ANNUAL REPORT AND BALANCE SHEET

FOR YEAR ENDED
31ST DECEMBER, 2009

MORISSET COUNTRY CLUB LIMITED

Club Rules

1. Members must produce their membership card to gain admission to the Club.
2. Any member found lending his/her membership card to another person shall be suspended.
3. Members introducing a visitor shall be responsible for their conduct whilst on the premises. The Management and/or Board of Directors reserve the right to refuse admission to any visitor.
4. A visitor shall remain on the premises only so long as the introducing member shall remain thereon.
5. Any person who has been rejected as a candidate or who has been expelled from the Club, or whose name has been erased from the register of members for any other reason shall not be eligible to be admitted as a visitor.
6. Members shall not take away from the Club any article or property of the Club without the permission of the Secretary Manager.
7. No subscription list is to be canvassed, conducted or exhibited in the Club without permission of the Board of Directors or Secretary Manager.
8. Members are not permitted to bring dogs (other than seeing eye dogs) or other animals into the Club, foyer or front landing area.
9. No debt shall be incurred in the Club.
10. No part of the Club premises shall be used for the purpose of organised betting or gambling, or the playing of any games which are considered by the Management or Board of Directors to be injurious to the interests of the Club.
11. Members of the Club shall not be less then eighteen (18) years of age.
12. No person under the age of eighteen (18) shall be permitted to play the Club's poker machines, participate in Club Keno or TAB and shall not be supplied alcohol.
13. No intoxicated person shall be allowed on the premises.
14. Any member being intoxicated on the Club premises, shall be requested to leave the premises and may be suspended from being able to use all Club privileges.
15. Any members becoming disorderly or using abusive language shall be requested to leave the premises by the Secretary Manager or Senior Bar Supervisor or any responsible officer.
16. A responsible officer of the Club is Director, Secretary Manager, Senior Bar Person or a delegated person.
17. No members shall reprimand any employee of the Club. All complaints against any employee or Board Member shall be made in writing to the Board of Directors or the Secretary Manager.
18. No member or visitors shall distribute "How to vote" tickets or literature on the Club property.
19. **DRESS:** Members and their guests are requested to observe a decent standard of dress on the Club premises.
    Unacceptable attire for members and visitors –
    - Singlets, plain or coloured
    - Swimwear, suggestive or abbreviated clothing
    - Leotards and/or skin tight shorts
    - Bare feet
    - Football jumper (any type)
    - Mens headwear (hats, caps etc) except for religious or medical reasons
    - T-Shirts with suggestive drawings or suggestive motifs and/or wordings
    - Football shorts
    - At all times shirts must have sleeves

    After 7.00pm
    - Football jumper (any type)
    - No thongs on dance floors or in Auditorium during functions/shows
    - Torn and/or soiled clothing

    Dress must be neat and tidy
20. Whenever a member is suspended the Board of Directors may appoint a date upon which the member shall appear before the Board of Directors to offer such an explanation or evidence to support an appeal.
21. **CASHING OF CHEQUES**
    - **All cheques must be counter signed by a Club Director**
    - Personal cheques only will be cashed
    - Assigned cheques, taxation and/or security cheques will not be cashed
    - All cheques must be signed by the member on the reverse side of the cheque – giving membership number and drivers license number
    - **NO THIRD PARTY CHEQUES WILL BE CASHED**

THE BOARD

ERICA FORD
President

PAUL CHAPMAN
Vice President

LINDSAY CARTWRIGHT
Vice President

GEORGE McLELLAN
Treasurer

BRUCE FOWLER
Director

NOEL COURTNEY
Director

ROBERT BAKER
Minute Secretary

ALAN GURMAN
Director

STEVE MITCHELL
Director

IAN TAYLOR
Chief Executive Officer

NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting of Morisset Country Club Limited to be held in the Club's Auditorium, Dora Street Morisset on Sunday, 2nd May 2010 at 9.30am.

BUSINESS

1. Confirmation of Minutes of the Thirty Fourth Annual General Meeting of The Company held on the 3rd May 2009.
2. To receive the President's Report.
3. To receive and consider the Financial Report as at 31st December 2009.
4. Declaration of the results of the Ballot, (if any) for the election of Directors.
5. To confirm Auditors appointment.
6. To consider & if thought fit, pass the special Resolution contained in the enclosed "notice of Special Resolution".
7. Any other business (of which due notice has been given) that may be brought before the Meeting in accordance with the rules of the Club.

   NOTE: Any Notice of Motion to the General Meeting shall be in writing to the Club Twenty One (21) clear days prior to such a Meeting.
8. Please submit any questions regarding the Club's financial statements to the Secretary not less than 7 days before the meeting to allow time for the Club & it's Auditor to give a suitably researched response.

By Order of the Board

Sincerely

Ian Taylor
Chief Executive Officer
Morisset Country Club.
6/4/2010

PROXIES – MEMBERS PLEASE NOTE:

The Registered Club's Act 1976 prohibits proxy voting at any General Meeting (including the Annual General Meeting) and at any election of the Board of Directors.

Please also note that in accordance with the passing of the Corporations Legislation Amendment (Simpler Regulatory System) Act 2007 in July 2007 a copy of the Club's Annual Report, including Full Financial Reports can be obtained by accessing the Club's website at www.mccl.com.au.

Alternatively, a hard copy can be collected from the Information Stand in the Club's foyer or mailed out on request.

Further to the 2007 Legislation Amendments we advise that any or all disclosures regarding the Management of the Club, as required by the Registered Club's Act, are recorded in a register held by the Secretary. A transcript of this register is displayed on the Notice Board in the Club's foyer, on the Club's website and a copy may be mailed out on request.

Please also note that nominations for positions on the Board of Directors are currently being called for and close on 18th April 2010.

Sincerely

Ian Taylor
Chief Executive Officer
Morisset Country Club.
6/4/2010

ORDINARY RESOLUTIONS

The Members will be asked to consider and if thought fit pass the following resolutions –

FIRST RESOLUTION

That pursuant to the Registered Clubs Act:

(a) The members hereby approve and agree to expenditure by the Club until the next Annual General Meeting of the Club on the following activities of Directors:

(1) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee meeting when that meeting corresponds with a normal meal time or when conducting Raffles or Promotions sanctioned by the Board of Directors.

(2) Expenditure by the Club for a Directors annual dinner in order to give thanks to the Directors of the Club and their spouses.

(3) Expenditure by the Club for a Sub Club annual dinner to be attended by Directors and Sub Club Executive Committees to give thanks to those whose efforts have contributed to the good and betterment of the Club.

(4) Each new Board member to receive a Blazer and Club Shirts and replacement of same when necessary.

(5) Club to pay premium for Directors and Officers Liability Insurance.

(6) Delegates to attend Clubs NSW Zone meeting Bi-monthly.

(7) Reasonable expenses incurred by Directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.

(b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club and persons directly involved.

SECOND RESOLUTION

That pursuant to the Registered Clubs Act:

(a) The members hereby approve and agree to expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting and being:

(i) The reasonable cost of Directors attending at the Registered Clubs Association's Annual General Meeting.

(ii) Reasonable cost to spouses/partners to attend dinner and other entertainment so organised at Clubs NSW and other functions where it would be reasonable to expect that spouses or partners will attend.

(iii) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.

(iv) The reasonable cost of Directors attending other registered Clubs for the purpose of viewing and assessing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.

(b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club.

THIRD RESOLUTION

That the pursuant to the Registered Clubs Act:

(a) The members hereby approve and agree to the provision of designated car parking spaces for the Directors of the Club and selected Sub Club Officials.

(b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only to those who are Directors of the Club and persons directly involved.

NOTICE TO MEMBERS

(1) To be passed each Ordinary Resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person at the meeting.

SPECIAL RESOLUTION

With the intent to amend sections 27.2, 28.2 of the Club's Constitution. Changing term of elected Directors from 12 months to two (2) years from 2011.

"The Board will be elected every two (2) years by the Full Members & will hold office for the two (2) year period following election".

Moved:	Paul Chapman	Member No. #1457
Seconded:	Steve Mitchell	Member No. #2186

PRESIDENTS REPORT

Many thanks to all members for their support during the term of the current Board.

To my fellow Directors for the many voluntary hours given up to attend the numerous and varied tasks behind the scenes that assist the Country Club in it's day to day running, I thank you.

Thanks also to our Secretary Manager, Ian Taylor, the Supervisors, administration and floor staff, grounds staff and the many members who have given freely of their time to enhance our great golf course, bowling greens & club house facilities. Acknowledgement also needs to be made of the contribution by our very professional Golf Pro , David Stretton, & the great service provided by our caterer, David Mustard & his team.

The Global Financial Crisis has affected consumer spending patterns right across the Club Industry and coming on top of the 2007 smoking bans has created a tough trading environment. We of course are not immune to that circumstance and whilst our results have suffered as a result and are not as good as we would like, we have faired a lot better than many clubs of similar size and type.

I am confident that with continued tight fiscal controls, the natural growth in the area and the eventual re-development of parts of the property, we will continue to move forward and provide even better facilities for the enjoyment of members and their guests.

The Board of Directors appreciates the understanding our landlords (Mr & Mrs Drysdale) have shown of the circumstances affecting trading conditions during these tough times and acknowledge that the assistance with rental reductions over the past three years has helped us meet our financial obligations and operational goals.

Special thanks to all the sub committees for their continued support and dedication. Your contribution is greatly appreciated by the Board and all the members. To those members who have lost loved ones over the past twelve months, may I pass on the condolences of the Board and for those members who are unwell, I hope you have a speedy recovery so you can once again enjoy the facilities & services of your Club.

Erica Ford

Erica Ford
President

CEO'S ANNUAL REPORT

Another year of ups and downs and generally a pretty tough year for the Club to trade through.

Despite recording an operational profit of $37k for the '09 year, our initial hopes of a modest profit after provisions & depreciation were dashed once our Accountants completed end of Financial Year adjustments to provision and depreciation balance sheet accounts and transferred some $20k revenue that had been incorrectly taken up to the 2010 financial period. The net result being an overall loss of $52k - an improvement of some $33k over the 2008 result but a disappointing loss nonetheless.

Among the factors that contributed to the negative result were the failure of Poker Machine revenue to return to pre smoking ban levels, over $50k in staff entitlement payouts to departing long term/senior staff in our Course Superintendent, Operations Manager, Bowls Greenkeeper, Senior Bar/Gaming Supervisor & Receptionist & some $40k plus expenditure in repairs and maintenance to an ageing Club House.

On the positive side, we held our initial Course Improvement Golf Challenge day which raised sufficient funds to enable the purchase of a $16k Boom Spray unit, The Pro Am was once again a great success, the Bowlers put in the hard yards to improve their result by 57% over '08 and Golf Memberships reached an all time record high.

The McDonalds roundabout has presented a number of challenges but will no doubt prove to be an asset in the long term – the assistance in resolving some of the construction and finance issues given by Councilor Greg Piper needs to be recognised.

Special mention and thanks also to our landlords, George & Robin Drysdale, for their continued support and rental considerations through what are extremely difficult trading conditions being experienced by our entire industry.

Generally speaking, we have made the best of what we have to work with and thanks to the efforts of our great staff have been able to present a beautiful Golf Course, superb Bowling Greens and a comfortable, well serviced Club House for the enjoyment of members and their guests.

The frustration is that whilst we manage to trade through each year and fund basic grounds improvements, equipment upgrades and minor renovations we are unlikely to generate, at least in the short term, the cash reserves required to undertake the level of changes needed to maximise our appeal to traditional patrons and access new markets – particularly young families. The ability to achieve that end is directly linked to the eventual re development of the property as a whole – the Drysdale family are hoping to have final re-zoning approval by mid year and we can then meet with them to gain an understanding of the long

term benefits the planned development will provide for us. It's been a long time coming but all indications are solid decisions and time frames will be established this year.

Finally, my appreciation and thanks go to our Board of Directors – those dedicated souls who turn up at dawn to help with gaming clearances – including weekends, take their turn on raffle rosters, help out at special promos and events and attend monthly management meetings to help make those decisions that keep us moving forward. There is no pay, no expense reimbursement, no free meal ticket, no trips to seminars or conferences – just the thanks from those who recognize the time and effort they put in. They, along with the other volunteers that hold Office in the Sub Clubs or participate in working bees etc. are the real fabric of this great Club.

Ian Taylor. JP AFAIM
CEO.

FINANCIAL REPORT
31 DECEMBER, 2009

CONTENTS

Directors' Report	11 - 14
Auditor's Independence Declaration	15
Audit Report to Members	15 - 17
Directors' Declaration	18
Statement of Financial Position	19
Statement of Comprehensive Income	20
Statement of Cashflows	21
Statement of Changes in Equity	22
Notes to and forming part of the Financial Statements	23 - 37

DIRECTORS REPORT

Your Directors present their report of Morisset Country Club Limited (the "Club") for the financial year ended 31 December 2009.

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

Name	Occupation/Qualification	Years of Service as Director
Erica Ford	Secretary	6
Robert Baker	Retired	7
Paul Chapman	Electrician	3
Lindsay Cartwright	Business Owner	2
George McLellan	Retired	2
Bruce Fowler	Licenced Builder	1
Noel Courtney	Retired	1
Alan Gurman	Police Radio Controller	1
Steve Mitchell	Retired	1

* Refer to page 14 for details of Directors' meeting attendances..

2. Activities

The principal activities of the Club in the course of the financial year ended were the running of a licensed Club in accordance with its objectives for the benefit of its members.

3. Results

The net result of operations was a loss of $52,521 (2008 loss $84,880). The Club is exempt from income tax.

4. Review of Operations

Tough trading conditions have resulted in a loss in the current financial year. The loss in the current year was after a profit on sale of poker machines of $16,000. Cost rationalisations across the Club resulted in a reduced net loss for the period.

5. Significant Changes

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

6. Events Subsequent to Balance Date

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

7. Likely Developments & Expected Results

The club will continue to concentrate on keeping costs down and will work towards improving revenues.

8. Indemnifying Officer or Auditor

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

- Indemnified or made any relevant agreements for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings; with the exception of the following matters:

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

9. Directors' Benefits

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

10. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2009 has been received and is set out on page 14 of the concise financial report. Crosbie Warren Sinclair continues to hold office in accordance with s.307 of the Corporations Act 2001.

10. Environmental Regulation

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

12. Dividends

The company is prohibited from paying dividends by its constitution.

13. Financial Report Issue Date

The financial report was authorised for issue by the Directors on 25 February 2010. The Club has the power to amend and re-issue the financial report.

14. Company Sectretary

The Company Secretary is Mr Ian Taylor, chief executive officer, who has been Company Secretary since July 2007.

Erica Ford – Director
Dated: 25 February, 2010

George McLellan – Director

DIRECTORS' MEETING ATTENDANCES

The number of Board meetings held during the financial year ended 31 December 2009 was 14, being 12 normal monthly Board meetings and 2 special Board meetings. The details of each Directors attendances at those meetings is given below:

Director	Monthly	Special	Eligible to Attend
E. Ford	11	2	14
R. Baker	12	2	14
P Chapman	11	2	14
L Cartwright	12	2	14
G McLellan	10	2	14
B Fowler (elected 3 May 2009 at AGM)	6	1	9
N Courtney (elected 3 May 2009 at AGM)	8	1	9
Alan Gurman (elected 3 May 2009 at AGM)	4	0	9
S Mitchell (elected 3 May 2009 at AGM)	5	0	9
M Hutchby (did not stand for re-election at AGM)	2	1	5
B Munro (did not stand for re-election at AGM)	2	0	5
B Ewert (did not stand for re-election at AGM)	3	1	5
R Steedman (did not stand for re-election at AGM)	2	1	5

CROSBIE WARREN SINCLAIR
ACCOUNTANTS & BUSINESS ADVISERS

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF MORISSET COUNTRY CLUB

I declare that, to the best of my knowledge and belief, during the year ended 31 December, 2009, there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001, in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Kirsty Porteous - Partner

Crosbie Warren Sinclair Partners
Certified Practising Accountants.

Dated: 25 February, 2010

INDEPENDENT AUDIT REPORT TO MEMBERS

To the members of Morisset Country Club Ltd.

REPORT ON THE FINANCIAL REPORT

The Financial Report and Directors Responsibility

We have audited the accompanying financial report of Morisset Country Club Limited, which comprises the Statement of Financial Position as at 31 December 2009, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cashflows, accompanying Notes to the Financial Statements and Directors' Declaration for the year ended 31 December 2009.

Directors' Responsibility for the Financial Report

The Directors of the Club are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error;

selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1 the Directors also state that, in accordance with Accounting Standards AASB101 Presentation of Financial Statements, compliance with the Australian Equivalents to the International Financial Reporting Standards 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 as to 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 controls relevant to the entities 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 entities internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Corporations Act 2001. We confirm that the Auditor's Independence Declaration required by the Corporations Act 2001 has the same date as this report.

Matters relating to the electronic presentation of the audited financial report

The auditor's report refers to the financial report of Morisset Country Club Limited (the Company) for the year ended 31 December, 2009 included on Morisset Country Club's website. The Company's Directors are responsible for the integrity of the website. We have not been engaged to report on the integrity

CROSBIE WARREN SINCLAIR
ACCOUNTANTS & BUSINESS ADVISERS

of this website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Audit Opinion

In our opinion:

(a) the financial report of Morisset Country Club Limited is in accordance with the Corporations Act 2001, including:
   (i) giving a true and fair view of Morisset Country Club Limited's financial position as at 31 December, 2009 and of its performance for the year ended on that date; and
   (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the financial report complies with International Financial Reporting Standards as disclosed in Note 1.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to note 3 to the financial statements which indicates that the Club has a deficiency in working capital such that current liabilities exceed current assets by $432,101. This together with the other matters set out in Note 3 indicate the continuing uncertainty as to whether the Club will be able to continue as a going concern and therefore whether it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report. In our opinion, knowledge of the significant uncertainty affecting the Club's ability to continue as a going concern is necessary for a proper understanding of the financial report.

Kirsty Porteous - Partner

Crosbie Warren Sinclair Partners
Certified Practising Accountants.

Dated: 25 February, 2010

DIRECTORS DECLARATION

The Directors of the Club declare that:

1. The financial statements and notes, as set out on pages 9 to 24

   (a) comply with Accounting Standards in Australia, the Corporations Act 2001 and other mandatory reporting requirements; and

   (b) give a true and fair view of the financial position as at 31 December 2009 and of its performance, as represented by the results of its operations and cash flows for the year ended on that date.

2. At the date of this declaration there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

Erica Ford – Director

George McLellan – Director

Dated: 25 February, 2010

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2009

	Note	2009 $	2008 $
CURRENT ASSETS			
Cash and Cash Equivalents	6	8,968	98,807
Receivables	7	19,732	4,776
Inventories	8	31,010	30,454
Investments	9	22,959	21,947
Other Current Assets	10	36,680	34,355
TOTAL CURRENT ASSETS		119,349	190,339
NON-CURRENT ASSETS			
Property Plant and Equipment	11	505,443	518,362
Intangible Assets	12	6,218	12,434
TOTAL NON-CURRENT ASSETS		511,661	530,796
TOTAL ASSETS		631,010	721,135
CURRENT LIABILITIES			
Trade and Other Payables	13	226,763	219,447
Interest Bearing Liabilities	14	95,509	72,694
Provisions	15	54,812	62,439
Other Current Liabilities	16	174,366	163,005
TOTAL CURRENT LIABILITIES		551,450	517,585
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities	14	111,205	164,827
Provisions	15	23,590	41,437
TOTAL NON-CURRENT LIABILITIES		134,795	206,264
TOTAL LIABILITIES		686,245	723,849
NET (LIABILITIES)/ASSETS		(55,235)	(2,714)
MEMBERS' FUNDS			
Reserves - Capital Profits Reserve		1,152,279	1,152,279
- Capital Reserve		10,150	10,150
Accumulated Losses		(1,217,664)	(1,165,143)
TOTAL MEMBERS' FUNDS		(55,235)	(2,714)

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

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 $	2008 $
INCOME			
Bar Sales		691,681	648,300
Cost of Goods Sold		(301,352)	(293,845)
Bar Gross Profit ($)		390,329	354,455
Bar Gross Profit (%)		56.4%	54.7%
Poker Machine Net Revenue		1,114,096	1,130,635
Profit on disposal of plant and equipment		16,000	21,227
Catering Revenues		15,249	15,273
Golf Revenues		901,570	854,953
Pro AM Revenues		64,828	46,085
Bowls Revenues		63,301	56,356
Raffles and Bingo Revenues		89,777	92,635
Interest Received		2,071	2,619
Keno and TAB Commission		55,386	83,476
Other Income		35,943	37,147
TOTAL TRADING AND OTHER INCOME		2,748,550	2,694,861
EXPENSES			
Bar Direct Expenses		(260,211)	(257,451)
Poker Machine Direct Expenses (excl. Finance)		(338,841)	(336, 462)
Catering Expenses		(14,425)	(19,746)
Golf Expenses (excluding Finance Costs)		(563,697)	(524,818)
Pro AM Expenses		(46,840)	(43,003)
Bowls Expenses		(81,798)	(93,137)
Raffles and Bingo Expenses		(148,793)	(140,459)
Keno and TAB Expenses		(22,643)	(20,577)
Members Amenities		(123,735)	(144,870)
Clubhouse Expenses		(521,675)	(502,313)
Administration & other Expenses (excl. Finance)		(655,298)	(675,210)
Finance Costs		(23,115)	(21,695)
TOTAL EXPENSES		(2,810,071)	(2,779,741)
PROFIT/(LOSS) BEFORE TAX		(52,521)	(84,880)
Income Tax Expense	1	-	-
PROFIT/(LOSS) FOR YEAR		(52,521)	(84,880)

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

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 $	2008 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members & guests		3,373,101	3,286,747
Payments to suppliers & employees		(3,273,025)	(3,209,972)
Interest received		2,071	2,619
Interest paid		(495)	(2,911)
Net Cash Flows provided by Operating Activities	22	101,652	76,483
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Fixed Assets		16,000	7,860
Payments for Plant & Equipment		(81,967)	(13,172)
Investment in Short Term Deposits		(22,959)	(21,947)
Deposits repaid		21,947	21,840
Net Cash Flows used in Investing Activities		(66,979)	(5,419)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		36,525	40,548
Repayments of Borrowings		(40,580)	(52,746)
Lease payments		(120,457)	(84,360)
Net Cash Flows used in Financing Activities		(124,512)	(96,558)
Net (Decrease)/Increase in Cash Held		(89,839)	(25,494)
Cash and Cash Equivalents at the Beginning of the Financial Year		98,807	124,301
Cash and Cash Equivalents at the End of the Financial Year	22	8,968	98,807

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 $	2008 $
OPENING BALANCE 1 JANUARY 2009			
Capital Profits Reserve		1,152,279	1,152,279
Capital Reserve		10,150	10,150
Accumulated Losses		(1,165,143)	(1,080,263)
		(2,714)	82,166
Profit/(Loss) for the Year		(52,521)	(84,880)
CLOSING BALANCE 31 DECEMBER 2009			
Capital Profits Reserve		1,152,279	1,152,279
Capital Reserve		10,150	10,150
Accumulated Losses		(1,217,664)	(1,165,143)
		(55,235)	(2,714)

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

The financial report has been prepared on the basis of historical costs. The financial report is presented in Australian Dollars.

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

Statement of Compliance

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

Income Tax

The Club was granted exemption from income tax under Section 50-45 of the Income Tax Assessment Act (1997) as a result of a private ruling issued by the Australian Taxation Office on 9 December 1997.

Inventories

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

Borrowing Costs

Borrowing costs are recognised as an expense when incurred.

Intangible Assets

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

Trade Debtors and Other Receivables

All receivables are categorised under the requirements of AASB 139: Financial Instruments - Recognition and Measurement and are recognised initially at fair

value and subsequently at amortised cost. All trade and other receivables are current. Trade receivables are generally due within 30 days from the date of recognition.

An allowance for doubtful debts is based on a review of outstanding balances at Statement of Financial Position date and is accounted for in a separate account. Indicators of impairment include where there is objective evidence of significant financial difficulties, debtor bankruptcy, financial reorganisation or default in payment (more than 60 days overdue). Bad debts which have previously been provided for are eliminated against the allowance for doubtful debts. In all cases, bad debts have been written off as an expense directly in the Statement of Comprehensive Income.

Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Trade and Other Payables

Trade and other payables, including accruals, are recorded initially at fair value and subsequently at amortised cost. Trade and other payables are non-interest bearing. Trade accounts payable are normally settled within 30 days.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over a period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement for at least 12 months after the reporting date.

Property, Plant and Equipment

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

Depreciation is calculated on a straight-line basis over either the estimated useful life of the asset or the length of the lease as appropriate:

Leasehold Improvements	5 years
Plant and Equipment	3 to 10 years

Impairment

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

Impairment losses are recognised in the Statement of Comprehensive Income in the administration expense line item.

Recoverable Amount of Assets

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

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

Leases

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets (finance lease), and operating leases under which the lessor effectively retains all such risks and benefits. Where a non current asset is acquired by means of a finance lease, the minimum lease payments are discounted at the interest rate implicit in the lease. The discounted amount is established as a non-current asset at the beginning of the lease term and amortised over its expected economic life. A corresponding liability is also established and each payment is allocated between the principal component and the interest expense. Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the statement of comprehensive income in the periods in which they are incurred.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the Statement of Financial Position. Cash flows are

included in the cash flow statement on a gross basis. The GST component of cash flows arising from the investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

Financial Instruments Recognition and Derecognition

Regular way purchases and sales of financial liabilities are recognised on trade date – the date on which the Club commits to purchase or sell the financial assets or financial liabilities. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Club has transferred substantially all the risks and rewards of ownership.

Financial Guarantee Contracts

These contracts are recognised as a financial liability at the time the guarantee is issued. The liability is measured initially at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Revenue Recognition

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

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

Interest income is recognised as it accrues.

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

Other revenue is recognised as it accrues.

Employee Benefits

Provision is made for the Club's liabilities for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with benefits arising from wages and salaries, annual and sick leave, which would be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflow to be made for those benefits, using appropriate estimation techniques.

Comparatives

Comparative information has been adjusted to reflect current year disclosures.

2 LIMITED BY GUARANTEE

The Club is an incorporated body having no share capital and the liability of Members is limited by guarantee. The registered address of the Club is Dora Street, Morisset.

3 GOING CONCERN

After incurring a loss of $52,521 in the current year, the Club shows a net deficit of assets of $55,235. While the Club has generated $101,652 in cash flows from operations (refer the Statement of Cashflows), the purchase of assets and repayment of loans and leases has resulted in a deterioration of cash reserves. The Club currently has a deficiency in working capital such that current liabilities exceed current assets by $432,101.

Furthermore, the ability of the Club to continue as a going concern is heavily dependent on the continued support of the Club's landlord, who to date, has accepted rent based on available cashflow and has not made a claim for any shortfall arising. Withdrawal of this support would almost certainly result in the Club being unable to continue as a going concern. At the date of this report the Directors are of the opinion that this support will continue. This support together with the co-operation of select trade suppliers and the Office of State Revenue during tight periods of cash flow is the basis for the Directors being of the opinion that the Club will continue as a going concern. In addition, management have prepared a cash flow budget that indicates the ability to continue as a going concern (dependant on the support of the landlord and creditors as noted above).

Significant uncertainty therefore exists as to whether the club will be able to continue as a going concern as this is substantially dependent on the ongoing goodwill of the landlord together with the club's ability to trade through tough economic conditions. If the club is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

	2009 $	2008 $
4 OPERATING REVENUE		
Bar Sales	691,681	648,300
Poker Machine Net Revenue	1,114,096	1,130,635
Sale of Plant and Equipment	16,000	21,227
Catering Revenues	15,249	15,273
Golf Revenues	901,570	854,953
Pro AM Revenues	64,828	46,085
Bowls Revenues	63,301	56,356
Raffles and Bingo	89,777	92,635
Interest Received /Receivable	2,071	2,619
Keno and TAB Commission	55,386	83,476
Other Income	35,943	37,147
TOTAL	3,049,902	2,988,706

5 OPERATING PROFIT

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

Credits			
Interest received / receivable		2,071	2,619
Profit on sale of assets		16,000	21,227
Charges			
Depreciation	- Plant & equipment	74,335	84,866
Amortisation	- Leasehold	28,006	15,737
	- Lease preparation costs	6,216	6,217
	- Leased assets	39,225	38,977
Total depreciation and amortisation		147,782	145,797
Interest and finance costs		23,115	21,695
Rental expense on operating leases		14,327	14,716
Leasehold rent		201,67	216,061
Land tax		56,610	53,026
Workers' compensation insurance		36,038	43,573
Employee benefits	- Wages	913,387	899,634
	- Payroll Tax	18,163	17,885
	- Superannuation	79,528	72,747
	- Leave Provisions	(25,474)	(1,062)
		985,604	989,204

6 CASH AND CASH EQUIVALENTS

Cash at Bank and on hand	8,968	98,807

7 RECEIVABLES

Current		
Trade debtors	16,745	4,776
Less: provision for impairment of receivables	(3,251)	-
Insurance claims receivable	6,238	-
	19,732	4,776

8 INVENTORIES

Stock on hand - bar	30,480	29,924
Stock on hand - prizes	530	530
	31,010	30,454

9 INVESTMENTS

TAB Security Guarantee Investment Deposit	22,959	21,947

10 OTHER CURRENT ASSETS

Prepayments	36,680	34,355

11 PROPERTY, PLANT AND EQUIPMENT

	Plant & Equipment	Poker Machines	Motor Vehicles	Leased Assets	Leasehold Improvement	Total
	$	$	$	$	$	$
Year ended 31 December 2009						
At 1 January 2009,						
Net of accumulated depreciation/amortisation	169,737	54,451	3,480	261,871	28,823	518,362
Additions	55,340	-	-	73,307	-	128,647
Less: depreciation / amortisation	(50,138)	(23,849)	(348)	(39,225)	(28,006)	(141,566)
At 31 December 2009						-
Net of accumulated depreciation/amortisation	174,939	30,602	3,132	295,953	817	505,443
At 1 January 2009						
Cost or fair value	880,649	493,777	38,295	717,009	604,100	2,733,830
Accumulated deprecation/amortisation	(710,912)	(439,326)	(34,815)	(455,138)	(575,277)	(2,215,468)
Net carrying amount	169,737	54,451	3,480	261,871	28,823	518,362
At 31 December 2009						
Cost or fair value	938,173	493,777	38,295	788,089	604,100	2,862,434
Accumulated deprecation/amortisation	(763,234)	(463,175)	(35,163)	(492,136)	(603,283)	(2,356,991)
Net carrying amount	174,939	30,602	3,132	295,953	817	505,443
Year ended 31 December 2008						
At 1 January 2008,						
Net of accumulated depreciation/amortisation	249,418	48,181	3,866	193,118	44,560	539,143
Additions	13,172	24,400	-	107,727	-	145,299
Transfers	(20,853)	(3,512)	-	24,365	-	-
Less: disposals	(1,735)	(403)	-	(24,362)	-	(26,500)
Less: depreciation/amortisation	(70,265)	(14,215)	(386)	(38,977)	(15,737)	(139,580)
At 31 December 2008						
Net of accumulated depreciation/amortisation	169,737	54,451	3,480	261,871	28,823	518,362
At 1 January 2008						
Cost or fair value	962,105	471,524	4,000	543,682	604,100	2,585,411
Accumulated deprecation/amortisation	(712,687)	(423,343)	(134)	(350,564)	(559,540)	(2,046,268)
Net carrying amount	249,418	48,181	3,866	193,118	44,560	539,143
At 31 December 2008						
Cost or fair value	880,649	493,777	38,295	717,009	604,100	2,733,830
Accumulated deprecation/amortisation	(710,912)	(439,326)	(34,815)	(455,138)	(575,277)	(2,215,468)
Net carrying amount	169,737	54,451	3,480	261,871	28,823	518,362

Leased assets are pledged as security for the related finance leases.

The Club has a total of 44 Poker Machine entitlements (2008: 44). These entitlements were granted to the Club at no cost. The value of these entitlements has not been recognised as an asset as they do not meet the recognition and measurement criteria of the applicable accounting standards.

	2009 $	2008 $
12 INTANGIBLE ASSETS		
Capitalised lease preparation	31,086	31,086
Less: accumulated amortisation	(24,868)	(18,652)
	6,218	12,434

The capitalised lease costs are being amortised over the initial 5 year period of the lease commencing 1 January 2006.

13 TRADE AND OTHER PAYABLES		
Current		
Trade creditors	146,688	146,738
Accrued expenses	42,530	37,168
Bonus points liability	3,690	2,067
GST payable	33,855	33,474
	226,763	219,447
14 INTEREST BEARING LIABILITIES		
Current		
Insurance liability	-	4,054
Lease liability - SENPOS	-	12,669
Lease liability - greens equipment	39,322	36,585
Hire purchase liability - poker machines	34,554	-
Lease liability - golf carts	21,633	19,386
	95,509	72,694
Non-Current		
Hire purchase liability - poker machines	6,906	-
Lease liability - greens equipment	44,373	83,432
Lease liability - golf carts	59,926	81,395
	111,205	164,827
15 PROVISIONS		
Current		
Provision for annual leave	54,812	62,439
Non-Current		
Provision for long service leave	23,590	41,437

	2009 $	2008 $

16 OTHER CURRENT LIABILITIES

Clearing accounts	(37)	1,015
Duty tax rebate in advance	7,612	7,152
Subscriptions in advance	166,791	154,838
	174,366	163,005

17 AUDITOR'S REMUNERATION

Amounts received, or due to be receivable by the Auditor of the Club for:-

Audit Services	20,000	21,000
Accountancy and other services		
- 2008 financial year	6,500	1,440
- 2009 financial year	5,000	-
Included in Statement of Comprehensive Income	31,500	22,440

18 COMMITMENTS FOR EXPENDITURE

a) Operating Lease

Total commitments in respect of operating leases (including the club lease) are as follows:-

Not later than one year	381,452	372,166
Later than one year and not later than five	32,313	394,416
	413,765	766,582

Operating Lease commitments includes club rentals. These have been stated at the total lease rental under the lease agreement (refer below).

b) Finance Obligations

Total commitments in respect of finance obligations are as follows:-

	2009		2008	
	Minimum Payments	Present Value of Payments	Minimum Payments	Present Value of Payments
Not later than One Year	117,090	95,509	85,686	68,640
Later than One Year and not Later than Five	116,486	111,205	181,194	164,827
Later than Five Years	-	-	-	-
Total Minimum Payments	233,576	206,714	266,880	233,467
Less: Amounts Representing Finance Charges	(26,862)	-	(33,413)	-
Present Value of Minimum Payments	206,714	206,714	233,467	233,467

Weighted average interest rate on finance obligations was 10.31% (2008: 8.50%)

c) Club Lease

The Club is located on land that is leased under a non-cancellable lease with an initial five year term commencing 1 January 2006, with rent payable monthly in advance. The minimum rent payments are increased with CPI on an annual basis. An option exists to renew the lease at the end of the five year term for an additional five years, with further options to renew. The initial rent started at $350,000 per annum.

d) Capital Commitments

On 13 January 2010, the Club entered into a rental agreement with Sharp Corporation of Australia Pty Limited for the acquisition of a Sentouch Point of Sale System. The contracted commitment is $83,114 which is payable in monthly instalments of $1,385 for a period of 60 months commencing on 15 January 2010.

19 CONTINGENT LIABILITIES

Bank Guarantee

The Club has a bank guarantee for $5,000 in connection with its TAB facilities and a $12,000 guarantee for electricity. These guarantees are secured by a term deposit held with Westpac Bank.

20 RELATED PARTIES

The names of persons who were Directors of the Club at any time during the year are as they appear in the attached Directors' Report with the exception of M Hutchby, B Munro, B Ewert and R Steedman who either resigned during the year or did not seek re-election

Club directors incurred expenditure on club related activities of $3,555 (2008 $1,506) during the financial year.

Directors B Munro and P Chapman provided goods and/or services of $7,780 (2008 $2,917) and $3,651 (2008 $1,599) respectively to the Club during the year, under normal terms and conditions on an arms length basis.

Directors Remuneration	2009	2008
Number of directors (key management personnel) whose income from the Club and any other related party was within the following bands:		
$0 - $9,999	–	–

21 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURE

The Club's financial instruments consist mainly of deposits with banks, accounts receivable and payable and various loan and lease obligations.

Financial Risk Management

The Club's activities expose it primarily to the financial risks of liquidity, credit exposure and changes in interest rates. The board of directors are responsible for monitoring and managing the financial risks of the Club. They monitor these risks through review at monthly Board meetings. The Club does not enter into derivative financial instruments and does not speculate in any type of financial instrument.

a) Interest Rate Risk

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

Bank Accounts

At 31 December 2009, the club had the following bank accounts at call:

	Balance	Interest Rate %
Main Trading Account	(56,770)	0.45
Club Keno	716	-
Tab Account	782	-
Maxi-I Direct Link Account	6	1.75
Bowls Sub-Club	6,438	0.35
Bowls Ladies Sub Club	3,020	0.35
Cash Management Account	867	-
Investment at Call	81	1.75
Golf Ladies Sub Club	3,436	0.60
Junior Golf Sub Club	2,826	0.35
Course No. 2 Account	9,070	-
	(29,528)	

Interest Bearing Liabilities

As at the 31 December 2009 the balance of the 12 month interest bearing deposit was $22,959 with an interest rate of 3.6%, with a term to maturity of 1 month.

For Lease Liabilities refer note 18. All finance leases have a fixed implicit interest rate component.

All other financial assets and liabilities of the Club which have been recognised on the Statement of Financial Position are not subject to interest rate risk as they are non-interest bearing.

Additional Financial Instrument Disclosure (continued)

b) Credit Risk

Credit risk is the risk of financial loss to the Club if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Club has exposure to credit risk through its receivables to the extent that there are unpaid amounts at Statement of Financial Position date.

The Directors establish any allowances for impairment when it is expected that any receivables are not collectable. This allowance consists of allowances for specific amounts.

The maximum credit risk in financial assets of the Club which have been recognised on the Statement of Financial Position, is the carrying amount net of any provision for doubtful debts. Total credit risk for the Club at 31 December 2009 is $22,983 (2008:$4,776) arising from trade receivables and insurance recoveries.

The Club has also reviewed the credit quality of its financial assets and expects all receivables to be recovered within due collection periods unless otherwise impaired. No collateral or security is held in respect of any receivables. Credit is not generally extended to customers

c) Liquidity Risk

Liquidity risk is the risk that the Club will not be able to meet its financial obligations as they fall due. The Club prepares cash flow budgets and monitors its cash position to ensure that sufficient cash is available to settle obligations as they fall due.

The following are contractual maturities of the financial liabilities including interest payments. Contractual amounts are expected payments which have not been discounted:

	Carrying Amount $	Contractual Cash Flows $	Less than 1 Year $	Between 2-5 Years $
Financial Liabilities				
Trade Payables	226,763	226,763	226,763	-
Financial Leases	206,714	233,576	117,090	116,486
	433,477	460,339	343,853	116,486

Other current liabilities, comprising primarily income in advance, have not been included in the above analysis.

d) Net Fair Value of Financial Assets

The Club's financial assets and liabilities included in the Statement of Financial Position are carried at amounts that approximate net fair value.

22 NOTES TO CASHFLOW STATEMENT

1. Reconciliation of Cash

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

	2009 $	2008 $
Cash at bank and on hand	8,968	98,807

2. Reconciliation from the net (loss)/profit after tax to the net cashflows from operations.

Operating (Loss) / Profit After Tax	(52,521)	(84,880)
Non-Cashflow in Operating Profit/(Loss)		
Amortisation of leasehold, lease preparation costs and leased assets	73,447	60,932
Depreciation	74,335	84,866
Lease finance charges	22,620	18,784
(Profit) / loss on sale of assets	(16,000)	(21,227)
Doubtful debts expense	3,251	
Net change in leave provisions	(25,474)	(1,062)
	79,658	57,413
Changes in Assets and Liabilities		
Decrease/(increase) in trade and other debtors	(18,207)	8,176
Decrease/increase) in inventories	(556)	3,596
Decrease/increase) in prepayments	(2,325)	10,290
Increase/(decrease) in trade creditors and accruals	30,288	(2,573)
Increase/(decrease) in income in advance	12,413	(3,461)
Increase/(decrease) in GST liability	381	3,043
Net Cash From Operating Activities	101,652	76,484

3. The Club has no unused credit facilities available.

4. During the course of the year, $71,080 worth of assets were acquired by financing (Hire Purchase). These are not reflected in the cash flow statement as investing activities or financing activities.

23 SEGMENT INFORMATION

The Club operates wholly as a licensed club, where all operations are carried out for the benefit of members and guests. Please refer to the Statement of Comprehensive Income for a split of revenues and expenses by departmental area.

24 NEW ACCOUNTING STANDARDS AND INTERPRETATION

Title of Standard	Issue Date	Application Date **
Revised AASB 3 Business Combinations	March 2008	1 July 2009
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	Jan 2008	1 July 2009
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	March 2008	1 July 2009
AASB 2008-6 Further amendments to Australian Accounting Standards arising from the Annual Improvements Project	July 2008	1 July 2009
AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project	May 2009	1 July 2009
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	May 2009	1 January 2010

Application of the above standards is not expected to affect any of the amounts recognised in the financial statements, but will result in changes to the additional information disclosed in the financial statements. No standards have been early adopted.