

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Consolidated Financial Statements

For the Year Ended 30 June 2010

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

For the Year Ended 30 June 2010

CONTENTS

Consolidated Financial Statements

Directors' Report

Independent Audit Report

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

Directors' Declaration

Detailed Trading and Income Statements

Consolidated Income Statement

Consolidated Balance Sheet

Consolidated Statement of Changes in Equity

Consolidated Cash Flow Statement

Notes to the Financial Statements

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Directors' Report

30 June 2010

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2010.

1. General information

Directors

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

Names	Appointed/Resigned
I E Allen	
D G Dufty	
J G Frederiksen	
M Gilhooly	
A B Pedder	Appointed 25/10/2009
D W Pobje	
H G Rowland	
J D Shepherd	
D L Voltz	Appointed 25/10/2009
W J Allan	Resigned 25/10/2009
S Cselka	Resigned 25/10/2009
R J Follers	Resigned 25/10/2009
G R Gates	Resigned 25/10/2009

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

Company Secretary

The following persons held the position of company secretary during and at the end of the financial year:

D T Fox - Appointed as secretary 24 March 2009.

Principal Activities

The company's objective, short and long term, is to provide a social and sporting club to the members and to support the missions of the Returned Services League of Australia.

The company provides social facilities for its members, and sponsors various local sporting associations in keeping with its objects. It also supports the missions of the Returned Services League through the promotion of Anzac celebrations, provision of advice and support to veterans, and the exhibition of memorabilia to the community and members.

The principal activities of the Group during the financial year were that of a Licensed R.S.L. Club.

These activities provide the funding necessary to make financial contributions to the organizations supported by the company.

The company's performance is measured by its profitability, the level of financial contributions provided to the supported organizations, and the quality of social entertainment provided to the members.

There have been no significant changes in the nature of the Group's principal activities during the financial year.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Directors' Report

30 June 2010

2. Business review

Operating Results

The consolidated profit of the Group after providing for income tax and eliminating minority equity interests amounted to a loss of \$119,221 (2009: Profit \$16,097).

Dividends paid or declared

The Corporations Act and the constitution of the parent company prohibit the distribution of profits to members. Accordingly, no dividend or distributions were or could be paid to the members.

Review of operations

A review of the significant changes in operations of the Group during the financial year and the results of those changes are shown in the detailed trading statements attached to this report.

3. Other items

Significant Changes in State of Affairs

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

Members Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 2 each towards any outstanding obligations of the company. At 30 June 2010 the number of members was 2,832 (2009: 2,819). The amount that members of the company are liable to contribute if the company is wound up is \$5,664 (2009: \$5,638).

After balance day events

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

Auditors Independence Declaration

The lead auditors independence declaration for the year ended 30 June 2010 has been received and a copy can be found on the page immediately following the Auditor's Report.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Directors' Report

30 June 2010

4. Director Information

Information on Directors

I E Allen	Retired
Experience	Board Member - 2 years
D G Dufty	Retired Fisherman and Business Proprietor
Experience	Board Member - 34 years
Special Responsibilities	Vice President
J G Frederiksen	Retired
Experience	Board Member - 2 years
M Gilhooly	Semi Retired
Experience	Board Member - 4 years
A B Pedder	Retired
Experience	Board Member - 1 year
D W Pobje	Retired
Experience	Board Member - 4 years
Special Responsibilities	President
H G Rowland	Retired Accountant
Experience	Board Member - 9 years
Special Responsibilities	Treasurer
J D Shepherd	Retired
Experience	Board Member - 2 years
Special Responsibilities	Vice President
D L Voltz	Retired
Experience	Board Member – 1 year

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Directors' Report

30 June 2010

4. Director Information continued

Meetings of Directors

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

	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
W J Allan	3	3	1	1
I E Allen	12	11	3	3
S Cselka	3	2	1	0
D G Dufty	12	10	3	3
R J Follers	3	3	1	1
J G Frederiksen	12	10	3	3
G R Gates	3	3	1	1
M Gilhooly	12	12	3	3
A B Pedder	10	9	3	2
D W Pobje	12	12	3	2
H G Rowland	12	11	3	3
J D Shepherd	12	8	3	2
D L Voltz	10	8	3	2

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Directors' Report

30 June 2010

5. Real Property

The Club's core property at the end of the year consisted of the Clubhouse property and surrounding curtilage, the Club Flats, and the Club car park facilities. The non-core property consists solely of the property known as 17 McDonald Place, Evans Head, being the corner property subject to commercial lease to the proprietor of the Pizza shop.

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

Director:

D W Pobje - President

Director:

D G Dufty - Vice President

Dated 27 July 2010

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Independent Audit Report to the members of Woodburn - Evans Head R.S.L. Club Limited

Report on the Financial Report

We have audited the accompanying financial report of Woodburn - Evans Head R.S.L. Club Limited, which comprises the consolidated balance sheet as at 30 June 2010, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year ended that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the Woodburn - Evans Head R.S.L. Club Limited and the entities it controlled at the year's end or from time to time during the financial year.

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. In Note 1, the directors also state, in accordance with Accounting Standard 101 Presentation of Financial Statements, that the financial statements comply 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation 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.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Independent Audit Report to the members of Woodburn - Evans Head R.S.L. Club Limited

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Woodburn - Evans Head R.S.L. Club Limited on 27 July 2010, 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 Woodburn - Evans Head R.S.L. Club Limited and Woodburn – Evans Head R.S.L. Club Limited and Controlled Entities 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 2010 and of its 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.

The financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

Wappett & Partners
Chartered Accountants

Graham J Smith

Lismore

27 July 2010

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 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.

Wappetts & Partners
Chartered Accountants

Graham J Smith

27 July 2010

Lismore

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Director's Declaration

For the Year Ended 30 June 2010

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 Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the company and consolidated group.
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.

Director
D W Pobje - President

Director
D G Dufty - Vice President

Dated 27 July 2010

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Bar Trading		
Sales		
Bar Sales	929,407	937,154
Less: cost of goods sold		
Opening Stock	68,366	54,264
Spirits	51,636	85,199
Packaged Beer	90,983	122,817
Wine	30,545	30,997
Kegs	200,765	199,838
Cordials	50,791	52,183
Miscellaneous	1,679	1,366
Sundry Purchases	-	1,611
	<hr/>	<hr/>
	494,765	548,275
Closing Stock	51,646	68,366
	<hr/>	<hr/>
Total cost of goods sold	443,119	479,909
	<hr/>	<hr/>
Gross profit	486,288	457,245
	<hr/>	<hr/>
Gross profit %age	52.32%	48.79%
Less: direct expenses		
Bar Maintenance & Replacements	1,031	2,986
Bar Wastage	2,850	450
Wages - Stewards	224,034	242,472
Wages - Cellarman	22,364	20,670
	<hr/>	<hr/>
Total direct expenses	250,279	266,578
	<hr/>	<hr/>
Gross profit/(loss)	236,009	190,667
	<hr/>	<hr/>
Tobacco & Sundries Trading		
Tobacco & Sundries Sales	3,624	2,480
Less: cost of goods sold		
Opening Stock	520	717
Purchases	-	-
	<hr/>	<hr/>
	520	717
Closing Stock	-	582
	<hr/>	<hr/>
Total cost of goods sold	520	135
	<hr/>	<hr/>
Gross profit (loss)	3,104	2,345
	<hr/>	<hr/>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Catering Trading		
Bistro	541,580	580,240
Less: cost of goods sold		
Opening Stock	10,717	9,610
Bistro Purchases	278,613	296,342
	<hr/>	<hr/>
Closing Stock	289,330	305,952
	10,697	10,717
	<hr/>	<hr/>
Total cost of goods sold	278,633	295,235
	<hr/>	<hr/>
Gross profit (loss)	262,947	285,005
	<hr/>	<hr/>
Less: direct expenses		
Wages - Catering	331,830	342,315
	<hr/>	<hr/>
Total direct expenses	331,830	342,315
	<hr/>	<hr/>
Gross profit/(loss) from trading	(68,883)	(57,310)
	<hr/>	<hr/>
Keno Trading		
Keno Commissions Received	54,483	56,770
Less: direct expenses		
Keno Stationery	540	540
Promotional Expenses	-	7
Repairs, Maintenance & Stationery	1,730	1,166
Wages - Keno	19,871	23,132
	<hr/>	<hr/>
Total direct expenses	22,141	24,845
	<hr/>	<hr/>
Gross profit/(loss) from trading	32,342	31,925
	<hr/>	<hr/>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Tab Trading		
TAB Commissions	12,368	10,534
Less: direct expenses		
Depreciation TAB Fixtures	878	1,122
Giddy Up Racing	4,680	4,290
Sky Channel Rental	15,345	16,057
Total direct expenses	<u>20,903</u>	<u>21,469</u>
Gross profit/(loss) from trading	<u>(8,535)</u>	<u>(10,935)</u>
Poker Machine Trading		
Poker Machine Revenue	1,535,375	1,719,349
Poker Machine GST Compensation	17,180	17,180
	<u>1,552,555</u>	<u>1,736,529</u>
Less: direct expenses		
Depreciation - Poker Machines	106,082	77,719
Poker Machine Duty	220,337	268,029
Poker Machine Promotions	24,112	39,874
Repairs & Maintenance - Poker Machines	22,361	21,011
Central Monitoring Costs	25,122	24,692
Wages - Poker Machines	78,979	100,054
Total direct expenses	<u>476,993</u>	<u>531,379</u>
Gross profit/(loss)	<u>1,075,562</u>	<u>1,205,150</u>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Club's Residential Holiday Flats		
Income Received		
Rent Received	61,606	42,951
	<hr/>	<hr/>
	42,951	42,951
Less: Expenses		
Cleaning	11,679	9,902
Electricity	4,579	3,525
Rates	19,033	13,367
Repairs & Maintenance	705	7,739
	<hr/>	<hr/>
	35,996	34,533
	<hr/>	<hr/>
Net rental income (loss)	25,610	8,418
	<hr/>	<hr/>
 Corner Rental Property		
Income Received		
Rent Received - House	9,180	9,360
Rent Received - Shop	12,460	11,700
	<hr/>	<hr/>
	21,640	21,060
Less: Expenses		
Borrowing Costs	-	447
Interest	-	14,400
Rates	6,845	5,138
	<hr/>	<hr/>
	6,845	19,985
	<hr/>	<hr/>
Net rental income (loss)	14,795	1,075
	<hr/>	<hr/>
Total rental income (loss)	31,336	9,493
	<hr/>	<hr/>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Income		
Income from Bar Trading	236,007	190,668
Income from Tobacco & Sundries Trading	3,104	2,345
Income from Catering Trading	(68,883)	(57,310)
Income from Keno Trading	32,342	31,925
Income from TAB Trading	(18,535)	(10,935)
Income from Poker Machine Trading	1,075,562	1,205,150
Entertainment	129,185	117,934
Insurance Claims Received	-	2,712
Members Subscriptions	23,763	26,202
Raffles	80,866	83,200
Multiscreen Advertising Income	2,453	1,696
Sundry Income	15,774	12,345
Interest Received	5,366	25,683
Rent Received	3,970	3,552
Profit on Sale of Non-current Assets	59,067	48,166
Net rental profit (loss)	31,336	9,493
	1,621,377	1,692,826
Expenditure		
Advertising, Printing & Stationery	65,368	57,465
Amortisation of Leased Assets	2,900	2,900
Audit & Accountancy Fees	42,415	46,014
Bank Charges	4,668	4,309
Bonus Points Club Expenses	78,126	121,460
Borrowing Expenses	83	-
Cleaning	25,523	28,079
Consultants Fees	1,500	-
Depreciation - Plant, Fixtures & Equipment	65,699	67,869
Depreciation - Buildings	35,466	33,979
Duty Committee Expenses	6,499	14,470
Donations	31,269	29,814
Entertainment	340,235	307,020
Electricity	110,157	97,117
Freight and Cartage	3,788	3,656
Gas	17,509	14,291
Honorariums	5,700	7,600
Insurance	64,993	68,861
Finance Lease Charges	16,986	1,880
Legal Costs	7,946	2,106
Loss on Sale of Non-current Assets	7,012	-
Mortality Fund	2,500	3,250
Payroll Tax	31,125	35,346
Presidents Allowance	4,200	4,200
Provision for Annual, L.S.L. and Sick Leave	73,201	48,121
Provision for Unclaimed Bonus Points	(2,844)	(9,754)
Raffle Expenses	72,971	72,273
Rates	36,931	35,887
Registration & Licences	14,342	11,429
Rent	3,720	3,720
Repairs & Maintenance	68,181	89,133
Salaries & Wages	373,342	341,652

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Detailed Trading & Income Statements

For the Year Ended 30 June 2010

	2010 \$	2009 \$
Security Service	8,828	5,610
Staff Training & Seminars	15,457	3,608
Staff Uniforms	5,462	12,066
Sundry Expenses	2,146	3,760
Superannuation Expenses	95,502	98,701
Superstation Rental	12,190	11,434
Telephone	9,516	11,807
Travelling & Accommodation	4,752	6,120
Total expenses	<u>1,765,364</u>	<u>1,697,253</u>
Operating profit for the period	<u>(143,987)</u>	<u>(4,427)</u>
Less: Income Tax Expense/(Benefit)	<u>(26,276)</u>	<u>(22,080)</u>
Operating profit after income tax for the period	<u>(117,710)</u>	<u>17,656</u>

River Sands Lodge Pty Ltd

A.C.N. 120 724 469

Detailed Profit and Loss Statement

For the Year Ended 30 June 2010

Income		
Interest Received	<u>1</u>	<u>1</u>
		1
Expenditure		
Accountancy Fees	1,680	2,750
Advertising	1,123	-
Bank Charges	157	156
Filing Fees	212	212
	<u>3,172</u>	<u>3,118</u>
Operating profit/(loss) for the Year	<u>(3,171)</u>	<u>(3,117)</u>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Consolidated Comprehensive Income Statement

For the Year Ended 30 June 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Sales revenue		3,347,528	3,567,425	3,347,528	3,567,425
Cost of sales		(1,095,916)	(1,212,554)	(1,095,916)	(1,212,554)
Gross profit		2,251,612	2,354,871	2,251,612	2,354,871
Other income		107,041	140,574	107,040	140,573
Marketing expenses		(65,295)	(57,352)	(64,320)	(57,352)
Occupancy expenses		(45,759)	(41,497)	(45,759)	(41,497)
Administrative expenses		(1,652,333)	(1,671,074)	(1,650,284)	(1,667,956)
Finance costs		(17,069)	(1,880)	(17,069)	(1,880)
Other expenses		(725,207)	(731,183)	(725,207)	(731,183)
Profit before income tax		(147,010)	(7,541)	(143,987)	(4,424)
Income tax expense		26,276	22,080	26,276	22,080
Profit for the year		(120,734)	14,539	(117,711)	17,656
Profit attributable to minority equity interest		1,512	1,559	-	-
Profit attributable to members		(119,222)	16,098	(117,711)	17,656

The accompanying notes form part of these financial statements.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Consolidated Balance Sheet

As At 30 June 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
ASSETS					
Current assets					
Cash and cash equivalents	5	279,615	392,129	269,235	378,725
Trade and other receivables	6	6,990	12,249	7,484	12,248
Inventories	7	69,502	86,649	69,502	86,649
Financial assets	8	10	10	10	10
Other assets	9	42,772	38,876	42,772	38,876
Total current assets		398,889	529,913	389,003	516,508
Non-current assets					
Financial assets	8	-	-	131,051	131,051
Property, plant and equipment	10	2,197,859	1,786,652	1,954,359	1,543,152
Investment property	11	1,250,868	1,252,820	1,250,868	1,252,820
Deferred tax assets	4	79,349	53,072	79,349	53,072
Other assets	9	667	-	667	-
Total non-current assets		3,528,743	3,092,544	3,416,294	2,980,095
TOTAL ASSETS		3,927,632	3,622,457	3,805,297	3,496,603
LIABILITIES					
Current liabilities					
Trade and other payables	13	231,107	224,187	231,107	223,692
Financial liabilities (short term)	14	136,820	2,623	136,820	2,623
Current tax liabilities	12	-	(14,472)	-	(14,472)
Short-term provisions	15	94,236	83,514	94,236	92,054
Total current liabilities		462,163	295,852	462,163	303,897
Non-current liabilities					
Financial liabilities (long term)	14	265,974	8,282	265,974	8,282
Other long-term provisions	15	61,641	59,733	61,641	51,194
Total non-current liabilities		327,615	68,015	327,615	59,476
TOTAL LIABILITIES		789,778	363,867	789,778	363,373
NET ASSETS		3,137,854	3,258,590	3,015,519	3,133,230
EQUITY					
Retained earnings		3,011,162	3,130,383	3,015,519	3,133,229
Parent interest		3,011,162	3,130,383	3,015,519	3,133,229
Minority equity interest		126,692	128,204	-	-
TOTAL EQUITY		3,137,854	3,258,587	3,015,519	3,133,229

The accompanying notes form part of these financial statements.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2010

2010	Note	Parent	
		Retained Earnings \$	Total \$
Balance at 1 July 2009		3,133,229	3,133,229
Profit attributable to members		(117,711)	(117,711)
Transfers to and from reserves			
Sub-total		(117,711)	(117,711)
Balance at 30 June 2010		3,015,518	3,015,518

2009	Note	Parent	
		Retained Earnings \$	Total \$
Balance at 1 July 2008		3,115,573	3,115,573
Profit attributable to members		17,656	17,656
Transfers to and from reserves			
Sub-total		17,656	17,656
Balance at 30 June 2009		3,133,229	3,133,229

2010	Note	Consolidated		
		Retained Earnings \$	Minority Equity Interests \$	Total \$
Balance at 1 July 2009		3,130,384	128,204	3,258,588
Profit attributable to members		(119,222)	-	(119,222)
Profit attributable to minority shareholders		-	(1,512)	(1,512)
Transfers to and from reserves				
Sub-total		(119,222)	(1,512)	(120,734)
Balance at 30 June 2010		3,011,162	126,692	3,137,854

2009	Note	Consolidated		
		Retained Earnings \$	Minority Equity Interests \$	Total \$
Balance at 1 July 2008		3,114,286	129,763	3,244,049
Profit attributable to members		16,098	-	16,098
Profit attributable to minority shareholders		-	(1,559)	(1,559)
Transfers to and from reserves				
Sub-total		16,098	(1,559)	14,539
Balance at 30 June 2009		3,130,384	128,204	3,258,588

The accompanying notes form part of these financial statements.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Consolidated Cash Flow Statement

For the Year Ended 30 June 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Cash from operating activities:					
Receipts from customers		3,394,898	3,633,138	3,394,898	3,633,138
Payments to suppliers and employees		(3,333,928)	(3,608,724)	(3,330,904)	(3,605,633)
Interest received		5,367	26,468	5,366	26,467
Interest paid		(16,986)	(16,280)	(16,986)	(16,280)
Income taxes paid		14,472	(14,472)	14,472	(14,472)
Net cash provided by (used in) operating activities		63,823	20,130	66,846	23,220
Cash flows from investing activities:					
Proceeds from sale of plant and equipment		64,350	60,650	64,350	60,650
Acquisition of property, plant and equipment		(632,575)	(268,260)	(632,575)	(286,260)
Net cash provided by (used in) investing activities		(568,225)	(225,610)	(568,225)	(225,610)
Cash flows from financing activities:					
Repayment of borrowings		(48,111)	(328,911)	(48,111)	(328,911)
Proceeds of borrowings		440,000	-	440,000	-
Net cash provided by (used in) financing activities		391,889	(328,911)	391,889	(328,911)
Other activities:					
Net increase (decreases) in cash held		(112,513)	(534,391)	(109,490)	(531,301)
Cash at beginning of financial year		392,129	926,520	378,726	910,027
Cash at end of financial year		279,616	392,129	269,236	378,726

The accompanying notes form part of these financial statements.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the consolidated group of Woodburn - Evans Head R.S.L. Club Limited and controlled entities, and Woodburn - Evans Head R.S.L. Club Limited as an individual parent entity. Woodburn - Evans Head R.S.L. Club Limited is a public company, incorporated and domiciled in Australia.

The financial report of Woodburn - Evans Head R.S.L. Club Limited and controlled entities, and Woodburn - Evans Head R.S.L. Club Limited as an individual parent entity comply with International Financial Reporting Standards (IFRS).

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

(b) Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(c) Basis of consolidation

A list of controlled entities is contained in Note 17 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

A controlled entity is an entity that Woodburn - Evans Head R.S.L. Club Limited has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

Non controlling interests, being the equity in a subsidiary not attributable to a parent, are shown separately within the Equity section of the Consolidated Balance Sheet and Consolidated Income Statement. The non controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(d) Income taxes

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

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(d) Income taxes

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the consolidated income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value using the first in first out method of assigning costs. Inventories on hand consist of beer, wines, spirits, cordials, cigarettes, food and other items purchased for resale.

(f) 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 measured on a cost basis, less subsequent depreciation charges for buildings.

Investment property, comprising club flats and commercial premises, is held to generate long-term rental yields and capital growth. All tenant leases are on an arms length basis. Investment property is carried at cost, with depreciation charged to the income statement annually. Depreciation is charged on a straight-line basis over a period of up to 50 years.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(f) Property, plant and equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis over their useful lives to the Group 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:

Class of Fixed Asset

Buildings	2% to 5%
Plant and Equipment	10% to 40%
Leased plant and equipment	25%
Furniture, Fixtures and Fittings	10% to 30%

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

(g) Leases in financial statements of lessees

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a finance lease. At the inception of a finance lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Assets recorded under finance leases are amortised on a straight-line basis over the term of the lease that is the estimated useful lives of the assets. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred.

(h) Financial Instruments

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the consolidated income statement in the period in which they arise.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(h) Financial Instruments continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Any held-to-maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the consolidated income statement.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(i) Impairment of assets

The company monitors the recoverability of assets, based on factors such as current market value, future asset utilisation, business climate and future undiscounted cash flows expected to result from the use of the related assets. The public company's policy is to record an impairment loss in the period when it is determined that the carrying amount of the asset may not be recoverable. The impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the undiscounted estimate of future cash flows from the asset. To 30 June 2010, no impairment losses have been recorded.

(j) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(l) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated balance sheet.

(m) Revenue

Revenue from the sale of goods is recognised upon 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 investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Dividends revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of services is recognised upon delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(n) Goods and Services Tax (GST)

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 Taxation 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 consolidated balance sheet are shown inclusive of GST.

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

(o) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical accounting estimates and judgments

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 based on current trends and economic data, obtained both externally and within the group.

Key estimates - Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group 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.

No impairment has been recognised in respect of the investment in the motel development for the year ended 30 June 2010. Should the development application lapse prior to construction of the motel commencing, an impairment loss would be recognised up to the maximum carrying value of the costs at 30 June 2010 amounting to \$243,500.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

2 Revenue

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Sales revenue					
- sale of goods		1,474,611	1,519,874	1,474,611	1,519,874
- services revenue		1,804,545	2,017,798	1,804,545	2,017,798
- Rental income		83,246	64,011	83,246	64,011
- interest received		5,367	25,685	5,366	25,683
- member subscriptions		23,763	26,202	23,763	26,202
Total Revenue		3,391,532	3,653,570	3,391,531	3,653,568

		Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Interest revenue from:					
bank		5,367	25,685	5,366	25,683
Total interest revenue		5,367	25,685	5,366	25,683

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

3 Profit from Ordinary Activities

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
The following significant expense items are relevant in explaining the financial performance:				
Cost of sales	1,095,916	1,212,554	1,095,914	1,212,554
Employee costs	1,285,417	1,281,129	1,285,417	1,281,129
Electricity	110,157	97,117	110,157	97,117
Insurance	64,993	68,861	64,993	68,861
Repairs and maintenance	68,181	89,133	68,181	89,133
Advertising	66,343	57,352	65,368	57,352
Assessment rates & municipal charges	36,931	35,887	36,931	35,887
Consulting and professional fees	9,446	2,106	9,446	2,106
Donations	31,269	29,814	31,269	29,814
Entertainment	496,328	506,084	496,328	506,084
Depreciation, amortisation and impairments	211,025	183,589	211,025	183,589

4 Income tax expense

(a) The components of tax expense comprise:

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Recoupment of prior year tax losses		(30,060)	(9,000)	(30,060)	(9,000)
Other deferred tax		3,784	(13,080)	3,784	(13,080)
		(26,276)	(22,080)	(26,276)	(22,080)

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2009: 30%)				
- economic entity	(44,103)	(2,262)	-	-
- parent entity	-	-	(43,196)	(1,327)
	(44,103)	(2,262)	(43,196)	(1,327)

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

4 Income tax expense continued

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows: continued

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Add:				
Tax effect of:				
- other non-allowable items	24,077	(20,063)	23,170	(20,998)
	(20,026)	(22,325)	(20,026)	(22,325)
Less:				
Tax effect of:				
- non-taxable member income arising from principle of mutuality	3,784	1,412	3,784	1,412
- change in non-member proportion of income for mutuality principle	2,466	(1,657)	2,466	(1,657)
Income tax attributable to parent entity	(26,276)	(22,080)	(26,276)	(22,080)
Income tax attributable to entity	(26,276)	(22,080)	(26,276)	(22,080)
The applicable weighted average effective tax rates are as follows:	(18)%	(293)%	(18)%	(498)%

The decrease in the weighted average effective consolidated tax rate for 2010 is a result of a decrease in the proportion of income attributed to non-members. A small change in the percentage of non-member income can have significant changes in the average effective tax rates.

5 Cash and cash equivalents

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Cash on hand	105,501	116,020	105,401	115,920
Cash at bank	80,290	178,374	70,009	165,070
Short-term bank deposits	68,208	65,425	68,208	65,425
Other cash and cash equivalents	25,617	32,310	25,617	32,310
	279,616	392,129	269,235	378,725

The effective interest rate of short-term bank deposits was 5.40% (2009: 3.75%); these deposits have an average maturity of 90 days.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

5 Cash and cash equivalents continued

Reconciliation of Cash

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:					
Cash and cash equivalents		279,616	392,127	269,236	378,724
		279,616	392,127	269,236	378,724

6 Trade and other receivables

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CURRENT					
Sales tax (receivable)		1	1	-	-
Other receivables		6,989	12,248	7,484	12,248
		6,990	12,249	7,484	12,248

7 Inventories

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CURRENT					
At Cost					
Stock on Hand		69,502	86,649	69,502	86,649
		69,502	86,649	69,502	86,649

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

8 Other financial assets designated at fair value

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Available for sale financial assets	8(a)	-	-	131,051	131,051
Held-to-maturity financial assets	8(b)	10	10	10	10
		10	10	131,061	131,061
Less non-current portion		-	-	(131,051)	(131,051)
Current portion		10	10	10	10

(a) Available-for-sale Financials Assets Comprise

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Unlisted investments, at cost shares in controlled entities	-	-	131,051	131,051
	-	-	131,051	131,051
Total available-for-sale financial assets	-	-	131,051	131,051

Available-for-sale financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost. Management has determined that the estimate of total consolidated fair values for unlisted investments would approximate their cost as at 30 June 2010. Unlisted available-for-sale financial assets exist within active markets and could be disposed of if required.

(b) Held-to-maturity Investments Comprise:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Other financial assets - current	10	10	10	10
	10	10	10	10

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

9 Other Assets

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Prepayments	42,772	38,876	42,772	38,876
	42,772	38,876	42,772	38,876
NON-CURRENT				
Prepayments	667	-	667	-
	667	-	667	-

10 Property, plant and equipment

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
LAND AND BUILDINGS				
Land & Buildings				
At Cost	1,516,490	1,508,744	1,516,490	1,508,744
Less accumulated depreciation	(582,174)	(548,660)	(582,174)	(548,660)
Total Land & Buildings	934,316	960,084	934,316	960,084
Total Land and Buildings	934,316	960,084	934,316	960,084
PLANT AND EQUIPMENT				
Capital works in progress				
At Cost	243,500	243,500	-	-
Total capital works in progress	243,500	243,500	-	-
Plant and equipment				
At Cost	1,430,168	1,331,011	1,430,168	1,331,011
Less accumulated depreciation	(1,103,123)	(1,047,682)	(1,103,123)	(1,047,682)
Total plant and equipment	327,045	283,329	327,045	283,329
Leased plant and equipment				
At Cost	14,500	14,500	14,500	14,500
Less accumulated depreciation	(7,380)	(4,480)	(7,380)	(4,480)
Total leased plant and equipment	7,120	10,020	7,120	10,020
Furniture, fixture and fittings				
At Cost	375,551	360,734	375,551	360,734
Less accumulated depreciation	(311,498)	(301,876)	(311,498)	(301,876)
Total furniture, fixture and fittings	64,053	58,858	64,053	58,858
Poker machines				
At Cost	1,345,409	970,679	1,345,409	970,679
Less accumulated depreciation	(723,588)	(739,817)	(723,588)	(739,817)
Total poker machines	621,821	230,862	621,821	230,862

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

10 Property, plant and equipment continued

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Total plant and equipment	1,263,539	826,569	1,020,039	583,069
Total property, plant and equipment	2,197,855	1,786,653	1,954,355	1,543,153

The group's land and buildings were revalued at 30 April 2008 by independent valuers, AON Valuation Services. Valuations were made on the basis of open market value. The group has not recognised the revaluation increment as its accounting policy has been to record assets at their historical costs, net of any

accumulated depreciation and impairment charges. The market value declared in the valuation report for clubhouse land and buildings was \$5,610,000. This figure excludes the values attributed to investment properties.

(a) Movements in Carrying Amounts

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

Parent

	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$
Current Year					
Balance at the beginning of year	960,084	293,349	58,857	230,862	1,543,152
Additions	7,746	99,157	14,818	509,336	631,057
Disposals	-	-	-	(12,295)	(12,295)
Depreciation expense	(33,514)	(58,341)	(9,622)	(106,082)	(207,559)
Carrying amount at the end of year	934,316	334,165	64,053	621,821	1,954,355
Prior Year					
Balance at the beginning of year	850,501	326,800	78,599	196,511	1,452,411
Additions	141,657	28,182	-	114,970	284,809
Disposals	-	(9,583)	-	(2,900)	(12,483)
Depreciation expense	(32,074)	(52,050)	(19,742)	(77,719)	(181,585)
Carrying amount at the end of year	960,084	293,349	58,857	230,862	1,543,152

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

10 Property, plant and equipment continued

(a) Movements in Carrying Amounts continued

Consolidated

	Capital Works in Progress	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$
Current Year						
Balance at the beginning of year						
	243,500	960,084	293,349	58,857	230,862	1,786,652
Additions	-	7,746	99,157	14,818	509,336	631,057
Disposals	-	-	-	-	(12,295)	(12,295)
Depreciation expense	-	(33,514)	(58,341)	(9,622)	(106,082)	(207,559)
Carrying amount at the end of year	243,500	934,316	334,165	64,053	621,821	2,197,855
Prior Year						
Balance at the beginning of year						
	243,500	850,501	28,182	78,599	196,511	1,695,911
Additions	-	141,657	88,109	-	114,970	284,809
Disposals	-	-	(9,583)	-	(2,900)	(12,483)
Depreciation expense	-	(32,074)	(52,050)	(19,742)	(77,719)	(181,585)
Carrying amount at the end of year	243,500	960,084	293,349	58,857	230,862	1,786,652

11 Investment property (Cost model)

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Balance at beginning of year	1,252,820	1,253,376	1,252,820	1,253,376
Additions resulting from capitalised subsequent expenditure	-	1,349	-	1,349
Depreciation	(1,952)	(1,905)	(1,952)	(1,905)
Balance at end of year	1,250,868	1,252,820	1,250,868	1,252,820

The cost model is applied to all investment property. Freehold land is recorded at its initial cost, inclusive of acquisition costs. Buildings are depreciated on a straight-line basis over their estimated useful lives. The directors review the carrying amount of the investment properties annually to ensure the carrying amount is not in excess of the recoverable amount. The group's investment properties were revalued at 30 April 2008 by independent valuers, AON Valuation Services. The group has not recognised the revaluation increment as it has adopted the cost model in accounting for investment properties. The market value declared in the report is \$2,510,000. This figure excludes the value of land and buildings reported as Property, plant and equipment.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

12 Tax

(a) Liabilities

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CURRENT					
Income tax		-	(14,472)	-	(14,472)
		-	(14,472)	-	(14,472)

(b) Assets

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
NON-CURRENT					
Deferred tax assets comprise:					
Accelerated capital allowances for tax purposes		13,293	16,993	13,293	16,993
Provisions		6,907	7,052	6,907	7,052
Tax losses available for set off against future taxable income		58,460	28,399	58,460	28,399
Other deferred tax		689	628	689	628
		79,349	53,072	79,349	53,072

(c) Reconciliations

(i) Gross Movements

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
The overall movement in the deferred tax account is as follows:					
Opening balance		53,072	30,992	53,072	30,992
Credited to the income statement		26,277	22,080	26,277	22,080
Closing balance		79,349	53,072	79,349	53,072

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

(ii) Deferred Tax Assets

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
The movement in deferred tax assets for each temporary difference during the year is as follows:					
Accelerated capital allowances:					
Opening balance		16,993	17,382	16,993	17,382
Credited to the income statement		(3,700)	(689)	(3,700)	(689)
Closing balance		13,293	16,993	13,293	16,993
Provisions:					
Opening balance		7,052	9,949	7,052	9,949
Credited to the income statement		(145)	(2,897)	(145)	(2,897)
Closing balance		6,907	7,052	6,907	7,052
Tax losses:					
Opening balance		28,399	3,094	28,399	3,094
Credited to the income statement		30,061	25,305	30,061	25,305
Closing balance		58,460	28,399	58,460	28,399
Other:					
Opening balance		628	567	628	567
Credited to the income statement		61	61	61	61
Closing balance		689	628	689	628

13 Trade and other payables

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Trade payables	170,119	163,960	170,119	163,465
Amounts received in advance	17,946	12,702	17,946	12,702
Accrued expense	43,042	47,525	43,042	47,525
	231,107	224,187	231,107	223,692

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

14 Borrowings

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CURRENT					
Unsecured liabilities					
Secured liabilities					
Finance lease obligation		3,059	2,623	3,059	2,623
Bank loans		133,761	-	133,761	-
		136,820	2,623	136,820	2,623
		136,820	2,623	136,820	2,623
NON-CURRENT					
Unsecured liabilities					
Secured liabilities					
Finance lease obligation		5,223	8,282	5,223	8,282
Bank loans		260,751	-	260,751	-
		265,974	8,282	265,974	8,282
		265,974	8,282	265,974	8,282

(a) Total current and non-current secured liabilities

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Bank Loans	394,512	-	394,512	-
Finance lease obligations	8,282	10,905	8,282	10,905
	402,794	10,905	402,794	10,905

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

14 Borrowings continued

(b) The carrying amounts of non-current assets pledged as security are:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
First mortgage over freehold land and buildings	365,844	735,830	365,844	735,830
Leased plant and equipment	7,120	10,020	7,120	10,020
	372,964	10,020	372,964	10,020

15 Provisions

Parent

	Employee entitlements	Other provisions	Total
	\$	\$	\$
Opening balance at 1 July 2009	110,927	32,320	143,247
Additional provisions	77,550	-	77,550
Amounts used	(57,727)	(7,193)	(64,920)
Balance at 30 June 2010	130,750	25,127	155,877

Consolidated

	Employee entitlements	Other provisions	Total
	\$	\$	\$
Opening balance at 1 July 2009	110,927	32,320	143,247
Additional provisions	77,550	-	77,550
Amounts used	(57,727)	(7,193)	(64,920)
Balance at 30 June 2010	130,750	25,127	155,877

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

15 Provisions continued

Analysis of Total Provisions

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Current	94,236	83,514	94,236	83,514
Non-current	61,641	59,733	61,641	59,733
	155,877	143,247	155,877	143,247

16 Member's Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 2 each towards any outstanding obligations of the company. At 30 June 2010 the number of members was 2,832 (2009: 2,819).

17 Controlled Entities

Name	Country of incorporation	Percentage Owned	Percentage Owned
		2010	2009
Parent Entity:			
Woodburn - Evans Head R.S.L. Club Limited	Aus		
Ultimate Parent Entity			
Subsidiaries of parent entity:			
River Sands Lodge Pty Ltd	Aus	50.00	50.00

The parent entity originally acquired a 51% interest in River Sands Lodge Pty Ltd. The company has recently completed a development application to construct a motel development on land owned by the parent entity. Subsequent share allotments have been made on an equal basis between the parent entity and the other minority shareholder in the company.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

18 Contingent Liabilities

Estimates of the potential financial effect of contingent liabilities that may become payable:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Contingent Liabilities				
Bank Guarantee				
The company's bankers have issued a bank guarantee in favour of TAB Ltd. The bank holds \$5,000 of the short term deposits as security for the guarantee	5,000	5,000	5,000	5,000
Mortality Fund				
The company pays a mortality benefit of \$250 to eligible members upon their death. The potential maximum benefit payable to members is:	85,750	96,500	85,750	96,500

19 Key Management Personnel Compensation

(a) Key Management Personnel Compensation

	Cash, salary & commissions	Non-cash Benefits	Post employment benefits	Total
			Superannuation	
	\$	\$	\$	\$
2010				
Compensation Paid	162,160	6,499	13,702	182,361
2009				
Compensation Paid	284,717	10,834	19,855	315,406

20 Auditors' Remuneration

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	15,300	14,500	15,300	14,500
- Quarterly accounting services	27,180	23,400	25,500	23,400
- Other services	1,615	10,850	1,615	8,100

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

21 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Net income/loss for the period	(119,222)	16,097	(117,711)	17,656
Cash flows excluded from profit attributable to operating activities				
Non-cash flows in profit				
Amortisation	2,900	2,900	2,900	2,900
Depreciation	208,125	180,689	208,125	180,689
Amounts set aside to provisions	70,357	38,367	70,357	38,367
Net gain/(loss) on disposal of fixed assets	(52,055)	(48,166)	(52,055)	(48,166)
Share of joint venture entity net profit after income tax and dividends	(1,512)	(1,559)	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term receivables	5,259	(1,061)	4,764	(1,089)
(Increase)/decrease in prepayments	(4,563)	(9,253)	(4,563)	(9,253)
(Increase)/decrease in inventories	17,147	(13,910)	17,147	(13,910)
Increase/(decrease) in trade payables and accruals	6,920	1,786	7,415	1,786
Increase/(decrease) in income taxes payable	14,472	(14,472)	14,472	(14,472)
Increase/(decrease) in deferred taxes payable	(26,277)	(22,080)	(26,277)	(22,080)
Increase/(decrease) in provisions	(57,728)	(109,208)	(57,728)	(109,208)
	63,823	20,130	66,846	23,220

(b) Credit Standby Arrangements with Banks

Credit facility	110,000	110,000	110,000	110,000
	110,000	110,000	110,000	110,000

Bank overdraft facilities have been arranged with the Summerland Credit Union with the standard general terms and conditions applicable to overdraft facilities.

Interest rates are variable and subject to adjustment.

Summerland Credit Union holds a registered first mortgage over the property at 17 McDonald Place, Evans Head as security for the overdraft facility.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

22 Related party transactions

(a) Detailed table

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Purchases of goods:				
WJ & JP Allan Plumbing - a director related entity	2,510	1,000	2,510	1,000
Total	2,510	1,000	2,510	1,000
Purchases of services:				
S & TC Cselka - a director related entity	1,200	1,400	1,200	1,400
Total	1,200	1,400	1,200	1,400

From time to time, the directors of the company, or director related entities, may purchase/supply goods and services from/to the company. These transactions between related parties are on normal commercial terms and conditions no more favourable than those entered into by other company employees, members, customers or suppliers.

23 Capital and Leasing Commitments

(a) Finance Lease Commitments

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Payable - minimum lease payments					
- no later than 12 months		177,135	4,129	177,135	4,129
- between 12 months and 5 years		294,194	9,979	294,194	9,979
Minimum lease payments		471,329	14,108	471,329	14,108
Less future finance changes		(68,535)	(3,203)	(68,535)	(3,203)
Present value of minimum lease payments	14	402,794	10,905	402,794	10,905

The finance lease commenced in December 2007 to fund the purchase of the Club's multiscreen billboard system. The lease is for a period of five years from Capital Finance with payments made monthly in advance. The original amount financed under the lease was \$14,500.

Equipment finance was obtained in March 2010 to fund the purchase of the Club's Ticket in Ticket Out (TITO) system. The finance is for a period of three years from Bank of Queensland with payments made monthly in advance. The original amount financed under the agreement was \$440,000.

(b) Capital Commitments

Capital Expenditure Projects (Payable less than 1 year)	34,033	-	34,033	-
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Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

24 Financial instruments

(i) Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, credit risk and liquidity risk.

Interest rate risk

Interest rate risk is managed with fixed rate debt. At 30 June 2010, 100% of the Group's debt is fixed. It is the policy of the Group to monitor fixed interest rates and determine at the relevant time how much of the debt will be fixed. For further details on interest rate risk refer to the table below.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash is held in bank deposits and short-term deposits, and unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated balance sheet and notes to the financial statements.

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

24 Financial instruments continued

(ii) Financial instrument composition and maturity analysis

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

	Weighted		Floating Interest		Maturing within 1		Maturing 1 to 5		Maturing over 5		Non-interest		Total	
	Average Effective		Rate		Year		Years		Years		Bearing			
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:														
Cash and cash equivalents	0.75	0.91	70,009	165,070	-	-	-	-	-	-	-	-	70,009	165,070
Short term deposits	5.40	3.75	-	-	68,208	65,425	-	-	-	-	-	-	68,208	65,425
Receivables	-	-	-	-	-	-	-	-	-	-	6,990	12,249	6,990	12,249
Total Financial Assets			70,009	165,070	68,208	65,425	-	-	-	-	6,990	12,249	145,207	242,744
Financial Liabilities:														
Bank loans and overdrafts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and sundry payables	-	-	-	-	-	-	-	-	-	-	231,107	224,187	231,107	224,187
Lease liabilities	13.60	15.47	-	-	-	-	402,794	10,905	-	-	-	-	402,794	10,905
Total Financial Liabilities			-	-	-	-	402,794	10,905	-	-	231,107	224,187	633,901	235,092

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

24 Financial instruments continued

(iii) Net fair values

The net fair values of:

- Term receivables and fixed interest securities are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.
- Listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.
- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings to their present value.
- Other assets and other liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps.

Financial assets where the carrying amount exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

(iv) Sensitivity Analysis

Interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Risk Sensitivity Analysis

At 30 June 2010, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Change in profit				
- Increase in rates by 2% (2009: 2%)	1,364	2,188	1,364	2,188
- Decrease in rates by 2% (2009: 2%)	(1,364)	(2,188)	(1,364)	(2,188)
Change in equity				
- Increase in rates by 2% (2009: 2%)	(1,364)	(2,188)	(1,364)	(2,188)
- Decrease in rates by 2% (2009: 2%)	1,364	2,188	1,364	2,188

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Notes to the Financial Statements

For the Year Ended 30 June 2010

25 Segment information

The Group operates in only one business segment being a licenced R.S.L. Club providing entertainment facilities to members and guests in the Northern Rivers area of New South Wales. The business operates solely from the one geographical location, being in Evans Head NSW.

26 Events after the end of the reporting period

There have been no events that have occurred after the balance sheet date which require adjustment or disclosure in the financial statements.

The financial report was authorised for issue on 27 July 2010 by the board of directors.

27 Change in Accounting Policy

There have been various amendments to Australian Accounting Standards, and new standards have been issued, that are applicable to the company but not yet effective. These standards have not been adopted in the preparation of the financial statements at reporting date, and are not expected to have a material impact on the reporting by the company.

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Donations Listing

For the Year Ended 30 June 2010

DONATIONS 2009-2010

AUSTRALIA'S BIGGEST MORNING TEA	50.00
AUSTRALIAN VOLUNTEER COAST GUARD	3,530.00
BROADWATER PUBLIC SCHOOL	78.00
DAFFODIL DAY	100.00
EVANS HEAD BOMBERS	7,500.00
EVANS HEAD FISHING CLASSIC	11,232.00
EVANS HEAD RAAF 70 TH ANNIVERSARY	400.00
EVANS HEAD SOCIAL GOLF CLUB	530.00
EVANS HEAD SOCIAL POOL CLUB	240.00
EVANS RIVER K12 SCHOOLS	1,600.00
G & K FLETCHER	400.00
HEART FOUNDATION	50.00
LAUREL CLUB	280.00
LEGACY	60.00
MID RICHMOND RETIREMENT VILLAGE	329.45
P McKENDRICK	100.00
PEDAL FOR PRESCHOOL	200.00
ST JOESPH'S SCHOOL WOODBURN	320.00
VIEW CLUB	20.00
WESTPAC RESCUE HELICOPTER	2,334.00
WOODBURN EVANS HEAD LADIES AUXILIARY	200.00
WOODBURN EVANS HEAD RSL SUB BRANCH	1,381.22
WOODBURN PUBLIC SCHOOL	334.00
TOTAL DONATIONS	<u>\$31,268.67</u>

Woodburn - Evans Head R.S.L. Club Limited

ABN 59 000 986 658

Deceased Members

For the Year Ended 30 June 2010

BEELITZ, MURRAY
BERTRAM, JOY
BLINKHORN, DONALD
BOLAND, KENNETH
BROWN, STEWART
CARRAL, WAYNE
CRAIN, MAXWELL
EJEA, MANUEL
ESGATE, BRIDGET
FILICIETTI, KEITH
FLATLEY, MARGARET
GILL, GORDON
HARRIS, GEORGE
JOHNSON, HERBERT
KEENAN, ETHEL
MACDONALD, ALAN
MACKNEY, DAPHNE
MACKNEY, HENRY
MALLET, BARRY
MCNAMARA, STANLEY
MOXON, BARRY
MURRAY, MALCOLM
PARKINSON, JACQUELYNE
PEPPER, VERLIE
ROBSON, FRANCIS
SAWATZKI, ANTHONY
SAWATZKI, DOROTHEA
SCOTT, WALLACE
SMITH, ARTHUR
WHITTLE, NOEL
WYNN, RAYMOND