

2008-2009

## Annual Report and Balance Sheet

**CHAIRMAN'S REPORT**

I have been privileged and enjoyed being your chairman for the last three years.

Whilst the Club Ltd is experiencing a difficult phase, it is well positioned to take advantage of its land holdings at Merimbula and Tura and develop these to secure new income streams to bolster the declining gaming revenue. Much work is still to be done by

the Board and Management with Council in order to achieve an outcome pleasing to members and the local community.

Club Sapphire Merimbula has performed well considering the disruption to business due to renovations. We now have a venue which is the best medium size club in regional NSW. Club Sapphire Tura has contributed significantly to the cash flow profit of the Club. CEO Damien Foley and his team have worked tirelessly to provide members and visitors with an enjoyable experience when they visit our Clubs and are to be congratulated.

Our Constitution allows only bowling and bowling/golfing members to make changes to the Constitution thus golfers and social members are excluded from voting on important aspects of Club business. Also golfers have restricted access to Board positions and social members none at all. We have some 1000 golfing and bowling members but this membership base is not growing. We also have 6000 social members who could contribute to the management of the business. Should we not have access to our untapped talent so that all members may stand as directors for the Board?

To those who were successful in their particular sport, congratulations. The Tura Women's bowls achievements were outstanding, winning two State Finals in one year, a remarkable achievement and one for all to be proud of.

Thanks to management and staff, our many volunteers and members for your support.

The AGM will be held on Sunday 25th October at 10.00 am. This is an important date for all members. There will be some very important issues to be discussed and I urge you to attend.

I wish all members good health and to those who have been unwell or lost loved ones during the year, I extend my sympathy.

**W. H. Rogers**

Chairman

26th August, 2009

**TREASURER'S REPORT**

The audited financial performances of your clubs for the year ended 30/06/2009, are reported in full in the enclosed annual financial statements. The financial performance of both Club Sapphire Merimbula, Club Sapphire Tura and the Club Limited are spelt out separately in the Annual Report.

The performance of Club Sapphire Merimbula has been significantly affected by the disruptive impact of renovations. This impact has been more pronounced in gaming, with revenue being some \$167,377 less than last year. Irrespective, the performance of your clubs has been credible due to the dedication and commitment of management and staff.

Some of the significant elements of this year's financial performance include:

- Revenue totalled \$12.31 million, with Club Sapphire Merimbula contributing \$9.8 million and Club Sapphire Tura \$2.51 million. Nominally lower than for 2007/08.
- EBITDA (earnings before interest, tax, depreciation and amortisation) has been positive for TBCC and MIBC being \$235,628 and \$655,353, resulting in a company positive cash flow of \$890,981.
- Cash reserves have reduced but remain healthy at \$3.1 million after expenditure totalling \$8.5 million, comprising \$6.5 million on renovations, \$2.0 million on purchasing 97 Main Street, purchase of furnishings, alterations associated with both the new Gymnasium and the Alfresco gaming area.
- The sale of 17 Berrambool Drive has contributed \$437,000 to these reserves.
- Club Sapphire Tura, for the first time since amalgamation, contributed more than \$130,000 to cash reserves after capital expenditure was accounted for.
- Total wage bill of the Company amounted to \$4.2 million.
- Your Club employed 113 permanent and casual staff.
- Purchases from suppliers amounted to \$6.8 million.
- The Club contributed around \$60,000 to community causes. Members and the Club contributed over \$7,301 to the Victorian Bushfire appeal.
- Gaming tax of \$862,700 was paid to the State Government.
- Membership of your Club is approaching 7400 and is a true indicator of a strong future.

Club Sapphire Merimbula and Club Sapphire Tura are important community assets. The Community needs to support management, staff and the many volunteers to ensure that these facilities remain viable for our enjoyment.

Finally, I would like to congratulate the management and staff for their dedication and commitment and have pleasure in presenting the audited financial reports to all members.

**C. Fella**

Treasurer

26th August, 2009



**CLUB**  
**Sapphire**

## DIRECTORS' REPORT

1. Your Directors present their report on the Company for the financial year ended 30th June, 2009.
2. The names of the Directors in office at any time during or since the end of the year are:
 

Robin Barry BELL Graham Phillip BROWN Ronald James CHRISTIE Gwenneth Ethel DOUGLAS (appointed 26/10/2008) Costa FELLA Gerald George HAMMOND	John Richard KELEHER (retired 26/10/2008) Brian John KENNEDY Harold Leslie PHILISTIN (appointed 26/10/2008) Kevin Maxwell NOWLAND (retired 26/10/2008) William Henry ROGERS
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- Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.
3. **Company Secretary:** The following person held the position of company secretary at the end of the financial year: Mr Damien Charles Foley – Masters Degree in Business Administration. Mr Foley was appointed Company Secretary on 28th August, 2006.
4. **Principal Activities:** The principal activities of the Company during the financial year consisted of the operation and promotion of two licensed sporting clubs for members of the Company. There were no significant changes to the nature of the activities during the year.
5. **Operating Results:** The net loss for the year amounted to \$379,759. The Company is exempt from Income Tax under S50-45 of the Income Tax Assessment Act 1997 (ITAA97).
6. **Dividend Paid or Recommended:** No dividends were paid during the year and no recommendation is made as to dividends.
7. **Review of Operations:** During the year the Club received significantly less interest on bank deposits due to the expense of the Merimbula renovation being met from reserves. Additionally gaming revenue experienced a further decline due to ongoing disruption to trade during the renovations.
8. **Financial Position:** The net assets of the Company decreased marginally from \$18,131,875 in 30 June, 2008 to \$17,752,116 in 2009. During the year, the Club expended significant reserves on the extensive renovation of the Merimbula venue. As a result, the Company's current ratio decreased from 2.4:1 to 1.8:1.
9. **Significant Changes in State of Affairs:** No significant changes in the state of affairs of the Company occurred during the year.
10. **After Balance Date Events:** No known events.
11. **Future Developments, Prospects and Business Strategies:** The directors will be endeavouring to introduce further diversification in the Club's revenue base to improve the Company's profitability and to continue to improve Club facilities and services for its members.
12. **Environmental Issues:** The Company is subject to environmental regulations from various authorities. To the best of directors' knowledge, all activities have been undertaken in compliance with all relevant regulations.
13. **Information on Directors:** The particulars of the qualifications (i), experience (ii), and special responsibilities (iii) of each Director are as follows:

### Robin Barry BELL

- (i) Formerly Associate of The Chartered Institute of Company Secretaries (ACIS). Formerly Member of the National Institute of Accountants (MNA). Completed Financial Management Program at Stanford University (USA) Graduate School of Business in 1986. Retired in July 1999.
- (ii) For 35 years prior to retirement in 1999 was Finance Director/Controller of MSV Advertising Pty Ltd, Barlow Marine Ltd (International Yacht fittings manufacturer) and Mascot Industries Ltd (abattoirs, meat by-products, shopping centre and hotel proprietor). Treasure/Director of Ryde-Parramatta Golf Club 1993-1995. Treasurer/Director of Tura Beach Country Club June 2000 to November 2002.
- (iii) Joined the Board September 2007. Currently on Course Committee and Finance Committee.

### Graham Phillip BROWN

- (i) Building Supervisor, Senior Health and Building Surveyor, Property Manager (Local Government) 35 years, Building Consultant (self-employed) 8 years.
- (ii) Committee Tura Beach Men's Golf Club 4 years, including 2 years as Captain. Currently President.
- (iii) Joined the Board 14th October 2007. Member of Rules Committee. Chairperson of Course Management Committee, Chairperson Tura Beach Liaison Committee.

### Ronald James CHRISTIE

- (i) Master Butcher for 25 years. Certificate in Horticulture at Burnley College Melbourne. Managed Surfside Holiday Apartments for 13 years. Retired for 7 years.
- (ii) Committee member of Merimbula Tourist Committee for 12 years. President for 3 years. Accredited Bowls coach and umpire 13 years. Bowling Club match committee for 12 years and 3 years as Bowls Secretary.
- (iii) Elected to Board 2007. Currently Deputy Chairman and Chairman of Building Committee.

### Gwenneth Ethel DOUGLAS

- (i) Completed Business Studies at RMIT (Melbourne). Secretary in Government Department, Wool Buying firm and last employment as Legal Secretary. Presently Owner/Manager of holiday apartment. Owner/Partner in managing rental properties in Merimbula. Formerly owned and operated Footwear and Electrical retailing business.
- (ii) Past President Berwick Ladies Bowling Club. Past President of MIBC Women's Bowling Club and Committee member. Chairman of Selectors at MIBC and Bega-Imlay Women's District Bowling Association. Foundation President of Merimbula Lake Combined Probus Club. Presently Chairman of Selectors MIBC Women's Bowling Club.
- (iii) Joined Board September 2008. Currently on Strategic Planning, Liaison and House Committees.

### Costa FELLA

- (i) Graduated Melbourne University with Bachelor of Engineering and Master of Engineering Science Degrees. Project Manager Operations, Industrial Waste with Board of Works and Senior Project Engineer, Sewerage Design and Engineering Consultant. Retired.
- (ii) Previously Director and Treasurer Auswide Projects, Secretary Merimbula Travelling Bowlers, National Bowls Umpire Level 1 and member district umpires panel.
- (iii) Joined the Board 26th September 2004. Currently Treasurer and member of Finance, Executive, Strategic Planning Committee and Executive Remuneration Committees.

**Gerald George HAMMOND**

- (i) Proprietor of family Business for 31 years. Fashion agencies and curtain manufacturing to the retail industry, including Specialist Interior Decorators.
- (ii) Member of MIBC Social Committee 2 years and 50th Anniversary Celebrations Committee. Represented 1st Eleven Melbourne Cricket Club for eleven years. Assistant Coach for 2 years and player for 24 years.
- (iii) Joined the Board 24th September 2006. Currently Senior Deputy Chairman, and on Executive, Building and Tournament Committees.

**John Richard KELEHER**

- (i) Retired. 30 years Principal of Melbourne Public Accounting/ Financial Planning Company. Certified Financial Planner and Fellow of the National Institute of Accountants.
- (ii) Currently Administration Officer for Royal Coastal Patrol Merimbula. Past committee member and member of Eastern Golf Club Melbourne. Foundation member and past president of Bulleen Rotary Club Melbourne.
- (iii) Joined the Board 14th October 2007. Member of Merimbula Sections Liaison, Finance and Merimbula House Committees.

**Brian John KENNEDY**

- (i) Retired. 21 years with a major bank. Proprietor of a successful family business before several years with a well known Australian Hosiery Company
- (ii) Club member since 1998. Have served on all Bowling Committees. President Men's Bowling Club 3 years.
- (iii) Joined the Board 24th September 2006. Currently Chairman Rules and Consultative Committees and Greens Director.

**Kevin Maxwell NOWLAND**

- (i) Master of Commerce (accounting and finance) UNSW and Bachelor of Commerce (accounting) University of Newcastle.
- (ii) 15 years in senior executive positions in corporate banking with major national and international banks. Successfully commenced and managed own company in the computer / finance industry. Regular guest commentator for 7 years on national television current affairs programs discussing banking issues. Senior lecturer in Accounting and Financial Management in the hospitality industry.
- (iii) Joined the board 14th October 2007. Member of Strategic Planning Committee MIBC and Chairman of TBCC Liaison Committee.

**Harold Leslie PHILISTIN**

- (i) Retired. Served 12 years with the Royal Australian Navy as Petty Officer. Worked 23 years with Port of Melbourne Authority.
- (ii) Accredited Level 3 First Aid Certificate holder and accredited Sports Trainer and Sports Masseur with the AFL. Active member and participant in a number of the Bowling Club's subcommittees, committees of management and social committees.
- (iii) Previous Board Member. Re-joined the Board 26th October 2008 and Assistant Greens' Director.

**William Henry ROGERS**

- (i) Director and General Manager major Australian engineering group company. Retired. Graduate Melbourne University Business Summer School.
- (ii) Foundation member NSW Club Directors Institute.
- (iii) Joined Board September 2000. Currently Chairman.

Each Director is a full member of the Merimbula-Imlay Bowling Club Ltd.

13. **Meetings of Directors:** The number of meetings of Directors (including sub-committees) held during the financial year and the meetings attended by each Director were:

Director	Board Meetings:		Committee Meetings:
	Number eligible	Number attended	Number attended
Bell R.B.	14	14	21
Brown G.P.	14	10	20
Christie R.J.	14	12	21
Douglas G.E.*	11	9	9
Fella C.	14	14	16
Hammond G.G.	14	14	31
Keleher J.R.*	3	2	5
Kennedy B.J.	14	12	16
Philistin H.L.*	11	9	9
Nowland K.M.*	3	3	3
Rogers W.H.	14	14	32

(\*Denotes a member of the Board for only part of the financial year)

14. **Indemnifying Officers or Auditors:** During or since the end of the financial year, the Company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:  
The Company has paid premiums to insure Directors and Officers of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in capacity of Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was \$1,798.50.
15. **Proceedings on behalf of Company:** No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.  
The Company was not a party to any such proceedings during the year.
16. **Directors' Benefits:** No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company controlled entity or a related body corporate with the Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts.
17. **Auditor's Independence Declaration:** The Auditor's independence declaration for the year ended 30th June 2009 has been received.
18. On 30th June 2009, there were 7263 registered Full Members, 8 Life and 66 Provisional Members.

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

**W. H. Rogers**

Chairman

26th August, 2009

## DECLARATION OF DIRECTORS

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 30th June 2009 and of the performance for the year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

### W. H. Rogers

Chairman

26th August, 2009



## CHIEF EXECUTIVE OFFICER'S REPORT

It is with pleasure that I present this report on behalf of the management team.

During the year, after many years of planning, 18 months of construction, and the unavoidable disruption to trade, the long awaited renovation of the Merimbula venue was finally completed. I am sure you will agree the final product is outstanding and worth the wait. We now have a fantastic, modern and diverse venue and one that all members can be proud of. The renovation was officially opened by Life Members Ray and Joyce Lockyer in March 2009, in front of an auditorium packed full of members and invited guests.

Whilst the end product is a magnificent facility, the construction period was not without its challenges, none more so than the significant disruption to trade. These few words really do sum up the trading result for the Merimbula venue for the year. However, this impact should be considered part of the indirect cost of renovation or alternatively as an investment in the future of the Club.

The significant improvement in the trading result for the Tura venue during the year was very pleasing. Whilst the venue still produced an operating loss, albeit significantly reduced from previous years, for the first time since amalgamation the venue produced an EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) greater than annual capital expenditure. Undoubtedly part of the improvement in trade at Tura is the "flip side" of the decline in trade at Merimbula, but it is more so due to operational changes at Tura including; outsourcing of food services, general cost cutting initiatives, and a management restructure. Additionally, a further reduction in the net cost of golf and bowls at Tura also assisted this result.

For the year ending 30 June 2009, largely due to the construction period, the Company produced an operating loss of \$379,759. However, the Company continued to trade positively on an EBITDA basis, producing a surplus of \$890,981.

The downturn in the economy, particularly evident in the last six months of the year, also impacted on trade, however with a more positive outlook for the New Year, hopefully the worst is now behind us.

A large part of the management team's focus over the year has continued to be on dealing with the effects of the disruption to trade at Merimbula, continued cost reduction at both venues, and the impacts of a national decline in gaming. Effort is also being directed toward the Club's overall objective of diversification. Whilst this is not an easy objective to achieve, it is essential for survival and prosperity. In 2010 and beyond, the traditional revenue sources and activities of the Club industry will continue to face mounting pressure, and we are clearly not exempt from that challenge. Unfortunately "change" is not just an alternative, it is now an essential ingredient for survival.

Members and visitors have all been very patient and tolerant during the most difficult phases of the construction work during the past year. Many thanks to all members and also to the Club's hardworking staff for their continued support and dedication during this time, and many thanks to the Board for their continued support and encouragement of the management team.

<b>EBITDA COMPARATIVE FIGURES:</b>			
	<b>MERIMBULA</b>	<b>TURA</b>	<b>COMPANY</b>
2005/06 Operating Profit (Loss)	\$761,875	(\$296,775)	\$465,100
Depreciation	\$926,291	\$366,973	\$1,293,264
<b>EBITDA*</b>	<b>\$1,688,166</b>	<b>\$70,198</b>	<b>\$1,758,364</b>
2006/07 Operating Profit (Loss)	\$868,582	(\$237,624)	\$630,958
Depreciation	\$931,320	\$371,182	\$1,302,502
<b>EBITDA*</b>	<b>\$1,799,902</b>	<b>\$133,558</b>	<b>\$1,933,460</b>
2007/08 Operating Profit (Loss)	\$210,250	(\$231,490)	(\$21,240)
Depreciation	\$916,577	\$324,911	\$1,241,488
<b>EBITDA*</b>	<b>\$1,126,827</b>	<b>\$93,421</b>	<b>\$1,220,248</b>
2008/09 Operating Profit (Loss)	(\$314,370)	(\$65,389)	(\$379,759)
Depreciation	\$969,723	\$301,017	\$1,270,740
<b>EBITDA*</b>	<b>\$655,353</b>	<b>\$235,628</b>	<b>\$890,981</b>

\*(Earnings Before Interest Paid, Tax, Depreciation and Amortisation)

### D.C. Foley

Chief Executive Officer

26th August, 2009

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Merimbula-Imlay Bowling Club Ltd.

We have audited the Financial Report of Merimbula-Imlay Bowling Club Ltd (the Company) which comprises the balance sheet as at 30 June 2009, and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

### Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Audit Responsibility

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

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

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

### Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Merimbula-Imlay Bowling Club would be in the same terms if provided to the directors as at the date of this auditor's report.

### Auditor's Opinion

In our opinion, the financial report of Merimbula-Imlay Bowling Club 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 2009 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Kellow and Parbery  
Certified Practising Accountant

**R. Parbery F.C.P.A.**

**Partner**

101 Main Street Merimbula NSW 2548

26th August, 2009

## AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the Corporations ACT 2001 to the Directors of Merimbula-Imlay Bowling Club Ltd.

I declare that, to the best of my knowledge and belief, during the year ended 30th June 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Kellow and Parbery  
Certified Practising Accountant

**R. Parbery F.C.P.A.**

**Partner**

101 Main Street Merimbula NSW 2548

26th August, 2009

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## CORE AND NON-CORE PROPERTIES

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 2009:

- (a) the following properties are core property of the Club;
  - (i) The club house, bowling greens and car park currently forming part of Lot 912 Deposited Plan 855433 Parish of Pambula, County of Auckland, Shire of Bega.
  - (ii) The club house, golf course, bowling greens, tennis court and car park currently forming part of Lot 1441 Deposited Plan 615595 Parishes of Bournda and Pambula, County of Auckland, Shire of Bega, and Reserve No. 95834, Parish of Bournda, County of Auckland at Tura.
- (b) the following properties are non-core properties:
  - (i) the vacant land situated adjacent to the entrance to Tura Beach Country Club being Lot 1442 in Deposited Plan 615595, The Fairway, Tura Beach NSW, Shire of Bega.
  - (ii) the residential property situated at 95 Main Street, Merimbula being Lot 1 on Deposited Plan 521571 Parish of Pambula, County of Auckland, Shire of Bega.
  - (iii) the residential property situated at 97 Main Street, Merimbula being Lot 2 on Deposited Plan 521571 Parish of Pambula, County of Auckland, Shire of Bega.
  - (iv) the vacant land situated between the Merimbula Creek and the Club's car park and extending behind a number of properties in Main Street, Merimbula currently forming part of Lot 912 Deposited Plan 855433 Parish of Pambula, County of Auckland, Shire of Bega.

### Notes to Members:

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
  - (a) the defined premises of the Club; or
  - (b) any facility provided by the Club for use of its members and their guests; or
  - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
  - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
  - (b) the disposal has been approved at a general meeting of the Ordinary members of the Club at which the majority of the votes cast support the approval; and
  - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself.

**INCOME STATEMENT***For the year ended 30th June, 2009*

<b>2007/08</b>			<b>2008/09</b>
<b>\$</b>			<b>\$</b>
210,250.69	Operating Profit (Loss) – Merimbula-Imlay Bowling Club	(Note 2)	(314,370.09)
(231,490.02)	Operating Loss – Tura Beach Country Club	(Note 2)	(65,388.98)
<b>(21,239.33)</b>			<b>(379,759.07)</b>

**BALANCE SHEET***For the year ended 30th June, 2009*

<b>2007/08</b>			<b>2008/09</b>
<b>\$</b>			<b>\$</b>
<b>CURRENT ASSETS:</b>			
5,247,581.54	Cash Assets	(Note 3)	3,115,600.24
172,886.16	Receivables	(Note 3A)	103,710.45
153,633.57	Inventories	(Note 4)	146,458.74
52,628.36	Other	(Note 5)	60,391.00
<b>5,626,729.63</b>	<b>Total Current Assets</b>		<b>3,426,160.43</b>
<b>NON-CURRENT ASSETS:</b>			
14,903,497.18	Property, Plant and Equipment	(Note 6)	16,256,039.80
<b>14,903,497.18</b>	<b>Total Non-Current Assets</b>		<b>16,256,039.80</b>
<b>20,530,226.81</b>	<b>Total Assets</b>		<b>19,682,200.23</b>
<b>CURRENT LIABILITIES:</b>			
1,328,733.79	Payables	(Note 7)	817,471.80
423,804.60	Provisions	(Note 8)	400,000.00
188,842.52	Other	(Note 9)	165,102.10
<b>1,941,380.91</b>	<b>Total Current Liabilities</b>		<b>1,382,573.90</b>
<b>NON-CURRENT LIABILITIES:</b>			
14,314.80	Security Deposits		14,314.80
442,655.33	Provisions	(Note 8)	533,194.83
<b>456,970.13</b>	<b>Total Non Current Liabilities</b>		<b>547,509.63</b>
<b>2,398,351.04</b>	<b>Total Liabilities</b>		<b>1,930,083.53</b>
<b>18,131,875.77</b>	<b>Net Assets</b>		<b>17,752,116.70</b>
<b>MEMBERS' EQUITY:</b>			
18,131,875.77	Retained Profits		17,752,116.70
<b>18,131,875.77</b>	<b>Total Members' Equity</b>		<b>17,752,116.70</b>

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE***For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
(21,239.33)	Operating Loss	(379,759.07)
18,153,115.10	Retained Profits at the beginning of the Financial Year	18,131,875.77
<b>18,131,875.77</b>	<b>Retained Profits at the end of the Financial Year</b>	<b>17,752,116.70</b>

**STATEMENT OF CASH FLOWS***For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
11,746,165	Receipts from Customers	11,890,624
(10,966,363)	Payments to Suppliers and Employees	(11,858,095)
581,645	Interest Received	214,605
273,250	Members' Subscriptions Received	269,260
<b>1,634,697</b>	<b>Net Cash Provided by Operating Activities</b>	<b>516,394</b>
	(Note 15b)	
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
0.00	Proceeds from Sale of Property, Plant and Equipment	531,461
(6,025,341)	Payment for Property, Plant and Equipment	(3,179,836)
<b>(6,025,341)</b>	<b>Net cash used in Investing Activities</b>	<b>(2,648,375)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
14,315	Proceeds from Security Deposit	0.00
14,315	Net cash provided by financing activities	0.00
(4,376,329)	Net Increase (decrease) in Cash Held	(2,131,981)
9,623,910	Cash at beginning of Financial Year	5,247,581
<b>5,247,581</b>	<b>Cash at End of Financial Year</b>	<b>3,115,600</b>
	(Note 15a)	

**NOTES TO AND FORMING PART OF THE ACCOUNTS***For the year ended 30th June, 2009***NOTE 1 – Statement of Significant Accounting Policies:**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out Accounting Policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

Merimbula-Imlay Bowling Club is a Company Limited by guarantee and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

*Adoption of New and Revised Accounting Standards*

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods. The adoption of these new Standards and Interpretations has not resulted in any changes to the Company's accounting policies that have affected the amounts reported for the current or prior years.

As Merimbula-Imlay Bowling Club Ltd. is a Not-for-Profit entity, it is not required to comply with all International Financial Reporting Standards (IFRS's). The financial report of Merimbula-Imlay Bowling Club is prepared in accordance with Australian Equivalents to International Financial Reporting Standards applicable to Not-for-Profit entities.

*Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs modified where applicable, by the measurement at fair value of selected Non-current assets, Financial assets and Financial liabilities.

**Accounting Policies**

- (a) **Property, Plant and Equipment:** Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Property:** Freehold land and buildings are shown at cost. It is the policy of the entity to have an independent valuation every three years by an external independent valuer.

**Plant and Equipment:** Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation:** The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	4%
Plant and Equipment	10-35%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount.

These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

- (b) **Inventories:** Inventories are measured at the lower of cost and net realisable value.
- (c) **Income Tax:** The Company is exempt from Income Tax under Section S50-45 of the Federal Income Tax Act.
- (d) **Comparative Figures:** Where required by accounting standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.
- (e) **Employee Benefits:** Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is to be settled plus related on costs.
- Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred
- (f) **Cash:** Cash and Cash Equivalents include:
- cash on hand and in at-call deposits with banks or financial institutions, net of bank overdrafts; and
  - investments in money market instruments with less than 91 days to maturity.
- (g) **Revenue:** Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

<b>Revenue:</b>	<b>2008</b>	<b>2009</b>
<b>Operating Activities</b>		
Bar Sales	2,293,762	2,542,700
Poker Machines	5,691,007	5,499,700
Catering	3,019,498	2,822,754
Keno	136,579	159,424
Bowls Sections	171,919	206,267
Golf Sections	646,649	733,404
	<b>11,959,414</b>	<b>11,964,249</b>
<b>Non-Operating</b>		
Interest Revenue	552,357	139,389
Rent Received	20,537	122,030
Other Revenue	49,821	46,869
Subscriptions Social	27,305	34,578
	650,020	342,866
	<b>12,609,434</b>	<b>12,307,115</b>

- (h) **Goods and Services Tax:** Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cashflow statement on a gross basis except for the GST component of investing and financing activities which are shown as operating cashflows.

- (i) **Critical Accounting Estimates and Judgements:** The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the company.

*Key Estimates – Impairment*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

**NOTE 2 – Classification of Income and Expenses by function for year ended 30th June, 2009:**

**BAR TRADING**

*For the year ended 30th June, 2009*

<b>2007/08</b>			<b>2008/09</b>
\$			\$
1,379,252.13	Bar Sales	1,409,394.59	
177,124.91	Rockpool TAB Bar Sales	363,259.46	
<b>1,556,377.04</b>	<b>Total Bar Sales</b>	<hr/>	<b>1,772,654.05</b>
86,239.21	Opening Stock	74,014.54	
613,643.68	Purchases	715,450.13	
<hr/>		<hr/>	
699,882.89		789,464.67	
74,014.54	Less: Stock on Hand	84,902.97	
<hr/>		<hr/>	
625,868.35	Cost of Goods Sold		704,561.70
<b>930,508.69</b>	<b>Gross Profit</b>		<b>1,068,092.35</b>
	<b>LESS EXPENSES:</b>		
19,853.22	Requisites	14,834.45	
0.00	Depreciation	3,927.58	
2,725.06	Freight	2,986.50	
29,040.51	Payroll Tax	30,943.72	
18,858.74	Repairs and Maintenance	28,083.24	
46,022.61	Superannuation	56,139.28	
541,675.25	Wages	598,538.92	
10,566.30	Waste Disposal	10,925.24	
<hr/>		<hr/>	
668,741.69	Total Expenses		746,378.93
<b>261,767.00</b>	<b>Net Profit</b>		<b>321,713.42</b>

## CATERING TRADING

For the year ended 30th June, 2009

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
2,028,535.21	Sales – Bistro and Functions	2,168,300.79
231,768.35	Sales – Subsidy	175,715.09
344,120.57	Sales – Rockpool Café	478,737.99
<b>2,604,424.13</b>	<b>Total Sales</b>	<b>2,822,753.87</b>
33,057.82	Opening Stock	38,096.30
1,134,585.97	Purchases	1,115,946.09
1,167,643.79		1,154,042.39
38,096.30	Less: Stock on Hand	27,280.22
1,129,547.49	Cost of Goods Sold	1,126,762.17
<b>1,474,876.64</b>	<b>Gross Profit</b>	<b>1,695,991.70</b>
	<b>LESS EXPENSES:</b>	
12,957.21	Cleaning	12,905.03
9,089.03	Depreciation – Plant and Equipment	20,632.86
5,412.72	Depreciation – Furniture and Fittings	13,878.66
3,002.44	Freight	1,346.62
28,495.18	Gas	37,250.15
58,197.99	Insurance	61,605.60
12,148.36	Laundry	11,080.81
17,346.44	Materials not for Resale	24,632.95
59,415.73	Payroll Tax	67,477.93
1,593.54	Printing and Stationery	5,055.81
35,221.31	Repairs and Maintenance	39,718.86
8,486.80	Staff Training	537.55
84,828.79	Superannuation	107,154.83
78,468.29	Wages – Group Training	37,410.11
898,340.11	Wages – Bistro and Functions	1,001,981.59
207,123.21	Wages – Rockpool Café	233,810.79
10,801.33	Waste Disposal	14,678.05
1,530,928.48	Total Expenses	1,691,158.20
<b>(56,051.84)</b>	<b>Net Profit (Loss)</b>	<b>4,833.50</b>

## POKER MACHINE TRADING

For the year ended 30th June, 2009

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
4,721,147.83	Revenue after Payouts	4,553,770.42
	<b>LESS EXPENSES:</b>	
314,088.80	Depreciation	303,049.08
117,948.22	Promotions	110,095.15
14,154.07	Payroll Tax	16,049.97
7,637.48	Requisites	3,797.41
221,654.47	Repairs and Maintenance	233,176.39
1,149.83	Staff Training	2,170.43
22,750.45	Superannuation	27,651.03
892,753.60	Supplementary Tax	863,811.00
271,516.53	Wages	314,031.69
1,863,653.45	Total Expenses	1,873,832.15
<b>2,857,494.38</b>	<b>Net Profit</b>	<b>2,679,938.27</b>

## KENO/TAB TRADING

*For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
117,720.11	Revenue	140,345.83
	<b>LESS EXPENSES:</b>	
2,420.86	Repairs and Maintenance	5,308.09
4,802.49	Requisites	6,414.34
14,953.30	Depreciation	16,919.27
0	TAB Promotions	7,944.18
22,780.11	Sky Channel Subscriptions	25,090.93
4,889.71	Superannuation	1,905.82
84,233.56	Wages	80,144.01
5,784.92	Payroll Tax	5,364.28
<hr/> 139,864.95	Total Expenses	<hr/> 149,090.92
<b>(22,144.84)</b>	<b>Net Loss</b>	<b>(8,745.09)</b>

## GYMNASIUM

*For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
0.00	Gymnasium Fees	68,376.00
	<b>LESS EXPENSES:</b>	
8,325.25	Establishment Costs	0.00
454.85	Repairs and Maintenance	778.70
<hr/> 8,780.10	Total Expenses	<hr/> 778.70
<b>(8,780.10)</b>	<b>Net Profit (Loss)</b>	<b>67,597.30</b>

## BOWLING SECTIONS

*For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
144,502.45	Competition and Green Fees	166,403.27
27,416.62	Subscriptions – Bowls	39,864.07
<hr/> <b>171,919.07</b>	<b>Total Revenue</b>	<hr/> <b>206,267.34</b>
	<b>LESS EXPENSES:</b>	
184,006.14	Sections	191,235.44
14,242.80	Association Fees	14,799.32
66,256.25	Depreciation – Plant and Greens	55,058.93
39,324.49	Greens and Surrounds Maintenance	37,511.26
2,599.42	Motor Vehicles and Equipment	3,316.47
6,687.93	Payroll Tax	6,254.46
11,258.06	Superannuation	9,259.33
45,246.03	Tournament Expenses	72,559.77
127,139.18	Wages – Greens	124,567.21
<hr/> 496,760.30	Total Expenses	<hr/> 514,562.19
<b>(324,841.23)</b>	<b>Net Loss</b>	<b>(308,294.85)</b>

**PROFIT AND LOSS STATEMENT***For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
261,767.00	Bar Net Profit	321,713.42
(56,051.84)	Catering Net Profit (Loss)	4,833.50
2,857,494.38	Poker Machine Net Profit	2,679,938.27
(22,144.84)	Keno/TAB Net Loss	(8,745.09)
(324,841.23)	Bowling Net Loss	(308,294.85)
552,356.89	Interest Received	139,389.78
20,536.60	Rent Received	12,282.50
(8,780.10)	Gymnasium	67,597.30
27,305.11	Subscriptions – Social Members	34,578.82
40,622.04	Other Income	46,246.48
(15,161.06)	Profit (Loss) on Disposal of Asset	6,354.08
<b>3,333,102.95</b>	<b>Total Gross Income</b>	<b>2,995,894.21</b>
	<b>LESS EXPENSES:</b>	
99,825.28	Advertising	98,421.61
36,000.00	Audit Fees	36,000.00
15,125.18	Bank Fees	14,520.92
31,857.26	Bingo	35,235.43
0.00	Car Park/Surrounds Repairs and Maintenance	5,807.14
183,483.30	Cleaning Contract	186,058.01
13,341.89	Courtesy Bus Expenses GST	9,524.38
378,102.77	Depreciation – Building	389,595.58
6,027.18	Depreciation – Courtesy Bus	6,180.56
13,464.73	Depreciation – Furniture and Fittings	30,546.94
109,182.22	Depreciation – Plant Clubhouse	129,933.71
10,961.41	Directors' Expenses	9,227.04
360.00	Dishonoured Cheques	1,835.00
67,232.51	Donations	58,709.00
203,118.68	Electricity	205,673.19
314,030.69	Entertainment	242,414.55
17,486.84	Fringe Benefits	4,361.80
30,000.00	Honoraria	30,000.00
90,407.74	House Repairs and Maintenance	157,699.21
207,521.33	Insurance	209,186.90
2,223.37	Land Tax	4,408.12
7,607.07	Legal Fees	10,522.60
9,949.44	Licence Fees – Other	4,282.18
34,284.02	Long Service	28,450.01
18,122.11	Management Meals	15,348.21
83,650.86	Members' Direct Expenses	115,092.85
7,971.59	Motor Vehicle Expenses	8,092.11
10,079.81	Office Equipment Repairs and Maintenance	18,475.43
37,341.53	Payroll Tax	39,392.89
4,935.44	Postage	3,333.78
18,922.76	Printing and Stationery	17,568.81
30,968.16	Professional Services	29,454.94
57,397.04	Rates – Council	66,673.27
275.18	Recruitment Costs	19,337.90
0.00	Renovation Launch	14,014.36
1,479.39	Residential	10,253.01
39,710.75	Security Services	42,051.84

**2007/08**  
**\$**

**2008/09**  
**\$**

**LESS EXPENSES: (continued)**

(562.17)	Shortages – Cash	3,035.73	
56,102.91	Staff and Directors' Training	24,353.68	
18,691.71	Subscriptions	16,116.44	
54,332.81	Superannuation	67,747.94	
24,896.11	Telephone	40,990.94	
38,336.49	Uniform and Staff Amenities	60,447.28	
150,112.05	Wages – Door	176,418.75	
170,124.69	Wages – Creche, Bus, Miscellaneous	149,615.20	
418,370.13	Wages – Management, Clerical, Training	463,855.06	
<hr/>			
3,122,852.26	Total Expenses		3,310,264.30
<hr/>			
<b>210,250.69</b>	<b>Net Profit (Loss)</b>		<b>(314,370.09)</b>

**TURA BEACH BAR TRADING**

*For the year ended 30th June, 2009*

**2007/08**  
**\$**

**2008/09**  
**\$**

737,385.39	Bar Sales		770,046.35
34,454.09	Opening Stock	41,522.73	
303,142.01	Purchases	297,762.06	
<hr/>			
337,596.10		339,284.79	
41,522.73	Stock on Hand	34,275.55	
<hr/>			
296,073.37	Cost of Goods Sold		305,009.24
<hr/>			
<b>441,312.02</b>	<b>Gross Profit</b>		<b>465,037.11</b>
	<b>LESS EXPENSES:</b>		
4,940.73	Requisites	2,004.15	
13,685.02	Payroll Tax	12,830.70	
3,528.68	Freight	2,839.12	
11,446.77	Repairs and Maintenance	11,950.96	
4,380.74	Staff Training – Bar	2,391.21	
24,275.92	Superannuation	24,325.04	
263,196.54	Wages	241,013.97	
7,901.98	Waste Disposal	4,410.52	
<hr/>			
333,356.38	Total Expenses		301,765.67
<hr/>			
<b>107,955.64</b>	<b>Net Profit</b>		<b>163,271.44</b>

## TURA BEACH CATERING TRADING

*For the year ended 30th June, 2009*

<b>2007/08</b>				<b>2008/09</b>
<b>\$</b>				<b>\$</b>
646,842.16	Sales – Catering	0.00		
6,008.45	Sales – Subsidy	0.00		
0.00	Catering Contract plus Outgoings	41,372.48		
<b>652,850.61</b>	<b>Total Income</b>			<b>41,372.48</b>
6,685.76	Opening Stock	0.00		
275,780.26	Purchases	0.00		
282,466.02				
0.00	Less Stock on Hand	0.00		
282,466.02	Cost of Goods Sold			0.00
<b>370,384.59</b>	<b>Gross Profit</b>			<b>41,372.48</b>
	<b>LESS EXPENSES:</b>			
2,702.29	Cleaning	0.00		
9,240.36	Gas	0.00		
4,153.82	Insurance	0.00		
3,645.64	Laundry	0.00		
5,137.42	Materials not for Resale	0.00		
16,637.34	Payroll Tax	0.00		
229.55	Printing and Stationery	0.00		
8,783.32	Catering Repairs and Maintenance	15,340.21		
1,315.86	Staff Training	0.00		
23,696.73	Superannuation	0.00		
312,840.84	Wages – Catering	0.00		
5,611.21	Waste Disposal	0.00		
393,994.38	Total Expenses			15,340.21
<b>(23,609.79)</b>	<b>Net Profit (Loss)</b>			<b>26,032.27</b>

## TURA BEACH POKER MACHINE TRADING

*For the year ended 30th June, 2009*

<b>2007/08</b>				<b>2008/09</b>
<b>\$</b>				<b>\$</b>
969,859.45	Revenue after Payouts			945,930.37
	<b>LESS EXPENSES:</b>			
86,750.18	Depreciation	74,412.07		
30,789.61	Promotions	22,457.97		
4,114.37	Payroll Tax	3,739.64		
736.16	Requisites	0.00		
42,262.60	Repairs and Maintenance	48,184.20		
2,096.38	Superannuation	6,530.60		
13,558.60	Supplementary Tax	(1,074.34)		
78,385.05	Wages	71,147.46		
258,692.95	Total Expenses			225,397.60
<b>711,166.50</b>	<b>Net Profit</b>			<b>720,532.77</b>

## TURA BEACH TAB/KENO TRADING

*For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
18,858.74	Revenue	19,078.70
	<b>LESS EXPENSES:</b>	
0.00	Payroll Tax	72.60
0.00	Promotions	84.55
1,349.52	Repairs and Maintenance	5,043.94
622.90	Requisites	3,826.32
0.00	Shortages	27.35
0.00	SKY Channel Subscription	3,719.71
0.00	Wages	1,375.33
<hr/> 1,972.42	Total Expenses	<hr/> 14,149.80
<b>16,886.32</b>	<b>Net Profit</b>	<b>4,928.90</b>

## TURA BEACH COURSE/GREENS TRADING

*For the year ended 30th June, 2009*

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
446,146.05	Course/Greens Revenue	516,647.44
200,503.41	Members' Subscriptions	216,757.30
<hr/> <b>646,649.46</b>	<b>Total Revenue</b>	<hr/> <b>733,404.74</b>
	<b>LESS EXPENSES:</b>	
4,389.75	Amortisation – Golf Course	4,387.51
22,613.05	Association Fees	22,103.72
183,585.60	Sections	206,020.14
81,576.70	Depreciation – Plant and Equipment	64,831.97
1,817.10	Depreciation – Tennis Court	1,816.26
118,369.79	Golf Course Expenses	140,843.79
36,470.50	Golf Professional Fees	34,987.68
31,208.04	Greens and Surrounds	14,017.20
30,938.31	Motor Vehicle and Equipment	42,081.54
14,137.93	Payroll Tax	13,722.66
19,076.10	Superannuation	24,318.22
77,212.36	Tournament Expenses	64,158.83
221,560.62	Wages – Course/Greens	255,212.04
<hr/> 842,955.85	Total Expenses	<hr/> 888,501.56
<b>(196,306.39)</b>	<b>Net Loss</b>	<b>(155,096.82)</b>

# TURA BEACH PROFIT AND LOSS STATEMENT

For the year ended 30th June, 2009

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
107,955.64	Bar Net Profit	163,271.44
(23,609.79)	Catering Net Profit (Loss)	26,032.27
711,166.50	Poker Machine Net Profit	720,532.77
16,886.32	Keno Net Profit	4,928.90
(196,306.39)	Course/Greens Net Loss	(155,096.82)
1,080.40	Room Hire/Functions	0.00
8,118.99	Other Income	623.41
<b>625,291.67</b>	<b>Total Gross Income</b>	<b>760,291.97</b>
	<b>LESS EXPENSES:</b>	
23,268.00	Advertising	24,980.20
10,200.00	Audit Fees	10,200.00
12,609.59	Bingo	13,477.00
0.00	Car Park and Surrounds	4,328.64
60,813.12	Cleaning Contract	63,754.50
8,922.99	Courtesy Bus	14,715.68
88,547.71	Depreciation – Building	88,753.37
19,706.28	Depreciation – Furniture and Fittings	20,013.88
26,275.63	Depreciation – Plant and Equipment	31,108.27
15,847.71	Depreciation – Plant and Equipment Kitchen	15,693.46
2,479.60	Donations GST Free	419.80
62,770.29	Electricity	56,395.27
87,480.67	Entertainment and Promotions	81,901.09
30,296.01	House Repairs and Maintenance	46,648.95
68,558.79	Insurance	68,715.33
5,144.71	Legal Fees	11,117.00
2,709.64	Licence Fees	1,889.27
10,971.71	Long Service	10,252.33
767.21	Management Meals	74.91
20,633.32	Members' Direct Expenses	23,514.79
2,136.39	Motor Vehicle Expenses	0.00
11,977.52	Payroll Tax	5,672.11
903.56	Postage	696.31
5,345.88	Printing and Stationery	5,912.37
8,078.33	Professional Services	29,359.77
21,290.51	Rates	21,143.31
14,795.58	Security Services	14,827.74
173.29	Shortages	(407.16)
2,029.69	Staff Training	1,604.22
6,388.89	Subscriptions	6,463.16
15,785.49	Superannuation	6,489.71
613.49	Superannuation – Miscellaneous	1,850.28
13,584.29	Telephone	17,682.02
14,762.54	Uniforms and Staff Amenities	14,846.56
7,525.17	Recruitment Costs	233.15
136,644.03	Wages – Management and Clerical	77,333.57
36,744.06	Wages – Courtesy Bus and Miscellaneous	34,020.09
856,781.69	Total Expenses	825,680.95
<b>(231,490.02)</b>	<b>Net Loss</b>	<b>(65,388.98)</b>

<b>2007/08</b>		<b>2008/09</b>
\$		\$
<b>NOTE 3 – CASH:</b>		
40,321.00	Cash on Hand	42,219.00
190,000.00	Change – Cash Float	195,000.00
264,967.79	Westpac Banking Corporation – Secured	643,733.40
30,318.04	Westpac Banking Corporation – Keno	45,710.26
14,873.73	Westpac Banking Corporation – TAB	53,815.25
61,810.12	Westpac Banking Corp – Sections Account	78,842.93
4,645,290.86	Short Term Investments	2,056,279.40
<b>5,247,581.54</b>		<b>3,115,600.24</b>
<b>NOTE 3A – RECEIVABLES:</b>		
47,559.84	Trade Debtors	47,193.98
125,326.32	Debtors – Other	56,516.47
<b>172,886.16</b>		<b>103,710.45</b>
<b>NOTE 4 – INVENTORIES:</b>		
74,014.54	Stock on Hand at Cost – Bar	84,902.97
38,096.30	– Catering	27,280.22
41,522.73	– Tura Beach Bar	34,275.55
<b>153,633.57</b>		<b>146,458.74</b>
<b>NOTE 5 – OTHER:</b>		
52,628.36	Prepayments	60,391.00
<b>52,628.36</b>		<b>60,391.00</b>
<b>NOTE 6 – PROPERTY, PLANT AND EQUIPMENT – FIXED ASSETS:</b>		
126,368.40	Greens – Plant and Equipment	133,093.40
(105,402.95)	<b>Less:</b> Provision for Depreciation	(116,723.07)
<b>20,965.45</b>		<b>16,370.33</b>
314,497.82	Kitchen – Plant and Equipment	26,964.56
37,318.19	Rockpool Cafe – Plant and Equipment	41,714.19
(304,631.84)	<b>Less:</b> Provision for Depreciation	(29,927.63)
<b>47,184.17</b>		<b>38,751.12</b>
2,727.27	Kitchen – Furniture and Fittings	2,727.27
62,025.57	Rockpool Cafe – Furniture and Fittings	86,152.38
(5,412.72)	<b>Less:</b> Provision for Depreciation	(17,041.71)
<b>59,340.12</b>		<b>71,837.94</b>
7,746.00	New Bisto – Plant and Equipment	44,159.43
(127.03)	<b>Less:</b> Provision for Depreciation	(6,869.46)
<b>7,618.97</b>		<b>37,289.97</b>
0.00	New Bisto – Furniture and Fittings	86,558.12
0.00	<b>Less:</b> Provision for Depreciation	(2,249.67)
<b>0.00</b>		<b>84,308.45</b>
2,459,171.36	Poker Machines	2,556,039.38
(1,930,525.80)	<b>Less:</b> Provision for Depreciation	(2,182,349.75)
<b>528,645.56</b>		<b>373,689.63</b>
493,062.62	Computa Game	177,365.44
(418,753.25)	<b>Less:</b> Provision for Depreciation	(34,143.00)
<b>74,309.37</b>		<b>143,222.44</b>
0.00	Alfresco Gaming	135,328.90
0.00	<b>Less:</b> Provision for Depreciation	(3,160.47)
<b>0.00</b>		<b>132,168.43</b>

2007/08 \$			2008/09 \$
<b>PLANT AND EQUIPMENT – FIXED ASSETS:</b> (continued)			
23,021.85	Keno – Plant and Equipment	1,634.55	
(23,021.85)	<b>Less:</b> Provision for Depreciation	(121.57)	
<b>0.00</b>			<b>1,512.98</b>
125,593.07	TAB/Sky – Plant and Equipment	83,777.85	
(47,126.23)	<b>Less:</b> Provision for Depreciation	(19,768.93)	
<b>78,466.84</b>			<b>64,008.92</b>
233,415.72	Car Park Extension – at cost	297,709.47	
<b>233,415.72</b>			<b>297,709.47</b>
497,668.87	95 Main Street – at cost	497,668.87	
(108,104.76)	<b>Less:</b> Provision for Depreciation	(116,632.10)	
<b>389,564.11</b>			<b>381,036.77</b>
9,005,772.29	Club House – at cost	9,158,349.03	
(5,407,372.72)	<b>Less:</b> Provision for Depreciation	(5,758,998.82)	
<b>3,598,399.57</b>			<b>3,399,350.21</b>
128,302.50	Pokie Licences Shortland	128,302.50	
<b>128,302.50</b>			<b>128,302.50</b>
453,762.39	Proposed Club Extension	6,549,302.99	
4,324,565.13	Club Extension No. 2	0.00	
0.00	Retail Area	4,369.00	
(5,380.54)	<b>Less:</b> Provision for Depreciation	(17,564.43)	
<b>4,772,946.98</b>			<b>6,536,107.56</b>
2,030,870.21	Club – Plant and Equipment	1,026,590.35	
(1,571,261.68)	<b>Less:</b> Provision for Depreciation	(587,424.43)	
<b>459,608.53</b>			<b>439,165.92</b>
0.00	Bar – Plant and Equipment	46,927.40	
0.00	<b>Less:</b> Provision for Depreciation	(3,927.58)	
<b>0.00</b>			<b>42,999.82</b>
793,738.43	Furniture and Fittings	286,457.45	
(731,299.32)	<b>Less:</b> Provision for Depreciation	(103,199.45)	
<b>62,439.11</b>			<b>183,258.00</b>
0.00	Gymnasium	184,776.61	
0.00	<b>Less:</b> Provision for Depreciation	(4,103.50)	
<b>0.00</b>			<b>180,673.11</b>
1,941,720.16	Bowling Greens – at cost	1,941,720.16	
(1,367,573.03)	<b>Less:</b> Provision for Depreciation	(1,411,311.84)	
<b>574,147.13</b>			<b>530,408.32</b>
360,887.60	House – 17 Berrambool Drive, Merimbula	0.00	
160,000.00	Land – 17 Berrambool Drive, Merimbula	0.00	
(52,308.38)	<b>Less:</b> Provision for Depreciation	0.00	
<b>468,579.22</b>			<b>0.00</b>
906,172.54	97 Main Street, Merimbula	906,172.54	
<b>906,172.54</b>			<b>906,172.54</b>

2007/08  
\$

2008/09  
\$

**NOTE 6 – PROPERTY, PLANT AND EQUIPMENT – FIXED ASSETS:** (continued)

600,324.08	Tura Beach CC – Club House	607,960.44	
230,000.00	Tura Beach CC – Club Land	230,000.00	
(121,350.87)	<b>Less:</b> Provision for Depreciation	(144,729.13)	
<b>708,973.21</b>			<b>693,231.31</b>
685,026.58	Tura Beach CC – Greens – Plant and Equipment	717,919.71	
(510,938.25)	<b>Less:</b> Provision for Depreciation	(575,770.22)	
<b>174,088.33</b>			<b>142,149.49</b>
81,889.85	Tura Beach CC – Kitchen – Plant and Equipment	90,693.23	
(45,076.08)	<b>Less:</b> Provision for Depreciation	(60,769.54)	
<b>36,813.77</b>			<b>29,923.69</b>
570,526.28	Tura Beach CC – Poker Machines	569,021.28	
(430,117.64)	<b>Less:</b> Provision for Depreciation	(490,428.92)	
<b>140,408.64</b>			<b>78,592.36</b>
1,473,310.45	Tura Beach CC – Club Extensions	1,473,310.45	
(314,692.45)	<b>Less:</b> Provision for Depreciation	(380,067.56)	
<b>1,158,618.00</b>			<b>1,093,242.89</b>
206,493.60	Tura Beach CC – Club – Plant and Equipment	212,093.60	
(95,704.87)	<b>Less:</b> Provision for Depreciation	(132,993.70)	
<b>110,788.73</b>			<b>79,099.90</b>
131,386.71	Tura Beach CC – Furniture and Fittings	131,386.71	
(96,489.88)	<b>Less:</b> Provision for Depreciation	(116,503.76)	
<b>34,896.83</b>			<b>14,882.95</b>
12,560.00	Tura Beach CC – Bowling Greens – at cost	12,560.00	
26,284.00	Tura Beach CC – Tennis Court	26,284.00	
(6,238.72)	<b>Less:</b> Provision for Depreciation	(8,054.98)	
<b>32,605.28</b>			<b>30,789.02</b>
87,805.18	Tura Beach CC – Course – at cost	87,805.18	
(15,263.87)	<b>Less:</b> Provision for Depreciation	(19,651.38)	
<b>72,541.31</b>			<b>68,153.80</b>
38,600.00	Tura Beach CC – Computa Game	44,247.61	
(14,942.81)	<b>Less:</b> Provision for Depreciation	(6,617.65)	
<b>23,657.19</b>			<b>37,629.96</b>
<b>14,903,497.18</b>	<b>Total Fixed Assets</b>		<b>16,256,039.80</b>

**NOTE 6a:**

An independent revaluation of land and buildings was undertaken on 30 June 2009 by Mr C.A. Ferguson AAPI Registered Valuer 319. The revaluation was undertaken as part of a policy to revalue land and buildings every three years and was based on fair value as part of an ongoing concern basis. The valuation revealed a current market value of \$21,525,000.

## NOTE 6b – MOVEMENT IN CARRYING AMOUNTS:

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

<b>2008/09: Economic entity</b>	<b>Balance at the Beginning of the Year</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>Carrying Amount at the End of Year</b>
Freehold land	1,712,441	–	160,000	–	1,552,441
Greens and Car Park	912,709	64,294	–	49,943	927,060
Buildings	10,290,813	2,260,481	296,139	485,613	11,769,542
Licenses	128,303	–	–	–	128,303
Plant and Equipment	1,859,231	821,075	66,428	735,184	1,878,694
<b>Total</b>	<b>14,903,497</b>	<b>3,145,850</b>	<b>522,567</b>	<b>1,270,740</b>	<b>16,256,040</b>

<b>2007/08: Economic entity</b>	<b>Balance at the Beginning of the Year</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>Carrying Amount at the End of Year</b>
Freehold land	806,268	906,173	–	–	1,712,441
Greens and Car Park	971,606	–	–	58,897	912,709
Buildings	5,967,770	463,325	–	464,847	5,966,248
Capital Works in Progress	365,274	3,964,671	–	5,380	4,324,565
Licenses	128,303	–	–	–	128,303
Plant and Equipment	1,899,847	682,898	11,150	712,364	1,859,231
<b>Total</b>	<b>10,139,068</b>	<b>6,017,067</b>	<b>11,150</b>	<b>1,241,488</b>	<b>14,903,497</b>

**2007/08**  
**\$**

**2008/09**  
**\$**

## NOTE 7 – PAYABLES:

1,129,584.54	Trade Creditors	649,643.17	
199,149.25	Accrued Charges	167,828.63	
<b>1,328,733.79</b>			<b>817,471.80</b>

## NOTE 8 – PROVISIONS:

248,121.27	Provisions for Long Service Leave	267,229.86	
618,338.66	Provisions for Sick and Holiday Pay	665,964.97	
<b>866,459.93</b>	(a) Aggregate Employee Entitlements Liability		<b>933,194.83</b>
125	(b) Number of Employees at Year End		113

## NOTE 9 – OTHER:

171,780.63	Subscriptions in Advance	149,840.27	
17,061.89	Income in Advance	15,261.83	
<b>188,842.52</b>			<b>165,102.10</b>

## NOTE 10 – SERVICE AGREEMENT COMMITMENTS:

Non Cancellable Service Agreements contracted for but not capitalised in the financial statements:

– not later than 12 months	\$17,456
– between 12 months and 5 years	\$52,371
	<b>\$69,827</b>

## NOTE 11 – AUDITOR'S REMUNERATION:

Amounts due and receivable for audit services total \$46,200.

## NOTE 12 – MEMBERS' GUARANTEE:

The Company is limited by guarantee. If the Company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$2.00 each towards meeting any outstanding obligations of the Company.

At 30th June, 2009, the number of members were 7337. (30th June 2008 – 7082).

## NOTE 13 – RELATED PARTY TRANSACTIONS:

Transactions between related parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

### (a) Directors

The names of persons who were Directors of the Company at any time during the year are as follows:

Robin Barry BELL

Graham Phillip BROWN

Ronald James CHRISTIE

Gwenneth Ethel DOUGLAS (appointed 26/10/2008)

Costa FELLA

Gerald George HAMMOND

John Richard KELEHER (retired 26/10/2008)

Brian John KENNEDY

Harold Leslie PHILISTIN (appointed 26/10/2008)

Kevin Maxwell NOWLAND (retired 26/10/2008)

William Henry ROGERS

### (b) Directors' Remuneration

The Directors did not receive any remuneration from the Company during the year other than Honorariums and reasonable costs which have been approved at the Annual Meeting.

### (c) Transactions with Directors and Director related Entities

There were no transactions with Directors, other than those at normal commercial terms and conditions.

## NOTES TO STATEMENT OF CASH FLOWS

### NOTE 14 – FINANCIAL INSTRUMENTS:

#### (a) Credit Risk

The Company's financial Instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable.

(b) The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

#### (c) Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial liabilities, is as follows:

2009	Weighted Average Interest	Variable Interest Rate \$	Fixed Interest Rate Maturity		Non-Interest Bearing \$	TOTAL \$
			Less than 1 Year	1 to 5 Years		
<b>Financial Assets:</b>						
Cash	3.0	822,102	2,056,279	–	237,219	3,115,600
Receivables					103,710	103,710
<b>Financial Liabilities:</b>						
Trade Creditors					649,643	649,643
Employee Entitlements					933,195	933,195
<b>Net Financial Assets:</b>		<b>822,102</b>	<b>2,056,279</b>	<b>–</b>	<b>(1,241,909)</b>	<b>1,636,472</b>

2008	Weighted Average Interest	Variable Interest Rate \$	Fixed Interest Rate Maturity		Non-Interest Bearing \$	TOTAL \$
			Less than 1 Year	1 to 5 Years		
<b>Financial Assets:</b>						
Cash	6.5	371,970	4,645,291	–	230,321	5,247,582
Receivables					172,886	172,886
<b>Financial Liabilities:</b>						
Trade Creditors					1,129,585	1,129,585
Employee Entitlements					866,460	866,460
<b>Net Financial Assets:</b>		<b>371,970</b>	<b>4,645,291</b>	<b>–</b>	<b>(1,592,838)</b>	<b>3,424,423</b>

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
	<b>(d) Reconciliation of Net Financial Assets to Net Assets:</b>	
3,424,423	Net financial assets as above	1,636,472
	<b>Non-financial assets and liabilities:</b>	
153,634	Inventories	146,459
52,628	Other Assets	60,391
14,903,497	Property, plant and equipment	16,256,040
(402,306)	Other Liabilities	(347,246)
<b>18,131,876</b>	<b>Net Assets per Balance Sheet</b>	<b>17,752,116</b>

#### NOTE 15:

**(a) Reconciliation of Cash:** For the purpose of this statement of cashflows, cash includes:

- (i) cash on hand and at-call deposits with banks or financial institutions, net of bank overdrafts; and
- (ii) investments in money market instruments with less than 91 days to maturity.

Cash at the end of the year is shown in the balance sheet as:

<b>2007/08</b>		<b>2008/09</b>
<b>\$</b>		<b>\$</b>
230,321	Cash on Hand	237,219
371,970	At-call Deposits with Financial Institutions	822,102
4,645,290	Short term Investments	2,056,279
<b>5,247,581</b>		<b>3,115,600</b>

**(b) Reconciliation of Cash Flow from Operations with Loss from ordinary activities:**

(21,239)	Loss from Ordinary Activities	(379,759)
	<b>Non-cash Flows in Loss from Ordinary Activities:</b>	
1,237,098	Depreciation	1,270,740
(53,645)	Changes to Provisions	66,735
15,161	Profit (Loss) on Sale Non-Current Assets	(6,354)
	<b>Changes in Assets and Liabilities:</b>	
(40,475)	Decrease (Increase) in Receivables	79,176
12,559	Decrease (Increase) in Prepayments	(7,763)
6,803	Decrease (Increase) in Inventories	7,175
468,470	Increase (Decrease) in Trade Creditors	(458,494)
(22,136)	Increase (Decrease) in Accrued Charges	(31,321)
32,101	Increase (Decrease) in Income in Advance	(23,741)
<b>1,634,697</b>	<b>Cash Flows from Operations</b>	<b>516,394</b>

#### NOTE 16 – STATEMENT OF OPERATIONS BY SEGMENTS:

The Company operates in the Licensed Registered Clubs Sector within New South Wales.

#### Note 17 – COMPANY DETAILS:

The registered office of the Company is:

Merimbula-Imlay Bowling Club Limited, 119 Main Street, Merimbula NSW 2548

The principal places of business are:

Merimbula-Imlay Bowling Club Limited, 119 Main Street, Merimbula NSW 2548

Tura Beach Country Club, The Fairway, Tura Beach NSW 2548

Limited by guarantee unlisted.

## DONATIONS FOR 2008/2009

Organisations supported throughout the year included:

Camp Quality  
Eden Marine High School  
Jeans for Genes  
Legacy  
Lions Club  
NSW CHS Lawn Bowls  
Pambula AH & P Society  
Probus Club  
Robin Hood Club  
SERAS  
Rotary Club of Pambula  
Sapphire Water Dragons  
View Club  
Zen Dragons  
Peck Family Fund Raiser  
Towamba Valley Rural Fire Service  
Aboriginal Evangelical Church Eden  
Alzheimers Australia  
Bandara Children's Services  
Bega Can Assist  
Bega District Volunteer Rescue Group  
Bega Local Aboriginal Land Council  
Bega Senior Citizens  
Bega Valley Community Drug Action  
Bega Valley Community Transport Services

Bega Valley Meals on Wheels  
Bega Valley Youth Council  
Bermagui Pre School  
Bermagui Senior Citizens  
Candelo Arts Society  
Country Women's Association  
Eden Lioness Club  
Merimbula Country Music Festival  
Multiple Sclerosis Society of NSW  
Nethercote Residents' Association  
Quaama Rural Fire Service  
Quaama Anglican Women  
Respite Care Bega Valley  
Rocky Hall Pre School Assoc.  
Sertec  
Skills Training Group  
South Coast Workplace Learning  
Tathra Children's Services Inc  
Technical Aids to the Disabled  
Bega High School  
Far South Coast Legacy Bowls Day  
Merimbula Soccer Club  
Pambula Pre School  
St. Patrick's School Bega  
Towamba Public School

Potaroo Palace Wildlife Park  
Careflight  
Merimbula Knights Cricket Club  
Merimbula Public School  
Pambula Community Swim Club  
Bega Valley Shire Council  
Imlay District Nursing Home  
Merimbula Area Chamber of Commerce  
Sapphire Coast Kennel & Disobedience Club  
Sapphire Coast Turf Club  
Merimbula Jazz Committee  
Sapphire Coast Netball Association  
Bega Valley District Bowls Umpires  
Far South Coast Soccer Referees U3A  
Bega Valley Parkinsons Support Group  
Far South Coast Dragon Boat Regatta  
Victorian Bushfire Appeal  
Merimbula Big Lakes & Angling Club  
Johs Admundsen Easter Soccer Tournament  
Merimbula Basketball Association  
Society of St. Vincent de Paul

## CURRENT LIFE MEMBERS

L.N. Witton – 1973  
L.A. Young – 1989  
R.A. Lockyer – 1992  
P. Thompson – 1998 (Tura Beach Country Club)

G. Wells – 1998  
J. Lockyer – 1999  
I. Stroud – 2003  
J. Anderson – 2006

### THE RESPONSIBLE SERVICE OF ALCOHOL CLUB POLICY

#### WE DO NOT SERVE:

- People who are intoxicated
- People who are under 18 years
- People who are disruptive
- People buying alcohol for under 18's

#### WE DO NOT HAVE PROMOTIONS or ADVERTISING WHICH:

- Encourage excessive drinking
- Encourage rapid or binge drinking
- Unfairly target men or women

#### WE SERVE and CARE FOR OUR CUSTOMERS BY PROVIDING:

- Trained, courteous staff
- Low alcohol beverages
- Non-alcoholic beverages
- Coffee Shop Facilities

Members should be aware that refusal of service to intoxicated persons by club staff is in compliance with the law. It is an offence under the Registered Clubs Act to serve or supply liquor to an intoxicated person.

**PENALTY \$5,500**