



COROWA RSL CLUB LIMITED 2013 ANNUAL REPORT
Office Bearers

Mr Denis Ratcliff

President
Retired

Director since 2003

Mr Michael Wighton

General Manager

Mr Philip Scott

Vice President
Contractor
Director since 2003

Mr Laurence Dybing

Vice President
Retired
Director since 2008

Mr John Brennan

Treasurer
Retired
Director since 2008

Mr John Stam

Director
Retired
Director since 2008

Ms Jennifer Delany

Director
Business Operator
Director since 2009

Mr Frank Gee

Director
Business Operator
Director since 2010

PRESIDENT'S ANNUAL REPORT

Over the past few years I have been able to report to you that the Corowa RSL Club Ltd. has made a trading profit in times where many other clubs along the border and across the state have not been so fortunate. I am pleased to report that in 2013, we have again made a profit and for the first time, the result (before taxation) in excess of one million dollars.

The club, remains a major supporter and sponsor of Corowa and district sporting and community events and community organisations and programs to the value of \$169,860 during the reporting year. There is a full listing on the next page with over 50 organisations receiving cash or in kind donations from the Club. Albury Legacy, The Corowa HQ Brigade, Corowa Shire and Chiltern Tourism Committees, Amaranth Foundation and Wahgunyah Speedway Club are just to name a few.

Besides the donations we have made, we have also continued to be major sponsors for the Country Music Round-up, the Truck and Car Show, in conjunction with the Safety Expo, all of which continue to bring a great deal of tourists and money into our town.

We are very proud of our resolve to support local business by purchasing goods and services locally whenever possible, ensuring that the money spent by the community in our Club is returned to local business and families,

effectively injecting millions of dollars into the Corowa economy.

Our long awaited renovations have finally begun with the Zauner Construction Group (of Albury), being the successful tenderer. The work will take just over 26 weeks to complete and will make a great deal of difference to the appearance of the club. The work will see a new Bistro, Ground floor Auditorium, Foyer and the upstairs balcony of the Federation room.

Again, I would like to take this opportunity to thank our staff for their efforts during the year and for all they have provided to the members and the club, I also commend our CEO, Michael Wighton and his team for their professional attitude towards the management of the club.

I thank my fellow Directors for their input into the management of the club and their visions for the development of new and innovative ideas for our continued success and growth.

I also thank you, the members of the Corowa RSL Club for your continued support and patronage of your club.



President
Corowa RSL Club Ltd.

DONATIONS LISTING FOR THE YEAR

Albury Junior Legacy - \$5,000
 Amaranth Foundation - \$12,230
 Balldale Cricket Club - \$500
 Cancer Council of NSW - \$600
 Chiltern Tourism Committee - \$1,364
 Corowa & District Netball Association - \$635
 Corowa Airport Users Group - \$500
 Corowa Anglers Club - Restock the Murray
 Campaign - \$750
 Corowa Cricket Club - \$2,500
 Corowa District Landcare - \$4,800
 Corowa Federation Arts Committee - \$1,364
 Corowa Historical Vehicle & Mach. Club - \$500
 Corowa HQ Brigade - \$4,800
 Corowa Lawn Tennis Club - \$2,500
 Corowa PA & H Society - \$1,570
 Corowa Race Club - \$2,273

Corowa Rowing Club - \$2,500
 Corowa RSL Squash Club Tournament - \$2,766
 Corowa RSL Squash Club - \$653
 Corowa RSL Sub Branch - \$10,000
 Corowa Rutherglen Football Club Inc. - \$2,500
 Corowa Rutherglen Motor Sport Club - \$2,500
 Corowa Ruth. United Hockey Club - \$2,500
 Corowa Shire Council Billy Carts Event - \$500
 Corowa Shire Council Festival of Kids - \$1,000
 Corowa Shire Tourism Membership - \$5,000
 Corowa Swimming Club - \$500
 Gallery 294 - \$500
 Hume Veterans Association - \$1,000
 St Marys School - \$5,200
 Wahgunyah Football Club - \$2,500
 Wahgunyah Progress Association - \$500
 Wahgunyah Under 14's Cricket Club - \$541

In kind community programs

Full funding of the "RSL Park" adjacent to the RSL Venue - \$83,829

The following organisations received funding or sponsorship for the year of less than \$500 or received in-kind funding.

Chiltern Primary School
 Chiltern Uniting Church
 Corowa Hospital Auxiliary
 Corowa Public School
 Corowa RSL Indoor Bowls Charity Day
 Corowa RSL Line Dancers
 Corowa Services Ladies Bowls
 Corowa Shire Council - Festival of Dance
 Corowa Tourism Golf Day
 Corowa Toy Library
 Friends of Glenview

Girls Night In
 Karinya Apartments
 KVE
 Legacy Golf Day
 Movember
 Royal Children's Hospital Silent Auction Prize
 Southern Cross Care
 St Francis Xavier Primary School
 St Mary's Primary School
 Wahgunyah Football Netball Club
 Wahgunyah Senior Citizens



Minutes of the 41st Annual General Meeting of the Corowa RSL Club Limited held in the clubhouse on Monday 7 May 2013 at 7:00pm

President Denis Ratcliff opened the meeting welcoming all present.

Present:

10 Sub Branch Members, 15 Club Members.

Apologies:

Ron Tidd, Janelle Gee, Shirley Nolan, Robyn Dybing, Kevin Carruthers

Minutes of the Previous Annual General Meeting

It was resolved that the Minutes of the 40th Annual General Meeting held on 23 April 2012 be approved.

Moved: Roly Nixon

Seconded: Laurie Dybing Carried

President's Report

It was resolved that the President's Report as printed in the 2012 Annual Report be received.

Moved: John Stam

Seconded: Sam Nixon Carried

Financial Statements

It was resolved that the Financial Statements as printed in the 2012 Annual Report be received.

Moved: Ron Muir

Seconded: Ian Gyles Carried

First Ordinary Resolution

"That the Members hereby approve the payment of an honorarium to the President of the Club in the sum of \$8,000 for his services as the President of the Club until the Annual General Meeting in 2014, such honorarium to be paid by weekly or such other instalments as the Club and the President may agree from time to time."

Moved: Albert Watts

Seconded: John Brennan Carried

Second Ordinary Resolution

"That the Members hereby approve the payment of an honorarium in the sum of \$4,000 to each Director of the Club (excluding the President) for their services to the Club until the Annual General Meeting in 2014, such

honorarium to be paid by weekly or such other instalment as the Club and the Director may agree from time to time.

Moved: Max Smith

Seconded: Paul Giordano Carried

SPECIAL RESOLUTION

That the Constitution of Corowa RSL Club Limited be amended by:

- (a) **deleting** Rule 11(h) and in lieu thereof **inserting** the following new Rule 11(h):
"(h) *In furtherance of the objects of the Club to apply for and obtain and hold a club licence under the Liquor Act and for such purpose or purposes to appoint a Secretary who in accordance with the Registered Clubs Act shall be the Chief Executive Officer of the Club.*"
- (b) **deleting** Rule 17 and in lieu thereof **inserting** the following new Rule 17:
"17. *The number of Full members having the right to vote in election of the Board shall not be less than a minimum required by the Registered Clubs Act.*"
- (c) **deleting** Rule 30(b) and in lieu thereof **inserting** the following new Rule 30(b):
"(b) Honorary members who are Full members of the Club are entitled to the rights and privileges of the category of membership of which they are a Full member. However, Honorary members who are not Full members of the Club are entitled to those facilities and amenities of the Club as determined by the Board from time to time and to introduce guests into the Club, but are not entitled to vote at any general meeting, to be nominated for or elected to the Board or any office of the Club or participate in the management, business and affairs of the Club in any way."
- (d) **deleting** Rule 30(d) and in lieu thereof **inserting** the following new Rule 30(d):
"(d) *A register of persons who are Honorary members (other than those persons admitted to Honorary membership of the Club pursuant to Rule 29(c)) which shall be kept in accordance with Sections 31(1)(b) of the Registered Clubs Act. This register shall set forth in respect of each of those members:*
 - (i) *the name in full or the surname and initials; and*
 - (ii) *the address.*"
- (e) **inserting** into Rule 32(b) the words "*and subject to Rule 51A, introduce guests into the Club*" after the words "*from time to time*".
- (f) **inserting** into Rule 33(d) the words "*and to introduce guests into the Club if the Provisional member is an applicant for a class of membership which is permitted to do so*" after the words "*from time to time*".
- (g) **inserting** at the end of Rule 36(a)(vi) the words "*and in the case of a Junior Sporting member, the signature of the parent or guardian of the applicant consenting to*"

the applicant becoming a Junior Sporting member of the Club and participating in the sporting activities of the Club."

- (h) **inserting** at the end of Rule 47(a) the words *"(excluding Life members)"*.
- (i) **inserting** the following new Rule 54A:
"54A. Any person who is elected or appointed to the Board must, unless exempted, complete such mandatory training for directors as required by the Regulations made under the Registered Clubs Act."
- (j) **deleting** the heading *"Sections and Committees"* and in lieu thereof **inserting** the heading *"Sub Clubs and Committees"*
- (k) **deleting** from Rules 62,63,64,65,66 and 68 the word *"section"* and in lieu thereof **inserting** the word *"sub club"*.
- (l) **deleting** from Rule 76A the words *"clause 47F"* and in lieu thereof **inserting** the words *"Clause 16"*.
- (m) **deleting** Rules 79(a) and (b) and in lieu thereof **inserting** the following new Rules 79(a) and (b):
 - (a) *if the person is disqualified for any reason referred to in Section 206B of the Act.*
 - (b) *if, for the purposes of Rule 54A, the person fails to complete the mandatory training requirements for directors referred to in that Rule within any period prescribed by the Regulations made under the Registered Clubs Act (unless exempted)."*
- (n) **deleting** from Rule 79(f) the words *"made under the Registered Clubs Act"* and in lieu thereof **inserting** the words *"or declaration made under the Act, Liquor Act or Registered Clubs Act"*.
- (o) **deleting** Rule 96 and in lieu thereof **inserting** the following new Rules 96 and 96A:
"96. The Board shall, not less than twenty one (21) days before each Annual General Meeting and in any event within four (4) months of the end of the financial year of the Club, report to members in accordance with Division 4 of Part 2M.3 of the Act.
96A. In accordance with Section 317 of the Act, the Board shall lay before the Annual General Meeting in respect of the financial year ending on the last day of December immediately prior to the Annual General Meeting:
 - (a) *the financial report of the Club; and*
 - (b) *the directors' report;*
 - (c) *the auditors' report on the financial report."*
- (p) **deleting** Rule 106 and in lieu thereof **inserting** the following new Rules 106 and 106A:
"106. Every officer (as defined in Section 9 of the Act) and former officer of the Club shall be indemnified to the full extent permitted by the Act out of the property of the Club against any liability incurred by him in his capacity as officer in defending any proceedings whether civil or criminal.
106A. The Club may pay a premium for a contract insuring a person who is an officer or a former officer of the Club against a liability incurred by that person as an officer of the Club provided that the liability is not one in respect of which a premium cannot be paid under the Act or a liability which contravenes Section 199A or Section 199B of the Act."

Moved: John Stam

Seconded: Laurie Dybing

Carried

Other Business

General Manager Mick Wighton stated that due to the resignation of the Clubs Auditors Kilara Group, the Club was required to appoint new auditors. After consultation the Board of Directors appointed Focus Partners from Albury to the position.

Members Recommendations to the Board

General Manager Mick Wighton outlined the building progress, with the development application having now been passed and the Club's architect is now finalising the drawings for the tender process to be undertaken. The delay in the starting of the process has allowed the Club to save additional funds and the Club now has enough in reserve to fund the project outright. At this stage it is envisaged that by the next AGM the project will be well underway.

President Dennis Ratcliff thanked Mick and his management team for their efforts throughout the year.

The year was an excellent result with over \$800,000 profit, bowls is back at the RSL venue and are all settled and harmonious, and the staff is the cornerstone to the Clubs success.

John Kostiw, President of the Corowa RSL Squash Club praised the Club for their efforts in the continuous improvements to the Squash Courts, and the administrative and operational assistance given to the Squash Club in an ongoing basis.

Ted Hovard, President of the Corowa Services Bowling Club thanked the Club for the cooperation and effort given by the Club, Board of Directors and Mick for the first class facilities provided.

Ron Muir, Secretary of the Corowa RSL Sub Branch extended his gratitude to the Club and to the administrative department for their ongoing assistance provided to the Sub Branch and their efforts is very much appreciated.

Meeting Closed 7:28pm.

COROWA RSL CLUB LIMITED

and controlled entities reporting as per section 41J of the Registered Clubs Act and Regulations.
Certificate of Registration Number 236862.

The following properties are core property of the Corowa RSL Club limited:
23-33 Betterment Parade – Corowa RSL
Premises Lot 221

The following properties are non-core property of the Corowa RSL Club Limited
3-7 Whitehead Street Corowa
14 Jackson Street Corowa

Notes to Members

Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non core property of the Club as at the end of the financial year to which the report relates.

The significance of the distinction between core property and non core property is that the Club cannot dispose of any core property unless:
1. The property has been valued by a registered valuer within the meaning of the Valuers Act 2003

2. The disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval
3. Any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer

The disposal provision and what constitutes a disposal for the purpose of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by section 41J itself. For example, the requirements in the above paragraph do not apply to

1. Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been subject to a valuation by a registered valuer

Core property that is leased to or licensed to a telecommunications provide



TRUCK & CAR SHOW

Featuring Corowa Safety Expo



Presidents Report for the Corowa Services Ladies Bowling Club

As season 2013-14 comes to a close I would like to congratulate all members of the Services Bowling Club.

We have had a most enjoyable season, picking up a few new bowlers/members along the way.

We once again had two pennant teams Ladies Division 1 and Open Division 3. Neither team making it to the finals. Ladies in Open 3, struggling with the fact they are competing against men!

Our Medley 4's tournament was successful even though we had only 1 green available due to

maintenance of the Nixon Green.
Congratulations to all winners of Club events.

Club Championship - Lorraine Klose
Runner Up - Anne Summerill
Club Pairs - Suzie Swift & Pam Lee
Runners Up - Lorraine Klose & Anne Smith

Club Triples, Consistency Handicap & Minor Singles are yet to be completed.
My thanks to my Committee for their efforts during the season and am looking forward to continued success for season 2014-2015.

Lorraine Klose
President CSLBC



Presidents report for the Corowa RSL Indoor Bowls Club

Although our numbers are down due to age, illness etc. we still have a good turnout of members who support and enjoy the physical activity and social get together of our bowls. We are not restricted by weather conditions either.

Our grateful thanks are extended to the RSL Board for their donation of the prize money for our Annual Charity Day Tournament and the afternoon tea which they also supplied. Also thanks for paying for the purchase of two sets of new yellow bowls. After our Charity Day Tournament we were able to donate \$1,000 to Corowa Emergency Services which they gratefully received. Without the help of the RSL this donation would not be possible.

Our Pennant season starts in April and after last year's success – we had a team play in the first round of the finals – this year we are hoping to do better.

We are looking forward to bowling in the refurbished auditorium and signing up some new members.

Many thanks to my Committee for their help and hard work throughout the year and also thanks to the RSL staff and in particular Mr Michael Wighton who has been a great help to us.

Yours sincerely
June A Dodds
PRESIDENT

Presidents Report for the Corowa Services Bowling Club (CSBC)

Presidents Report for Corowa Services Bowling Club (CSBC) AGM 2013/14

Another year has come and gone, It seems that each year passes quicker than the last or maybe I am slowing down as I get a little older, it sure seems that way.

Firstly I would like to thank my Committee once again for their excellent assistance and support throughout this year, there has again been some trying times but overall the year has proved very successful.

My fourth year in Office as President of the Corowa Services Bowling Club (CSBC) once again proved to be as eventful and challenging as the first three, the move back to the RSL Greens although we were apprehensive about the outcome while being rather hectic has proved to be quite successful, once again the Committee and Members to the fore and all has proved well.

Our thanks again to the RSL Board for their support, input and assistance during all the continued renovations and greens maintenance work required to provide the Bowling Club with a facility equal to if not better than most within the Ovens and Murray region, we know there is more to be done but a big step forward has been achieved, especially with the installation of some 21 Shade Shelters now installed around the two greens, they look very good and I am sure they will be well used, plus the Laser Levelling of the Nixon Green.

We held our first night game on Friday 24th Jan, we were very worried about the weather and only went ahead with the event at the last minute, but the weather Gods were kind to us, as a Club believe it was very successful evening, the Club is looking towards having a couple of

these Friday evening games throughout each Pennant Season.

The Greens Staff are to be commended again for their efforts throughout this Bowling Season, with only one Green in operation late in the Pre Xmas Pennant Season, due to the Laser Levelling of the Nixon Green, well done Nathan and team.

A special mention must also be paid to all the Members who have given of their time to paint the ditches and all the shelters on both the greens, job well done

Our Men's Pennant season has been quite successful, we lost a number of our 2012/13 high profile Bowling Members who chose greener pastures at the beginning of the 2013/14 Pennant Season, not to be outdone the talent scouts went a hunting and we were able to recruit some very worthy replacements, this has resulted in a very good home and away Pennant result.

Our A1 Side is currently in third position on the ladder and unless disaster strikes will finish the Home and Away Season in that position, so finals are guaranteed. While our A4, B2, C1 and Midweek Pennant teams are unlikely to play Finals, overall the Club has had a successful season.

Well done Selectors and bowlers all, a great result for the Club.

On a personal basis the Club has some events to finalise over the next few weeks, Club Pairs (Mens), Triples (Mens) and Mixed Pairs.

Overall the Club Members should be proud of their achievements for the 2013/2014 Bowling Season.

Yours in Bowls,
E R (Ted) Hovard
President CSBC



Presidents report for the Corowa RSL Squash Club

On behalf of the Corowa RSL Squash Club I would like to present this report

The tournament held in May 2013 was a great success. Squash players and spectators were treated to a level of squash that had not been seen in Corowa before. The players, who came from all over Victoria, and some from NSW said they would definitely play again if we had another tournament. We will be having another tournament, with increased prize money which will attract even better players. Hopefully some of Australia's best.

The purpose of this event is for the people of Corowa and surrounding North East towns to see elite squash players at their trade. The speed and skills of the players particularly in the Open Event is quite outstanding. It will be of benefit to the RSL for so many players and their partners to be here over the weekend period. The club championships were undertaken in a round robin format, and produced a new (and very happy) club champion in Graeme Leslie. Jane Bromwich was again the Ladies champion.

New players started in the Spring 2013 competition. namely Jason Carroll former club junior club champion Simon Pyle, Allan Glen, Luke Nichols, Stu Butler and Audra Holden. These players seem to enjoy their squash and hopefully will continue during 2014

I continue to do weekly write ups for the Free Press, but sometimes, because of lack of space, not all that I write was able to be published. To overcome this, the Corowa RSL Squash Club is

now on Facebook, and all that I write is able to be read.

One of our former players Stewart Wilson tragically died after an incident in Corowa. A perpetual plaque has been made in his honour, and is located in the trophy cabinet.

At the AGM in August two new members joined the committee they being Marg Gillick and Helen Fuge. Both are good contributors.

Members subscriptions and the Friday night meat raffle continue to be our major sources of income. From examining the annual analysis report the Squash Club made \$1,443 for this 6 month period.

Whatever profit is made goes back to the RSL for end of season catering and the Christmas break up and for vouchers from Sportspower for the winners and runner up from both the autumn and spring comps. These vouchers total more than \$500.

A new Life Member honour board has been made and installed in the squash courts area. It replaced the previous one which was in very poor condition and unprofessional in appearance

The RSL sponsored 4 players from the squash club for the Movember charity ride of 68 kmls. It was a worthy cause and the RSL must be thanked for sponsorship. In keeping with this worthy cause, the 4 of us who did the ride grew moustaches, which came off the next week
John Kostiw
President



Financial Report For The Year Ended 31 December 2013

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Dining

Featuring a number of dining options including a superb bistro, kids meals, cafe, specialty food & theme nights and much, much more.

Our executive chef can design exciting menus for your individual needs, or provide menus to suit all function sizes, all with the Corowa RSL Club's famous focus on value and quality.

Our unique and varied settings allow our guests to dine inside or outside!



Enjoy the true value dining in the All Seasons Bistro, now including a spacious Alfresco area

- BOOKINGS ESSENTIAL -
FRIDAY SEAFOOD
BUFFET & SUNDAY
CARVERY

DIRECTORS REPORT

Your directors present their report on the company for the financial year ended 31 December 2013.

Directors

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

	Number of Meetings Attended	Number of Meetings Held*
Denis John Ratcliff - President appointed (28/04/2003)	14	14
Philip Desmond Scott - Vice President appointed	11	14
Laurence Michael Dybing - Vice President appointed	12	14
John Patrick Brennan - Treasurer appointed	14	14
John Stam - Director appointed (12/05/2008)	14	14
Jennifer Gay Delany - Director appointed (17/06/2009)	14	14
Francis Dennis Gee - Director appointed (11/05/2010)	11	14

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

Company Secretary

Mr Michael Wighton was appointed to the position of Company Secretary of the Club in November 2006 and continues to act in this capacity as at the date of this report. Mr Wighton is the Chief Executive Officer of the Club.

Review of Operations

The profit of the company for the financial year after providing for income tax amounted to \$958,447.

A review of the operations of the company during the financial year and the results of those operations found that the changes in market demand and competition have contributed to the company's operating profit before tax.

Significant Changes in the State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

Short term objectives of the Club

The Club has identified the following short term objectives:

- To provide a safe environment for Members and their guests; and
- To continue to give Members and their guests the best service possible.

Long term objectives of the Club

The Club has identified the following long term objectives:

- To become financially secure;
- To grow the Club operations in accordance with Members interests; and
- To trade profitably to enable updating of amenities and guarantee future growth.

Principal Activities

The principal activities of the Club during the financial year were the operations of a registered club on behalf of its members. No significant change in the nature of these activities occurred during the year.

Events Subsequent to the End of the Reporting Period

In February 2014 the Club entered into a contract with Zauner Construction to undertake an \$3.5m refurbishment of its Bistro and Auditorium areas. It is believed this will not have a significant impact on the Clubs operations but it will have an effect on the Clubs cash reserves which have been built up over time for this project.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company. The Club will continue to pursue its policy of increasing the financial stability of the Club during the next financial year. This will require further investment in areas such as member services and benefits.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

The Club is a non-profit organisation and is prevented by its constitution from paying dividends.

The Club is a company limited by guarantee and without a share capital. The number of members as at 31 December 2013 were 7,698 (2012: 7,125).

Indemnification of Officers

The Club has indemnified all Directors and certain Executive Officers in respect to liabilities to other persons (other than the Club or related body corporate) that may arise from their position as Directors or Executive Officers of the club and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The policy is one component of a suite of insurance products held by the club. The Club has not indemnified its Auditors.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set below.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director



Denis John Ratcliff
19th day of March 2014



Michael William Wighton
19th day of March 2014

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF THE COROWA RSL CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2013 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.

Signed on behalf of:



Partner - Helen K. Christensen, CA

550 Smollett Street

ALBURY NSW 2640

Date - 20 March 2014

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

		2013	2012
	Note	\$	\$
Sales revenue	2	10,130,486	10,322,031
Other income	2	447,149	295,245
Cost of goods sold		(1,418,102)	(1,448,739)
Employee benefits expense		(2,655,039)	(2,741,411)
Freight and cartage		(1,186)	(820)
Cleaning		(39,071)	(38,409)
Directors Expenses & Honorarium		(40,821)	(40,024)
Insurance		(175,555)	(217,446)
Maintenance		(259,206)	(263,405)
Printing, Postage & Stationary		(50,591)	(51,212)
Promotions & Advertising		(244,990)	(249,560)
Taxes, Licences & Subscriptions		(1,583,265)	(1,669,379)
Utilities		(392,974)	(381,805)
Depreciation and amortisation expense		(1,126,029)	(1,232,561)
Other expenses		(1,548,471)	(1,435,504)
Profit before income tax		1,042,334	846,999
Income tax (expense)/benefit	3	(83,887)	(155,492)
Profit for the year		958,447	691,507
Profit attributable to: Members of the Corowa RSL Club Limited		958,447	691,507

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Note	2013	2012
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	5,135,715	4,622,664
Trade and other receivables	7	121,441	50,700
Inventories	8	129,354	131,643
Other current assets	9	127,984	160,102
TOTAL CURRENT ASSETS		5,514,494	4,965,109
NON-CURRENT ASSETS			
Financial assets	10	661,811	293,536
Property, plant and equipment	11	10,466,159	10,399,734
TOTAL NON-CURRENT ASSETS		11,127,970	10,693,270
TOTAL ASSETS		16,642,464	15,658,379
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	580,536	603,025
Provisions	13	640,019	603,102
TOTAL CURRENT LIABILITIES		1,220,555	1,206,127
NON-CURRENT LIABILITIES			
Provisions	13	78,835	67,625
TOTAL NON-CURRENT LIABILITIES		78,835	67,625
TOTAL LIABILITIES		1,299,390	1,273,752
NET ASSETS		15,343,074	14,384,627
EQUITY			
Retained earnings		15,343,074	14,384,627
TOTAL EQUITY		15,343,074	14,384,627

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
Balance at 1 January		14,384,627	13,693,122
Profit for the year		958,447	691,505
Balance at 31 December		<u>15,343,074</u>	<u>14,384,627</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		10,356,168	10,376,211
Payments to suppliers and employees		(8,451,518)	(8,837,786)
Interest received		149,941	166,545
Net cash provided by/(used in) operating activities	14(a)	<u>2,054,591</u>	<u>1,704,970</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		133,852	87,400
Loan repayments made by Corowa Golf Club		50,000	-
Purchase of property, plant and equipment		(1,271,584)	(865,327)
Purchase of shares in listed companies		(353,808)	-
Loan to Corowa Golf Club		<u>(100,000)</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>(1,541,540)</u>	<u>(777,927)</u>
Net increase/(decrease) in cash held		513,051	927,043
Cash at beginning of financial year		4,622,663	3,695,621
Cash at end of financial year	6	<u>5,135,715</u>	<u>4,622,663</u>

The accompanying notes form part of these financial statements.

WEEKDAY MEAL DEALS

MONDAY / TUESDAY

BISTRO SPECIALS BOARD FROM \$10.00 mem \$15.00 guests

WEDNESDAY

SUPER STEAK NIGHT - TWO COURSE MEAL MEMBERS \$20.00 GUESTS \$24.00 from 6.00PM

THURSDAY

BISTRO BOARD SPECIALS AND COOKED TO ORDER from 6.00PM

FRIDAY

BISTRO OPEN DINNER 6.00PM OR

SEAFOOD BUFFET \$25 mem \$30/guest 6.00PM (Bookings ESSENTIAL 0260305000)

SATURDAY

BISTRO OPEN DINNER 6.00PM

SUNDAY

BISTRO OPEN DINNER 6.00PM OR

TRADITIONAL ROAST CARVERY 3 COURSE 6.00PM \$22.00 mem \$30.00 guest Bookings Essential 0260305000

CAFE OPEN EVERY DAY FOR COOKED TO ORDER LUNCH 11.00AM - 3.00PM

SNACKS/ CAKES / COFFEE AVAILABLE ALL DAY

As a member of the Corowa RSL Club you will be entitled to enter members only promotions, receive special members showcase prizes, discounts at the bar and food outlets plus you will earn reward points every time you use your card. Your reward points will allow you to purchase items such as food, drinks and items from our showcase

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

These financial statements and notes represent Corowa RSL Club Ltd.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs.

(a) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) net of available tax offsets.

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

The principles of mutuality apply to the activities of the Company, and consequently the Company will only be liable for income tax expense on income deemed to be derived from non-members. The Company adopts the liability method of accounting for income tax whereby the tax expense is recognised when incurred.

(b) Inventories

Inventories are measured at cost or net realisable value.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at cost or deemed cost less depreciation and impairment costs. In accordance with section 41J(2) of the Registered Clubs Act 1976, the Company's premises located at Betterment Parade is classified as core property. Rental properties located in Jackson Street and Whitehead Street are classified as non-core property.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(i) for details of impairment).

The cost of fixed assets constructed within the company includes the cost of materials and direct labour.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% to 5%
Plant and equipment	10% to 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

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

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) 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 subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at cost (refer to Note 18 for fair values) with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current assets.

(v) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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. 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.

(f) 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. The Club has no overdraft facility.

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

(h) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(i) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Comparative Figures

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

Where the Company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(l) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key judgments

(i) Provision for impairment of receivables

The directors believe that the full amount of the accounts receivable is recoverable and no doubtful debt provision has been made at 31 December 2013.

(m) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of the new and amended pronouncements. The Company's assessment of the new and amended pronouncements that are relevant to the Company but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments (December 2010)* and AASB 2010–7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*.

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012–6: *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. This amendment is a consequence of the deferral of IFRS 9 to allow the IASB to complete its revision of that Standard. In light of this change of mandatory effective date, the company is expected to adopt AASB 9 and AASB 2010–7 for the annual reporting period ending 31 December 2015. Although, the directors anticipate that the adoption of AASB 9 and AASB 2010–7 may have a significant impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact particularly considering the changes that are expected to be made to IFRS 9 in the future.

- AASB 1053: *Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 July 2013)*.

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Management believes that the Company qualifies for the reduced disclosure requirements for Tier 2 entities. However, it is yet to determine whether to adopt the reduced disclosure requirements.

- *AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).*

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the company's financial statements.

- *AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).*

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Company's financial statements.

- *AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013).*

AASB 119 [September 2011] includes changes to:

- (a) require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as
- (b) the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

- *AASB 2012–2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).*

AASB 2012-2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the Company's financial statements.

- *AASB 2012–3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).*

This Standard adds application guidance to AASB 132: *Financial Instruments: Presentation* to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Company's financial statements.

- *AASB 2012–5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).*

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of *Annual Improvements to IFRSs 2009–2011 Cycle* by the International Accounting Standards Board, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information; and
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment.

This Standard is not expected to significantly impact the Company's financial statements.

Note 2 Revenue and Other Income

	Note	2013 \$	2012 \$
Sales revenue:			
— House Trading Revenue		9,901,790	10,077,545
— Members Subscriptions		66,367	63,657
— Other Revenue		162,329	180,829
Total sales revenue		10,130,486	10,322,031
Other revenue:			
— dividends received		6,735	-
Total dividend revenue		6,735	-
— interest received		152,280	166,545
— rent revenue		16,720	18,180
Total other revenue		169,000	184,725
Total sales revenue and other revenue		10,306,222	10,506,756
Other income:			
— gain on disposal of property, plant and equipment		69,188	74,520
— Capital Gains on sale of PM licences		202,227	36,000
Total other income		271,415	110,520

Note 3 Income Tax Expense

	Note	2013 \$	2012 \$
(a) Reconciliation of income tax expense to prima facie tax payable			
Profit (loss) from continuing operations before income tax expense:		1,042,332	846,999
Add: Imputation credits		2,886	-
		1,045,218	846,999
Tax at company rate of 30%		313,565	254,099
Decrease in tax due to principle of mutuality		(239,624)	(109,010)
		73,941	145,089
Tax effect of temporary/timing differences		12,832	10,403
		86,773	155,492
Less: Refundable tax offsets (imputation credits)		(2,886)	-
Income tax attributable to company		83,887	155,492

Note 4 Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the Company during the year are as follows:

	2013 \$	2012 \$
Employee benefits	207,857	195,271
Key Management Personnel refers to the General Manager		

Note 5 Auditors' Remuneration

	2013 \$	2012 \$
Remuneration of the auditor for:		
— auditing or reviewing the financial statements	18,000	18,000
— other services	2,000	2,000
	20,000	20,000

Note 6 Cash and Cash Equivalents

		2013	2012
	Note	\$	\$
CURRENT			
Cash at bank and on hand		2,590,898	2,177,725
Short-term bank deposits		2,544,817	2,444,939
		<u>5,135,715</u>	<u>4,622,664</u>

The effective interest rate on short-term bank deposits was 3.96% (2012: 5.04%); these deposits have an average maturity of 83 days.

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents		5,135,715	4,622,664
		<u>5,135,715</u>	<u>4,622,664</u>

Note 7 Trade and Other Receivables

		2013	2012
	Note	\$	\$
CURRENT			
Trade receivables		16,934	49,775
Income Tax Refundable		54,507	925
Other receivables		50,000	-
Total current trade and other receivables	7(a)	<u>121,441</u>	<u>50,700</u>

Credit risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 7. The main source of credit risk to the company is considered to relate to the class of assets described as 'trade and other receivables'.

(a) Financial assets classified as loans and receivables

		2013	2012
	Note	\$	\$
Trade and other Receivables			
— Total Current		121,441	50,700
Financial Assets	17	<u>121,441</u>	<u>50,700</u>

(b) Collateral pledged

No collateral is held over trade and other receivables.

Note 8 Inventories

		2013	2012
	Note	\$	\$
CURRENT			
At cost			
Finished goods		89,594	86,483
Goods Held for Internal Use		39,760	45,160
		<u>129,354</u>	<u>131,643</u>

Note 9 Other Assets

		2013	2012
		\$	\$
CURRENT			
Prepayments		120,646	139,059
TAB Security		5,000	5,000
Accrued Income		2,338	16,043
		<u>127,984</u>	<u>160,102</u>

Note 10 Financial Assets

		2013	2012
	Note	\$	\$
NON-CURRENT			
Available-for-sale financial assets	10(a)	353,808	-
Investment properties	10(b)	308,003	293,536
Total Non-current Assets		<u>661,811</u>	<u>293,536</u>

(a) Available-for-sale financial assets

Listed investments, at cost:

— shares in listed corporations		353,808	-
Total available-for-sale financial assets		<u>353,808</u>	<u>-</u>

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments. No intention to dispose of any listed available-for-sale financial assets existed at 31 December 2013.

The market value of these assets is \$359,346 (see Note 18).

(b) **Other investments**

Investment Properties At Cost	398,916	378,772
Less Accumulated Depreciation	(90,913)	(85,236)
	<u>308,003</u>	<u>293,536</u>

Note 11 Property, Plant and Equipment

	2013	2012
	\$	\$
FREEHOLD LAND AND BUILDINGS - At Cost	14,898,975	14,716,896
Accumulated depreciation	(6,689,571)	(6,477,491)
Total land and buildings	<u>8,209,403</u>	<u>8,239,405</u>
PLANT AND EQUIPMENT		
At cost	8,201,659	8,092,607
Accumulated depreciation	(5,944,903)	(5,932,278)
Total plant and equipment	<u>2,256,755</u>	<u>2,160,329</u>
Total property, plant and equipment	<u>10,466,159</u>	<u>10,399,734</u>

(a) **Movements in carrying amounts**

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

	Land & Buildings	Plant and Equipment	Total
	\$	\$	\$
Balance at 1 January 2012	8,424,857	2,352,187	10,777,044
Additions	191,527	667,733	859,260
Disposals - written down value		(10,194)	(10,194)
Depreciation expense	(376,979)	(849,397)	(1,226,376)
Carrying amount at 31 December 2012	<u>8,239,405</u>	<u>2,160,329</u>	<u>10,399,734</u>
Additions	349,365	902,075	1,251,440
Disposals - written down value	0	(64,663)	(64,663)
Depreciation expense	(379,367)	(740,985)	(1,120,352)
Carrying amount at 31 December 2013	<u>8,209,403</u>	<u>2,256,755</u>	<u>10,466,159</u>

Note 12 Trade and Other Payables

	2013	2012
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	412,744	352,701
Sundry payables and accrued expenses	167,792	250,324
	<u>580,536</u>	<u>603,025</u>

Note 13 Provisions

	2013	2012
	\$	\$
CURRENT		
Short-term Employee Benefits		
Opening balance at 1 January 2013	603,102	550,393
Additional provisions raised during year	239,399	249,045
Amounts used	(202,482)	(196,336)
Balance at 31 December 2013	<u>640,019</u>	<u>603,102</u>
NON-CURRENT		
Long-term Employee Benefits		
Opening balance at 1 January 2013	67,625	67,784
Additional provisions raised during year	11,210	3,208
Amounts used	-	(3,367)
Balance at 31 December 2013	<u>78,835</u>	<u>67,625</u>

	2013	2012
	\$	\$
Analysis of Provisions		
Current	640,019	603,102
Non-current	78,835	67,625
	<u>718,854</u>	<u>670,727</u>

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave, long service leave and personal leave.

The current portion for this provision includes the total amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the Company does not expect the full amount of long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(e).

Note 14 Cash Flow Information

	2013 \$	2012 \$
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	956,425	691,505
Non-cash flows in profit		
— depreciation	1,126,029	1,232,561
— net (gain)/loss on disposal of property, plant and equipment	(69,188)	(74,520)
Changes in assets and liabilities		
— (increase)/decrease in trade and term debtors	(18,721)	(25,216)
— (increase)/decrease in other assets	32,118	(48,567)
— (increase)/decrease in inventories	2,290	7,937
— increase/(decrease) in payables	(22,381)	(93,132)
— increase/(decrease) in provisions	48,019	14,400
Net cash provided by operating activities	<u>2,054,591</u>	<u>1,704,969</u>

Note 15 Events After the Reporting Period

In February 2014 the Company entered into a contract with Zauner Construction to undertake an \$3.5m refurbishment of its Bistro and Auditorium areas. It is believed this will not have a significant impact on the Company's operations but it will have an effect on the Company's cash reserves which have been built up over time for this project.

Note 16 Related Party Transactions

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

Note 17 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and shares in listed companies.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 \$	2012 \$
Financial Assets			
Cash and cash equivalents	6	5,135,715	4,622,664
Loans and receivables	7(a)	121,441	50,700
Available-for-sale financial assets:			
— listed investments at cost	10(a)	353,808	-
		<u>353,808</u>	<u>-</u>
Total Financial Assets		<u>5,610,964</u>	<u>4,673,364</u>

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The finance committee, consisting of senior executives of the company, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. The Company has this year acquired listed securities for the first time, in accordance with a documented Investment Policy. Apart from this investment, there have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the finance committee has otherwise assessed as being financially sound.

(b) Liquidity risk

The Company has no liquidity risk issues as it has no borrowings and trade payables are settled inside of the creditors terms and conditions.

c. Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose the company to interest rate risk are limited to borrowings, listed shares, cash and cash equivalents.

ii. Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company and classified in the balance sheet as available-for-sale.

To manage its price risk arising from investments in listed securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the Company's Investment Strategy. The Company's listed securities are publicly traded and are included in the ASX.

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices.

	Footnote	2013		2012	
		Cost \$	Fair Value \$	Cost \$	Fair Value \$
Financial assets					
Cash and cash equivalents	(i)	5,135,715	5,135,715	4,622,664	4,622,664
Trade and other receivables	(i)	121,441	121,441	50,700	50,700
		5,257,156	5,257,156	4,673,364	4,673,364
Available-for-sale financial assets:					
— listed securities		353,808	359,346	-	-
Total available-for-sale financial assets	(ii)	353,808	359,346	-	-
Total financial assets		5,610,964	5,616,502	4,673,364	4,673,364
Financial liabilities					
Trade and other payables	(i)	587,121	587,121	609,502	609,502
Total financial liabilities		587,121	587,121	609,502	609,502

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts relating to the provision of annual leave, which is outside the scope of AASB 139.
- (ii) For listed available-for-sale and held-for-trading financial assets, closing quoted bid prices at the end of the reporting period are used.

Note 18 Company Details

The registered office of the company and the principal place of bu

Corowa RSL Club Ltd
30 Betterment Parade
COROWA NSW 2646

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Corowa RSL Club Ltd, the directors of the company declare that:
The directors have determined that the company is not a

1. The financial statements and notes, as set out on pages 3 to

- (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
- (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
- (b) give a true and fair view of the financial position as at 31 December 2013 and of the performance for the year ended on that date of the company.
- (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
- (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
- (b) give a true and fair view of the company's financial position as at 31 December 2013 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to

Director



Denis John Ratcliff
19th day of March 2014



Michael William Wighton
19th day of March 2014

Dated this

**Independent audit report to the members of
Corowa RSL Club Ltd
ABN: 28 001 066 628**

The financial report

We have audited the accompanying financial report of Corowa RSL Club Ltd, which comprises the income statement, statement of financial position, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration, for the year ended 31st December 2013.

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 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.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

**Independent audit report to the members of
Corowa RSL Club Ltd
ABN: 28 001 066 628**

Independent audit report (continued)

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.

Auditor's opinion on the financial report

In our opinion, the financial report of Corowa RSL Club Ltd is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31st December 2013 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

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

Dated at Albury this 20th day of March, 2014.

Focus Partners
Chartered Accountants
550 Smollett Street
ALBURY NSW 2640

H.K. Christensen CA
Partner

Supplementary Statement of Financial Performance
For the Year Ended 31 December 2013

	2013	2012	2011
Bar			
Sales	1,309,829	1,286,109	1,243,547
Keno Commission	58,661	61,758	60,378
TAB Commission	18,437	17,675	13,968
	<u>1,386,927</u>	<u>1,365,542</u>	<u>1,317,894</u>
Less:			
Direct Cost of Goods Sold	595,814	581,679	545,230
Indirect Cost of Goods Sold	598,433	610,163	637,746
Total Expenses	<u>1,194,247</u>	<u>1,191,842</u>	<u>1,182,975</u>
Net Profit/(Loss)	<u>192,679</u>	<u>173,700</u>	<u>134,918</u>
Kitchen Trading			
Sales	1,813,392	1,678,651	1,618,976
Less:			
Direct Cost of Goods Sold	822,286	743,568	701,328
Indirect Cost of Goods Sold	881,432	846,192	837,725
Total Expenses	<u>1,703,719</u>	<u>1,589,760</u>	<u>1,539,053</u>
Net Profit/(Loss)	<u>109,673</u>	<u>88,891</u>	<u>79,923</u>
Poker Machine Trading			
Poker Machine Takings	6,684,292	7,016,172	6,815,995
GST Rebate PM Tax	17,180	17,180	17,180
	<u>6,701,472</u>	<u>7,033,352</u>	<u>6,833,175</u>
Less: Expenses			
Taxes and Government Monitoring System	1,550,049	1,512,966	1,526,244
Overhead Expenses	612,592	694,324	676,813
Total Expenses	<u>2,162,641</u>	<u>2,207,289</u>	<u>2,203,058</u>
Net Profit/(Loss)	<u>4,538,831</u>	<u>4,826,063</u>	<u>4,630,117</u>
Income			
Net Profit/(Loss) - Bar	192,679	173,700	134,918
Net Profit/(Loss) - Kitchen	109,673	88,891	79,923
Net Profit/(Loss) - Poker Machines	4,538,831	4,826,063	4,630,117
Miscellaneous Income	675,846	539,731	426,935
Total Income	<u>5,517,029</u>	<u>5,628,384</u>	<u>5,271,894</u>
Less: Expenditure			
Auditing	20,000	20,000	18,375
Bad Debts Written Off	1,780	-	-
Bank Charges	2,130	1,690	619
Bowling Green Repairs and Maintenance	13,851	3,769	43,906
Bowls Tournament Expenses	-	8,500	12,240
Sports Club Venue Rent & Expenses	-	4,680	23,847
Car Expenses	12,951	12,849	10,655
Cleaning Materials and Contract	39,071	38,409	39,983
Club Promotion & Advertising	217,772	241,142	248,658
Courtesy Bus	73,756	72,124	70,464
Depreciation	1,126,029	1,232,561	1,160,366
Directors Expenses	8,821	8,024	14,630
Directors Honorarium	32,000	32,000	32,000
Electricity	332,641	330,255	285,133
Gas	43,291	35,414	34,172
Garden Maintenance	46,300	47,842	39,520

**Supplementary Statement of Financial Performance
For the Year Ended 31 December 2013**

	2013	2012	2011
General Expenses	6,890	7,555	6,243
Insurance	175,555	217,446	154,054
Land Tax	4,496	4,653	4,792
Legal Fees	1,726	1,825	38
Members Promotions & Benefits	418,610	388,025	359,124
Music and Shows	189,465	158,052	120,718
Printing, Postage and Stationery	50,591	51,212	45,081
Provision for Leave Entitlements	48,127	52,550	12,787
Rates and Rental	56,650	37,549	54,939
Repairs and Maintenance	129,024	139,381	133,866
Security Costs	40,051	47,312	27,961
Sky Channel & Pay Television	40,299	34,778	33,021
Subs, Fees and Registrations	29,168	25,846	22,884
Telephone	17,043	16,137	15,455
Travelling & Accommodation	1,275	2,278	1,182
Payroll Expenses	1,295,334	1,507,528	1,311,506
Total Expenses	<u>4,474,697</u>	<u>4,781,387</u>	<u>4,338,218</u>
Net Profit from Trading	1,042,332	846,998	933,675
Income Tax Expense	(83,887)	(155,492)	(110,418)
Net Profit After Income Tax	<u>958,445</u>	<u>691,506</u>	<u>823,257</u>