tied but we won due to Moorebank finishing 1st in the competition. Our under 16 side were undefeated minor premiers and Premiers , in the grand final defended 104 by rolling Preston's who had won the competition in their younger age groups for 54 big congratulations and a job well done to Michael Sainsbury and his team. Another great result for the club was that we had a team in every age group in Grand Finals 10s to 16s.

Weet bix t20 competition allowed Moorebank to grade our players and play against the best clubs in NSW we nominated a team in each age group ,u/12s,u/14s and u/16s all 3 teams made the quarter finals u/14s the Semis and u/16s losing the grand Final a top achievement by the club.

Off the field our achievements were equally impressive.

Moorebank CC had their first local junior represent Australia in Ben Rohrer , a big congratulations go to Ben and also a big thank you to Ben for attending the club Grand Final BBQ at Moorebank Sports the time he spent with kids was fantastic and to see the excitement on the kid's faces was sensational what a legend.

A big congratulation should also go to Jack Brewer having made the NSW u/17s train on squad and also captained Fairfield Liverpool Green Shield side to a premiership. When Jacks team left the club a couple of years ago he stayed loyal to Moorebank CC. We wish him all the best for the NSW u/17s and the future.

We received a grant this year through the hard work from Julian from Moorebank Sports Club to the sum of \$16 500 to be spent on equipment ,first aid course and a new pitch on Hammo 2. This is up from the \$5 000 we received in the previous year.

We also started the Moorebank cricket club junior academy that runs over the winter months .this is opened to all members of the cricket club where cricket ability is not taken into account. This is our first year and a pilot program with the intention of making it better in years to come.

Our numbers increased big time this year we went from 20 teams to 29 in total. The biggest increase came from our younger age groups u/6s to u/9s which will help the club stay strong over the coming years.

I'd like to thank my whole committee for a fantastic job this season , most of them are first year on the committee they are steering the club in the right direction for the future.

On a personal note I feel very privileged to have completed my first year as president of such a great club the success we have had is due to the committee working together as a team.

I hope all players and parents had a great season and look forward to seeing all returning for the 2013/14 season.

Yours in Sport,

Joe Romeo | President |
Moorebank Cricket Club



MOOREBANK FISHING CLUB

Boat Captain's Report

Off shore charters on the have been the highlight of fishing club activities. Trips are scheduled every six weeks, weather permitting, and are well patronised. Normally we have 12 -14 heads on board made up of members and guests.

We normally fish between 5 and 20 miles offshore with catches including Snapper, Morwong, kingfish, big leatherjacket and a mix of other species.

Gear and bait is supplied but most members prefer to bring their own gear and favorite baits. For further information contact Warwick on warwickh60@gmail.com. Fishing is on Sundays leaving at 6:00AM and returning early afternoon.

Small Boats Report

The weekend 22 March several boats owned by Members of Moorebank Sports Fishing Club and friends, travel to Swansea for their inaugural away trip. Friday afternoon saw the arrival of the eager fishermen, all trying to outdo each other. Launching the boats and travelling back to the Black Swan Motel where they were tied up to the Motel's wharf. Friday afternoon we adjourned to the RSL club about 2 Klm away. One phone call saw the courtesy bus arrive in about 5 minutes.

Early Saturday morning the small fleet took to the water - some going outside the heads and the remainder fishing in Lake Macquarie. Captain Warwick Holtz on The Vatican with Max Hartas on board fished around Moon Island and landed several small reddies and a large Tuna.

Matty Wales and brother Gary's On "Wacker" also fished around Moon Island, landing reddies and some nice flathead. Mick TTrevethan and Dave Paine on Gas Guzzler was passed by the captain Holtz on the way out, not bad for older boat, both Mick and Dave caught some nice fish.

Bob Berg and President Jim on "East Coast Office" decided to try the Lake with some success but with a fresh running, the catch was small. Bob Wales and new daughter-in-law, Janelle on "Attitude" fished the lake with no luck, water too cold, wrong bait, tide full, too sunny, etc. etc.

Saturday night, back to the RSL and pub and any place that sold beer. Bob Berg said that we had a good time, I asked Dave but he had no recollection after 10pm. Captain Warrick again went outside with son Gavin, again they had reasonable luck but locals said that the flathead were biting further south, local knowledge.

Our next trip is to Greenwell Point on the week end of 28-30th September. The club has booked all waterfront Cabins at Coral Tree cabins for the weekend. Again we have several boats competing. This time the Bowling Club is next door. Saturday night the whole fishing club is booked into the restaurant for Chinese banquet should be a good night.

Secretary's Report.

It has been a year of rebuilding with a new Committee and new members. Sponsorship from the Board of Moorebank Sports Club plus from Compleat Angler of Villawood has been of great assistance.

The fishing Club is now included in the Sports Club's website and has an email address of msfishingclub@optusnet.com.au has been established to facilitate existing and potential member inquiry and disseminating information.

A renewed membership drive is now underway and inquiries can be directed me, Bob Berg at 9821 4247 or 0419 438 477. To date there has been a 50% increase in members.

Remember – the time spent fishing is not deducted from your allotted lifespan.

NETBALL REPORT

Another great year with the Club achieving success in all aspects of the game of netball, once again Moorebank had the largest representation of teams in the Liverpool Association, with 38 teams, involving over 350 players, coaching officials, and umpires ranging from 6 years to seniors.

Our 9 modified teams (non-competition) ranging from ages 5 to 9 years, enjoyed their season learning the game and having fun.

The remaining 29 teams consisted of 26 junior/intermediate age groups, plus 3 senior teams. Of these 26 teams, 17 reached the semi-finals, with 6 teams winning through to the Grand Finals, 4 of these teams were victorious: 10a's, 11A's, Junior Cadet A's and Senior Cadet B's.

Once again we had talented players represent Liverpool Association at the State Age Championships:

- Halle Pearson and Claudia Towle 12 years Reps came 2nd in the State
- Sharlene Barahona, Jacqueline Brown, Beth Carr, Michelle Katoa and Hayley Smith 13 years Reps came 2nd in the State
- Angelina Frketic, Maria Katoa, Leah Tavita, and Laura Towell 15 years Reps. This team was coached by Shirley McAlister and were undefeated State Champions for the second year in a row

Another successful year for our Umpires, under the coaching and guidance of Michelle McNamara with 3 girls achieving their State C Badge: Kayla Dawkins, Maria Katoa and Casey Smith.

Our coaching staff continues to be successful, contributing at Liverpool Association Level, in 2014 we will be represented by 2 coaches, 1 assistant coach and 2 managers.

Our annual Club bonding trip to Illawarra Carnival, staying overnight at Kiama was once again successful and enjoyable.

The Netball Club has great facilities with highly qualified coaching staff and umpires, giving the opportunity for all standards of players, in our local area to enjoy playing such a great sport.

With and enthusiastic hard working committee, we have been able to maintain a progressive and successful Netball Club.

A sincere Thank You to "SPORTIES" for their continuous support and financial assistance, their continuous support and grant are a valuable asset to our continued success.

Yours in Sport

Ann Richards
Secretary



MOOREBANK RAMS JUNIOR RUGBY LEAGUE

2013 has been another successful and enjoyable year with our club continuing to grow in numbers.

This year we fielded 29 teams with a total of 415 players, ranging from under 6 to A grade. This makes us the largest club in the Canterbury Bankstown Junior Rugby League.

We had five of our teams in semi-finals, with two of them making it to the Grand Final. These teams were our Under 9 Division 3, Under 10 Division 1, Under 13 Division 3, Under 13 Division 2 and Under 13 Division 1, with our Under 9 Division 3 winning their Grand Final.

This was also the third Grand Final appearance in a row for our Under 13 Division 1, they also represented the Canterbury District this year in the prestigious Coca Cola Challenge. Congratulations boys on a great effort.

We also enjoyed success with a number of our boys participating in representative and development squads for the Canterbury Bankstown Bulldogs.

Once again the Canterbury Bankstown Junior Rugby League has acknowledged the great facilities we have by hosting the junior and senior finals at our ground this year.

I would like to thank all our sponsors for your continued support in particular our major sponsor Moorebank Sports Club.

Thank you to all the parents for bringing your children to training and the games each week, also thank you to the parents that helped out with your teams ground duty this year, it always seems to be the same faces, you do not go unnoticed.

I would also like to thank all the Coaches, Managers and trainers who give up so much of their time to give our kids a game of footy each weekend.

Lastly I would like to praise the effort and dedication of our committee, who week after week work tirelessly to make Moorebank Rams the successful club it is today.

I look forward to seeing you all again next year.

Go the Rams

Craig McNally



President's Report – Moorebank Sports Soccer Club Inc. Season 2013

I'm proud to say that 2013 proved to be a very successful year at Moorebank. This year the club fielded 61 teams, made up of 48 Jnr teams & 13 Snr teams. In all, 820 players.

Our teams performed well, we had 16 out of our 28 competitive teams make the Semi-finals had 11 Grand Finalist's with 7 of the 11 teams crowned 2013 Premiers. Our under 12 Girls –White team and our under 14 Girls Division 2 team not only made the Grand Final of their respective competitions, they were also Runners Up in their Knock Out competitions. Not to be out done our under 12 Girls Blue team took out the "in- house" Grand Final against our valiant Moorebank under 12 Girls White team. Congratulations to our joint Teaching Essential Soccer Skills Award (TESSA) recipients David Jacquin & Mick Curtis, you've done a fantastic job coaching your teams. Congratulations also to our 2013 'Club Person of the Year', Darrell Taylor and to our 'Thomas Tregear Senior Player award' recipient Rob Battistel. You are both an incredible asset to our club.

The club has remained financially strong this season. Through the good financial management of our balance sheet over the past few years we are able to kit out every team in the 2014 season with new playing strips. Our new playing strips will arrive in early 2014.

We once again hosted the Southern Districts Grand Finals (for Div2+) at Hammondville Park, our 9th successive year. Once again it was a great weekend full of excitement and we managed to bag a few Premierships ourselves.

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.

I have no doubt in saying that we have the best club in the district thanks to our committee who work tirelessly and often go unnoticed by many. We also have several sub committees for specific tasks which are important to the operations of our club. Whether it's fundraising, chasing sponsors, coordinating the canteen, paying bills, maintaining our fields, fitting out our teams or generally organising everything. You're all a great asset to our club and I am very proud and I thank you all for your efforts.

Most importantly at Moorebank, I'm proud to say that we cater for our wider community, giving the opportunity for everyone to participate in organised healthy sport. I'm sure that you'll agree that we also enjoy some fun along the way.

This season we ran specialised coaching clinics for our teams & coaches' this is just the start of our players' and coaches' development that we intend to grow on year on year. We continue to support our coaches, offering various levels of coaching accreditation courses for both their development and ultimately the development of all of our players.

I'd especially like to thank all of our coaches & managers for the dedication that you show week in, week out for your team.

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 provide the facilities and support that we do translating to our continued success on the field.

Yours in Sport,



Phil Sampson
President
Life Member
Moorebank Sports Soccer Club Inc.