

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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The financial report was authorised for issue by the Directors on 4 September 2009. The Company has the power to amend and re-issue the financial report.

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**DIRECTORS' REPORT**

Your Directors present their report for the financial year ended 30 June 2009.

**1. The names of the Directors in office at the date of this report are:**

<b>Name</b>	<b>Occupation</b>	<b>Number of years service as a Director of the Company</b>
R. Allan	Grazier	4
K. Hardy	Supervisor	18
C. Mitchell	Retired	9
G. Payton	Domestic Duties	6
J. Hurrell	Retired	6
A. Emerton	Retired	5
D. Trotter	Retired	5
W. Kimberley	Retired	2
M. Minett	Retired Store Supervisor	16
B. Staff	Fire Technician	1

**2. Activities**

The principal activities of the Company in the course of the financial year ended 30 June 2009 were:

The running of the Company in accordance with its objectives for the benefit of its members.

**3. Results**

The net result of operations after applicable income tax was a loss of \$15,305 (2008 loss of \$188,867).

**4. Review of Operations**

Despite a significant decrease in poker machine revenue, the level of operating loss has reduced through reductions in operating expenses particularly in members amenities and administration.

**5. Significant Changes**

There have been no significant changes in the activities conducted by the Company in the year under review.

**6. Events Subsequent to Balance Date**

Since the end of the financial year the Directors are not aware of any matters or circumstances not otherwise dealt with in the report or accounts that has significantly or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

**7. Likely Developments and Expected Results**

The Directors do not anticipate any major changes in the operations of the Company which will adversely affect profitability in future periods.

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**DIRECTORS' REPORT**

**8. Indemnifying Officer or Auditor**

The Club has, not during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Company:

\* Indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs expenses in successfully defending legal proceedings: or

\* paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings;

During the financial year, the Company has paid a premium in respect of a contract of insurance insuring Directors and Officers (including former and future Directors and Officers) against certain liabilities incurred in that capacity. Disclosure of the total amount of premiums and the nature of the liabilities in respect of such insurance is prohibited by the contract of the insurance.

**9. Directors Benefit**

Since the end of the previous financial year no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due to be received by Directors shown in the accounts or received as the fixed salary of a full time employee of the Company) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which they are a member, or with a Company in which they have a substantial financial interest.

**10. Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 5 of the financial report. In addition, details of the non audit services provided by the auditor, Crosbie Warren Sinclair, are contained in Note 16 of the financial report. Crosbie Warren Sinclair continues to hold office in accordance with section 307 of the Corporations Act 2001.

**11. Dividends**

The Company is a non-profit organisation and is prevented from paying dividends by it's constitution.

**12. Environmental Regulations**

The Company's operations are subject to various environmental regulations under both Commonwealth and State Legislations. The Directors are not aware of any breaches of the legislation during the financial year, which are material in nature.

**13. Company Secretary**

The Company Secretary is Mr Robert Allan who is also the President of the Club and has been a director of the Club for a number of years.

R. Allan - President

M. Minett - Senior Vice President

**Date: 4 September 2009**

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**DIRECTORS' MEETING ATTENDANCES**

The number of Board meetings held during the financial year ended 30 June 2009 was 16, being 12 normal monthly Board meetings and 4 special Board meetings. The details of each Directors attendances at those meetings is given below:

<b><u>Director</u></b>	<b><u>Monthly</u></b>	<b><u>Special</u></b>	<b><u>Eligible to Attend</u></b>
R. Allan	10	3	16
K. Hardy	10	4	16
A. Emerton	11	2	16
C. Mitchell	12	1	16
G. Payton	12	4	16
J. Hurrell	12	4	16
M. Emerton - not re-elected at AGM	5	2	7
D. Trotter	12	4	16
W. Kimberley	12	4	16
B. Staff - elected at AGM	6	2	9
M. Minett - elected at AGM	7	2	9

Annual General Meeting (AGM) was held on 26 October 2008.

**PROPERTY REPORT**

As at balance date the Club's core property included the Clubhouse site, 43 Cowper Street, Taree, the Leagues Ground, 45 Cowper Street, Taree and the Tennis Courts, 3 Lyndhurst Street, Taree.

The Directors have classified all Club property as core property as defined in the Registered Clubs Act.

**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF**  
**TAREE LEAGUES SPORTS CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 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.

B. Perkins - Partner

Crosbie Warren Sinclair Partners  
Certified Practising Accountants

**Warabrook**  
**Date: 4 September 2009**

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**INDEPENDENT AUDIT REPORT**

To the Members of Taree Leagues Sports Club Limited

**Report on the Financial Report**

We have audited the accompanying financial report of Taree Leagues Sports Club Limited, which comprises the balance sheet as at 30 June 2009 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

*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 controls 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. In note 1, the Directors also state in accordance with Accounting Standard AASB101 Presentation of Financial Statements that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes complies with International Financial Reporting Standards.

*Auditor's Responsibility*

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

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

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

*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 Taree Leagues Sports Club Limited has been dated the same date as this auditor's report.

*Auditor's Opinion*

In our opinion:

- (a) The financial report of Taree Leagues Sports Club Limited is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of Taree Leagues Sports Club Limited's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Brent A Perkins - Partner

**Warabrook**  
**Date: 4 September 2009**

Crosbie Warren Sinclair Partners  
 Certified Practising Accountants

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

- 1           The financial statements and notes, as set out on pages 8 to 20:
  - (a)       comply with Accounting Standards in Australia, the Corporations Act 2001 and other professional mandatory reporting requirements; and
  - (b)       give a true and fair view of the Club's financial position as at 30 June 2009 and of its performance, as represented by the results of its operations and cash flows for the year ended on that date.
- 2           At the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and signed for on behalf of the Directors by:

R. Allan - Director

M.Minett - Director

**Date: 4 September 2009**

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Bar Sales		722,581	743,712
Cost of Goods Sold		320,933	347,326
Bar Gross Profit (\$)		401,648	396,386
Bistro Sales		8,594	-
Cost of Goods Sold		6,256	-
Bistro Gross Profit (\$)		2,338	-
Poker Machine Net Revenue		1,135,921	1,310,526
Paper Gaming Income		36,058	34,951
Other Income		211,857	166,055
Total Income		1,787,822	1,907,918
<b>Expenses</b>			
Bar Direct Expenses		192,512	252,973
Poker Machine Direct Expenses		306,735	435,486
Bistro Direct Expenses		10,074	-
Paper Gaming Direct Expenses		85,048	78,871
Members Amenities		196,262	214,923
Greens		94,051	91,311
Clubhouse Expenses		384,547	369,324
Administration Expenses		353,281	504,966
Other Expenses		158,309	121,919
Borrowing Costs		22,308	27,013
Total Expenses		1,803,127	2,096,786
Net Profit/(Loss) Before Income Tax		(15,305)	(188,867)
Income Tax	5	-	-
Net Profit/(Loss) After Income Tax		(15,305)	(188,867)

To be read in conjunction with the attached notes to the Financial Statements

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**BALANCE SHEET**  
**AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	6	181,178	266,805
Receivables	7	12,220	5,528
Inventories	8	36,668	29,047
Other Current Assets	9	11,122	8,121
<b>TOTAL CURRENT ASSETS</b>		<b>241,188</b>	<b>309,501</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	10	2,318,738	2,301,894
Intangible Assets	11	278,785	278,785
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,597,523</b>	<b>2,580,679</b>
<b>TOTAL ASSETS</b>		<b>2,838,711</b>	<b>2,890,180</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	12	119,961	121,324
Interest Bearing Liabilities	13	94,898	78,531
Provisions	14	63,539	58,811
Other Current Liabilities	15	12,415	10,456
<b>TOTAL CURRENT LIABILITIES</b>		<b>290,813</b>	<b>269,122</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	13	137,750	186,278
Provisions	14	19,004	28,331
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>156,754</b>	<b>214,609</b>
<b>TOTAL LIABILITIES</b>		<b>447,567</b>	<b>483,731</b>
<b>NET ASSETS</b>		<b>2,391,144</b>	<b>2,406,449</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Profits		2,391,144	2,406,449
<b>TOTAL MEMBERS' FUNDS</b>		<b>2,391,144</b>	<b>2,406,449</b>

To be read in conjunction with the attached notes to the Financial Statements

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**CASHFLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from Members and Guests		2,304,949	2,455,296
Payments to Suppliers and Employees		(2,092,900)	(2,343,405)
Interest Received		8,520	15,410
Interest Paid		(22,308)	(27,013)
<i>Net Cash Flows provided by (used in) Operating Activities</i>	<b>23</b>	<u>198,261</u>	<u>100,288</u>
<b>Cash Flows from Investing Activities</b>			
Payments for Plant and Equipment		(252,228)	(213,667)
Proceeds from Plant and Equipment		500	35,318
Investments (from)/in Short Term Deposits		-	81,823
<i>Net Cash Flows provided by (used in) Investing Activities</i>		<u>(251,728)</u>	<u>(96,526)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from Borrowings		50,250	40,000
Repayments of Borrowings		(82,410)	(75,750)
<i>Net Cash Flows provided by (used in) Financing Activities</i>		<u>(32,160)</u>	<u>(35,750)</u>
<b>Net Increase/(Decrease) in Cash Held</b>		(85,627)	(31,988)
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>		<u>266,806</u>	<u>298,794</u>
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	<b>23</b>	<u>181,179</u>	<u>266,806</u>

To be read in conjunction with the attached notes to the Financial Statements

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>Opening Balances 1 July 2008</b>			
Accumulated Profits		2,406,449	2,595,316
Profit/(Loss) for the year		(15,305)	(188,867)
<b>Closing Balances 30 June 2009</b>			
Accumulated Profits		2,391,144	2,406,449

To be read in conjunction with the attached notes to the Financial Statements

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**1 Statement of Significant Accounting Policies**

**Basis of Preparation**

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional requirements and other authoritative pronouncements and the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs, except for investment properties which have been measured at fair value. The financial report is presented in Australian Dollars.

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

**Statement of Compliance**

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standard (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

**Income Tax**

Income tax payable is calculated in accordance with the provisions of the Income Tax Assessment Act dealing with the Registered Clubs and Associations.

Deferred Tax Assets and Liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

**Borrowing Costs**

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

**Inventories**

Inventories are measured at the lower of cost and current replacement value.

**Trade Debtors and Other Receivables**

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. Trade receivables are due within 30 days from the date of recognition. The recoverability of trade debtors is reviewed regularly, with any uncollectible debts written off.

**Cash and Cash Equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less. For the purpose of the Cashflow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts, which are shown within Interest Bearing Liabilities in current liabilities on the balance sheet.

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings and Improvements	5 to 40 years
Plant and Equipment	4 to 20 years

*Impairment*

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generated unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generated units are written down to their recoverable amount.

Impairment losses are recognised in the income statement as a separate line item.

**Recoverable Amount of Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount. Where the carrying amount of the asset exceeds the recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use can not be estimated to be close to its fair value less cost to sell and it does not generate cash in flows that are largely independent of those of other assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

**Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the

Interest income is recognised as it accrues.

The profit or loss on disposal of asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

**Employee Benefits**

Provision is made for the Company's liabilities for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with benefits arising from wages and salaries, annual and sick leave, which would be settled after one year, have been measured at their nominal amount. 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, using appropriate estimation techniques.

**Intangible Assets**

Intangible assets acquired separately are capitalised at cost, the useful lives of these intangible assets are assessed to be either finite or indefinite. Those with finite lives are amortised over that period on a straight line basis. Intangible assets are tested for impairment where an indicator for impairment exists.

**Hire Purchase**

Assets acquired under hire purchase agreements are brought to account at cost together with a corresponding hire purchase liability and unexpired term charge and are depreciated over their estimated economic life to the Company. Term charges are written off over the period of the agreements.

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the balance sheet. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

**Accounts Payable**

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days.

**2 Limited by Guarantee**

The Company is an incorporated body having no share capital and the liability of Members is limited by guarantee. In the event of a dissolution or winding up of the Company the liability of members is limited to \$5 per member. The registered address is 43, Cowper Street, Taree, NSW, 2430.

<b>3 Operating Revenue</b>	<b>2009</b>	<b>2008</b>
Bar Sales	722,581	743,712
Poker Machine Net Revenue	1,135,921	1,310,526
Bistro Sales	8,594	-
Interest Received/Receivable	8,520	13,830
Profit on Sale on Assets	500	6,055
Other	238,895	181,121
Total	2,115,011	2,255,244

**4 Operating Profit**

Operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:-

**Credits**

Interest Received/Receivable	8,520	13,830
Profit on Sale of Assets	500	6,055

**Charges**

Interest Paid/Payable		
- Other persons and/or corporations	22,308	27,013
Total Interest	22,308	27,013
Depreciation		
- Poker Machines	93,891	99,557
- Buildings	66,797	61,970
- Plant and Equipment	63,980	64,549
Total Depreciation	224,668	226,076
Employee Benefits		
- Wages	588,930	683,174
- Superannuation	52,807	51,364
- Employee Entitlements	(4,599)	(9,950)
Loss on Sale of Assets	15,159	37,339

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
<b>5 Income Tax Expense</b>		
a) The aggregate amount of income tax attributable to the financial year differs to the amount calculated on the operating profit. The difference is reconciled as follows:-		
Operating profit/(loss) before income tax	(15,305)	(188,867)
Income Tax thereon @ 30%	(4,592)	(56,660)
Non Deductible Expenses	7,169	7,235
Apportionment Adjustment Members Income and Expenses	(25,579)	14,008
Temporary Differences not brought to Account	(351)	(566)
Tax Losses not Brought into Account	23,353	35,983
Income Tax Expense/(Benefit)	-	-
b) The Directors estimate that the potential Deferred Tax Asset at 30 June 2009 in respect of tax losses not brought into account is:-	195,746	172,393
The benefit for tax losses will only be obtained if:-		
i) the Company drives future assessable income in the nature and of amount sufficient to enable the benefit from deductions for the losses to be realised;		
ii) the Company continues to comply with the conditions for deductibility imposed by the tax legislation; and		
iii) no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.		
<b>6 Cash and Cash Equivalents</b>		
Cash at Bank - Trading	14,669	28,458
Cash on Hand	48,000	48,000
Cash on Hand - Hoppers	7,734	10,249
NAB Investment Account	110,775	180,098
	181,178	266,805
<b>7 Receivables</b>		
<b>Current</b>		
Other Debtors	12,220	5,528
	12,220	5,528
<b>8 Inventories</b>		
Stock on Hand - Bar	31,129	23,562
Stock on Hand - Bistro	2,742	-
Stock on Hand - Other	2,797	5,485
	36,668	29,047
<b>9 Other Current Assets</b>		
Prepayments	11,122	8,121
	11,122	8,121

**TAREE LEAGUES SPORTS CLUB LIMITED**  
**(ACN 001 031 894)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**10 Property, Plant and Equipment**

	Building and Improvements	Poker Machines	Plant & Equipment	Total
<b>Year ended 30 June 2009</b>				
At 1 July 2008,				
Net of Accumulated Depreciation/Amortisation	1,750,491	257,997	293,406	2,301,894
Additions	125,441	11,950	119,280	256,671
Disposals	-	(7,615)	(7,544)	(15,159)
Depreciation/Amortisation	(66,797)	(93,891)	(63,980)	(224,668)
At 30 June 2009				
Net of Accumulated Depreciation/Amortisation	<u>1,809,135</u>	<u>168,441</u>	<u>341,162</u>	<u>2,318,738</u>
<b>At 1 July 2008</b>				
Cost or Fair Value	2,322,130	734,674	727,291	3,784,095
Accumulated Depreciation/Amortisation	(571,639)	(476,677)	(433,885)	(1,482,201)
Net Carrying Amount	<u>1,750,491</u>	<u>257,997</u>	<u>293,406</u>	<u>2,301,894</u>
<b>At 30 June 2009</b>				
Cost or Fair Value	2,447,570	725,556	817,067	3,990,193
Accumulated Depreciation/Amortisation	(638,435)	(557,115)	(475,905)	(1,671,455)
Net Carrying Amount	<u>1,809,135</u>	<u>168,441</u>	<u>341,162</u>	<u>2,318,738</u>
<b>Year ended 30 June 2008</b>				
At 1 July 2007,				
Net of Accumulated Depreciation/Amortisation	1,809,261	284,105	303,078	2,396,444
Additions	3,200	124,725	70,236	198,161
Disposals	-	(51,276)	(15,359)	(66,635)
Depreciation/Amortisation	(61,970)	(99,557)	(64,549)	(226,076)
At 30 June 2008				
Net of Accumulated Depreciation/Amortisation	<u>1,750,491</u>	<u>257,997</u>	<u>293,406</u>	<u>2,301,894</u>
<b>At 1 July 2007</b>				
Cost or Fair Value	2,319,149	751,107	712,184	3,782,440
Accumulated Depreciation/Amortisation	(509,888)	(467,002)	(409,106)	(1,385,996)
Net Carrying Amount	<u>1,809,261</u>	<u>284,105</u>	<u>303,078</u>	<u>2,396,444</u>
<b>At 30 June 2008</b>				
Cost or Fair Value	2,322,130	734,674	727,291	3,784,095
Accumulated Depreciation/Amortisation	(571,639)	(476,677)	(433,885)	(1,482,201)
Net Carrying Amount	<u>1,750,491</u>	<u>257,997</u>	<u>293,406</u>	<u>2,301,894</u>

**2009**

**2008**

**11 Intangible Assets**

**Poker Machine Entitlements**

These have been determined to have indefinite useful lives based on current legislation.

Opening Balance 1, July	278,785	278,785
Entitlements Acquired during the year	-	-
Closing Balance 30, June	<u>278,785</u>	<u>278,785</u>

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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		2009	2008
<b>12</b>	<b>Trade and Other Payables</b>		
	<b>Current</b>		
	Trade Creditors	114,608	115,253
	GST Payable	5,353	6,066
	TAB Clearing	-	5
		119,961	121,324
<b>13</b>	<b>Interest Bearing Liabilities</b>		
	<b>Current</b>		
	Hire Purchase - Equipment	7,256	6,608
	Loan - Mid Coast Water	10,062	-
	Loan - Business - (Secured)	77,580	71,923
		94,898	78,531
	<b>Non-Current</b>		
	Hire Purchase - Equipment	16,455	23,713
	Loan - Mid Coast Water	33,996	
	Loan - Business - (Secured)	87,299	162,565
		137,750	186,278
	For details of security refer to Note 18.		
<b>14</b>	<b>Provisions</b>		
	<b>Current</b>		
	Provision for Annual Leave	58,049	48,484
	Provision for Long Service Leave	5,490	10,327
		63,539	58,811
	<b>Non-Current</b>		
	Provision for Long Service Leave	19,004	28,331
		19,004	28,331
<b>15</b>	<b>Other Current Liabilities</b>		
	Subscriptions in Advance	11,365	9,881
	Members' Badge Draw	1,050	575
		12,415	10,456
<b>16</b>	<b>Auditor's Remuneration</b>		
	Amounts received, or due to be receivable by the Auditor of the Company for:-		
	Audit Services	15,000	12,650
	Accounting and Other Services	3,150	13,970
		18,150	26,620

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**17 Contingent Liabilities**

The Club maintains a bonus point program as part of its poker machine operations. The balance of unredeemed points as at 30 June 2009 was \$34,945.

The Club has a security guarantee for \$5,000 for TAB facilities.

**18 Security Details**

The Club's liabilities to the National Australia Bank are secured by a fixed and floating charge over the Company's assets and a Registered Mortgage over the freehold land and buildings situated at 43 Cowper Street, Taree.

**19 New Accounting Standards and Interpretation**

Title of Standard	Issue Date	Application Date **
Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	June 2007	1 January 2009
Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101	September 2007	1 January 2009
Revised AASB 3 Business Combinations, AASB 127 Consolidated and Separate Financial Statements and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	March 2008	1 July 2009
AASB 2008-7 Amendments to AASB 1 and AASB 127 Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	July 2008	1 January 2009
Improvements to Australian Accounting Standards: AASB 2008-6 and AASB 2008-6	July 2008	1 January 2009
Improving Disclosures about Financial Instruments - Amendment to IFRS 7 Financial Instruments: Disclosures	March 2009	1 January 2009
** Applicable to reporting periods commencing on or after the given dates.		
Application of the above standards is not expected to affect any of the amounts recognised in the financial statements, but will result in changes to the additional information disclosed in the financial statements. No standards have been early adopted.		

**20 Related Parties**

**Directors**

The names of persons who were Directors of the Company at any time during the year are as they appear in the Directors Report except for M.Emerton who was not re-elected at the Annual General Meeting.

**Directors' Remuneration**

The number of Directors of the Company whose income from the Company falls within the following bands:

	2009	2008
\$ 0-9999	3	3
Total Remuneration received, or due and receivable, by all Directors of the Company	1,500	1,950

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**21 Additional Financial Instrument Disclosure**

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The financial assets and liabilities subject to interest rate risk are:

*Bank Accounts*

The Company's bank accounts earn interest at the market variable rate when in credit.

*Financing Facilities*

As at 30 June 2009 the Company had a hire purchase financing arrangement with a balance of \$23,711 with an interest rate of 9.79%. In addition the Club had a Business Loan which commenced on the 31 August 2006 for a term of five years at a fixed interest rate of 8.289%. As at 30 June 2009 the balance was \$164,879. The Club has an interest free loan with Mid Coast Water to repay prior year development application charges with the balance at year end of \$44,058 and a remaining term of 4 years and 4 months.

**b) Credit Risk**

Credit risk arises from cash and cash equivalents held with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. The Directors regularly monitor interest rate returns and deal with well established and recognised financial institutions. Credit is not generally extended to customers.

The maximum credit risk in financial asset of the Club which have been recognised on the Balance Sheet, is carrying amount net of any provision for doubtful debts.

The Club has reviewed the credit quality of its financial assets and expects all receivables to be recovered within due collection periods. No collateral or security is held in respect of any receivables.

**c) Liquidity Risk**

The risk that the Club will encounter difficulties in meeting its obligations associated with its financial liabilities is managed by ensuring sufficient funds are available at all times to cover its financial liabilities.

**d) Net Fair Value of Financial Assets**

The Club's financial assets and liabilities in the Balance sheet are carried at amounts that approximate net fair value.

**22 Commitments for Expenditure**

**a) Capital Commitments**

As at 30 June 2009:

The Club has committed to purchase poker machine conversions at a cost of \$10,890 incl gst.

	2009	2008
<b>b) Non Cancellable Rental Agreements</b>		
Total commitments in respect of rental agreements are as follows:-		
Not later than one year	22,897	24,768
Later than one year and not later than five	8,073	22,291
Later than five years	-	-
	30,970	47,059

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**22 Commitments for Expenditure (cont.)**

	2009	2008		
<b>c) Hire Purchase</b>				
Total commitments in relation to hire purchase agreements are as follows:-				
	Minimum Payments	Present Value of Payments	Minimum Payments	Present Value of Payments
Not later than one year	8,902	7,256	8,902	6,608
Later than one year and not later than five	17,805	16,455	26,707	23,713
Later than five years	-	-	-	-
Total Minimum Hire Purchase Payments	26,707	23,711	35,609	30,321
Less: Amounts Representing Finance Charges	2,996	-	5,288	-
Present Value of Minimum Hire Purchase Payments	23,711	23,711	30,321	30,321

**23 Notes to Cashflow Statement**

**Reconciliation of Cash**

For the purpose of the Cashflow statement, cash includes cash on hand and at call deposits with a bank or financial institution, net of bank overdrafts if any, and excludes investments with a maturity of greater than three months.

	2009	2008
Cash on Hand	55,734	58,249
Cash at Bank	125,444	208,556
Bank Overdraft	-	-
Cash and Cash Equivalents	181,178	266,805

**Reconciliation from the net profit/(loss) after tax to the net cash flows from operations.**

<b>Operating Profit/(Loss) After Tax</b>	(15,305)	(188,867)
<u>Non-Cashflow in Operating Profit/(Loss)</u>		
Depreciation	224,668	226,076
Loss on Sale of Assets	15,159	37,399
Profit on Sale of Assets	(500)	(6,055)
Charges to Leave Provisions	(4,599)	(9,950)
	219,423	58,603
<u>Changes in Assets and Liabilities</u>		
(Increase)/Decrease in Trade and Other Debtors	(6,692)	8,858
(Increase)/(Decrease) in Inventories	(7,621)	71
(Increase)/Decrease in Prepayments	(3,001)	11,133
Increase/(Decrease) in Trade Creditors and Accruals	(5,088)	30,346
Increase/(Decrease) in Income in Advance	1,484	(465)
Increase/(Decrease) in GST Liability	(714)	(4,980)
Increase/(Decrease) in Other Creditors	470	(3,278)
<b>Net Cash From Operating Activities</b>	198,261	100,288

**Unused Credit Facility**

As at balance date the Club had unused credit facilities in respect to Asset Finance Leasing of \$226,922, Business Credit Cards of \$9,712 and unused credit facilities on loans of \$7,361.

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
<b>TRADING ACCOUNT</b>		
<b>STATEMENT OF BAR TRADING</b>		
Sales	722,581	743,712
<b>LESS COST OF SALES</b>		
Opening Stock	23,562	25,414
Purchases	<u>328,500</u>	<u>345,474</u>
Closing Stock	<u>352,062</u>	<u>370,888</u>
	<u>31,129</u>	<u>23,562</u>
	<u>320,933</u>	<u>347,326</u>
<b>GROSS PROFIT</b>	<u>401,648</u>	<u>396,386</u>
<b>DIRECT EXPENSES</b>		
Repairs & Maintenance	1,870	2,332
Promotions	7,400	26,706
Superannuation	17,843	15,415
Wages	<u>165,399</u>	<u>208,520</u>
<b>DIRECT EXPENSES</b>	<u>192,512</u>	<u>252,973</u>
<b>NET PROFIT</b>	<u>209,136</u>	<u>143,413</u>
<b>STATEMENT OF POKER MACHINE OPERATIONS</b>		
Net Revenue	1,135,921	1,310,526
<b>DIRECT EXPENSES</b>		
CDSE Expenditure	6,106	10,500
Central Monitoring Fees	19,620	17,605
Depreciation	93,891	99,557
Duty Tax	56,658	114,244
Promotions	12,595	70,290
Repairs & Maintenance	28,497	25,245
Superannuation	5,946	5,138
VASA Fees	8,320	23,400
Wages	<u>75,102</u>	<u>69,507</u>
<b>DIRECT EXPENSES</b>	<u>306,735</u>	<u>435,486</u>
<b>NET PROFIT</b>	<u>829,186</u>	<u>875,040</u>
<b>STATEMENT OF BINGO TRADING</b>		
Bingo Revenue	59,092	65,177
<b>LESS COST OF SALES</b>		
Purchases	<u>81,996</u>	<u>69,940</u>
<b>GROSS PROFIT</b>	<u>(22,904)</u>	<u>(4,763)</u>

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
<b>STATEMENT OF RAFFLES</b>		
Raffle Income	75,055	25,282
<b>LESS COST OF SALES</b>		
Purchases	58,292	25,351
<b>GROSS PROFIT</b>	<u>16,763</u>	<u>(69)</u>
<b>STATEMENT OF DARTS, INDOOR BOWLS AND EUCHRE TRADING</b>		
Darts, Indoor Bowls & Euchre Revenue	1,746	2,753
<b>LESS DIRECT EXPENSES</b>		
Prizes	2,425	5,562
<b>NET PROFIT/(LOSS)</b>	<u>(679)</u>	<u>(2,809)</u>
<b>STATEMENT OF PROPERTY RENTAL</b>		
Rental Income - Leagues Ground	3,033	1,183
<b>DIRECT EXPENSES</b>		
Rates	3,911	3,885
Repairs & Maintenance	2,515	7,653
Superannuation	757	785
Wages	8,413	8,743
	<u>15,596</u>	<u>21,066</u>
<b>NET PROFIT/(LOSS)</b>	<u>(12,563)</u>	<u>(19,883)</u>
<b>STATEMENT OF KENO OPERATIONS</b>		
Keno Commission	28,636	26,492
<b>DIRECT EXPENSES</b>		
Keno Expenses	3,526	3,363
Superannuation	2,973	2,569
Wages	37,551	34,753
	<u>44,050</u>	<u>40,685</u>
<b>NET PROFIT/(LOSS)</b>	<u>(15,414)</u>	<u>(14,193)</u>
<b>STATEMENT OF TAB OPERATIONS</b>		
TAB Commission	7,422	8,459
<b>DIRECT EXPENSES</b>		
Printing & Stationery	474	864
Superannuation	2,973	2,569
Wages	37,551	34,753
	<u>40,998</u>	<u>38,186</u>
<b>NET PROFIT/(LOSS)</b>	<u>(33,576)</u>	<u>(29,727)</u>

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

<b>TRADING ACCOUNT</b>	<b>2009</b>	<b>2008</b>
<b>STATEMENT OF BISTRO TRADING</b>		
Sales	8,594	-
<b>LESS COST OF SALES</b>		
Opening Stock	-	-
Purchases	<u>8,998</u>	<u>-</u>
Closing Stock	<u>2,742</u>	<u>-</u>
	6,256	-
<b>GROSS PROFIT</b>	<u>2,338</u>	<u>-</u>
<b>DIRECT EXPENSES</b>		
Superannuation	806	-
Wages	<u>9,268</u>	<u>-</u>
<b>DIRECT EXPENSES</b>	10,074	-
<b>NET PROFIT</b>	<u><u>(7,736)</u></u>	<u><u>-</u></u>

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
<b>INCOME</b>		
<b>TOTAL TRADING PROFIT</b>	962,213	947,009
Commissions	14,146	11,343
Function Room Hire	11,059	10,041
Interest Received	8,520	13,830
Profit on Sale of Assets	500	6,055
Rents Received	5,351	11,411
Sponsorship & Donations	-	560
Subscriptions	12,586	11,205
Sundry Income	20,769	7,215
<b>TOTAL INCOME</b>	1,035,144	1,018,669
<b>LESS EXPENSES</b>		
<b>MEMBERS AMENITIES</b>		
Advertising	29,964	21,172
AGM Expenses	5,940	2,037
Entertainment - Social	50,782	53,963
Member Amenities	79,219	106,847
Members Badge Draw	10,734	10,850
Sky Channel	19,623	20,054
	196,262	214,923
<b>GREENS</b>		
Repairs & Maintenance	13,091	24,617
Superannuation	8,798	5,493
Wages	72,162	61,201
	94,051	91,311
<b>CLUBHOUSE</b>		
Cleaning	60,687	52,454
Courtesy Bus Wages	37,551	29,431
Depreciation	130,777	126,519
Electricity, Gas & Heating	66,439	68,785
Rates	21,030	19,746
Repairs & Maintenance	48,292	53,334
Superannuation	1,632	1,569
Wages & Salaries	18,139	17,486
	384,547	369,324

**TAREE LEAGUES SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
<b>ADMINISTRATION</b>		
Audit & Accountancy	18,150	26,620
Bank Charges	2,415	1,721
Contractor	18,640	-
Directors' Expenses	11,313	9,659
Donations	21,505	25,205
Fines	-	220
General Expenses	352	563
Hire of Plant	22,919	24,332
Insurance	38,552	49,108
Interest - Equipment	2,295	3,925
Interest - Business	20,013	23,088
Legal Costs	5,592	12,958
Loss on Sale of Assets	15,159	37,399
Motor Vehicle Expenses	11,407	5,255
Out Of Pocket Expenses	1,500	1,950
Payroll Tax	900	8,631
Printing, Postage, Stationery & Computer Expenses	14,151	22,983
Provision - Annual Leave	9,565	(3,282)
Provision - Long Service Leave	(14,163)	(6,668)
Security	11,124	7,941
Seminar & Function Expenses	-	1,068
Shortages	1,836	1,271
Staff Amenities	3,442	4,660
Staff Training	3,879	4,297
Subscriptions	13,267	20,418
Superannuation	11,079	17,826
Telephone	10,172	11,419
Uniforms	932	632
Wages	119,593	218,779
	<u>375,589</u>	<u>531,978</u>
<b>TOTAL EXPENSES</b>	<u>1,050,449</u>	<u>1,207,536</u>
<b>NET PROFIT/(LOSS) BEFORE INCOME TAX</b>	<u>(15,305)</u>	<u>(188,867)</u>
<b>INCOME TAX EXPENSE</b>	-	-
<b>NET PROFIT/(LOSS) AFTER INCOME TAX</b>	<u>(15,305)</u>	<u>(188,867)</u>
<b>RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	2,406,449	2,595,316
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	<u>2,391,144</u>	<u>2,406,449</u>

Detailed Profit and Loss Statement  
Not Covered by Audit Report on Page 6  
Prepared for the information of Members in the Annual Report