



SHELLHARBOUR
WORKERS' CLUB LTD

Annual Report

2011

PRESIDENT'S REPORT – 2010/2011

Dear Member,

I am extremely pleased to present our Annual Report and Balance Sheet for the year ending 30 June 2011. It has once again been a very positive year for the club with many changes implemented for members and their guests. Some of those changes have included refurbishment of the poker machine area, addition of Wabi Sabi Noodle House and the new outside bar "O Bar". You will also have noticed major changes to our lounge area, sports bar and the Club entrance. As a result of those changes we have been able to return a profit of \$1,229,833 (2009/10 \$285,908). We will continue to bring the Club up to a standard which will be appreciated by all who visit the Club.

In line with our Strategic Plan, Members will also notice more changes to the Club internally over the next twelve months including refurbishment of the Bistro, Auditorium and kitchen areas. External areas of the Club will also receive a makeover. The club facilities will be "state of the art" and are changed to reflect members' requests. I thank you in advance for your patience during construction.

Through implementation of our Strategic Plan we have identified the need to name the Club facility as "The Shellharbour Club" and the whole of the site remaining with the business name "Shellharbour Workers' Club Limited". This allows for other facilities shown on our Masterplan to have individual identities but still fall under the umbrella of Shellharbour Workers' Club Limited.

Our strong commitment to the Community continues as ever with donations and sponsorships of \$171,225 (2009/10 \$160,592). The club is bound to donate through the CDSE scheme and we have again exceeded the minimum requirement. This scheme has been redefined as ClubGRANTS and the Club will advertise for expressions of interest from community groups for assistance from these funds.

The campaign undertaken by ClubsNSW "Who Voted For a Licence to Punt – Its Un-Australian" is to remind the Federal Government that the issue of "Problem Gamblers" will not be solved by enforcing pokie players to pre-commit an amount they wish to gamble. It has been proven in Norway, the only place in the world to trial pre-commitment, that it just doesn't work. In fact, the problem gambler numbers increased and the implementation also forced punters to use uncontrolled internet gambling sites using credit cards. To install and implement the technology would cost clubs millions of dollars they cannot afford. It would close clubs and send thousands of staff out of work, let alone the flow on effect to suppliers and the community groups that rely on club donations to exist. The agreement between the Prime Minister and Andrew Wilkie also would limit ATM cash withdrawals to just \$250.00 per day. How inconvenient for the many people who use the machines to access their own money in secure convenient premises. I implore all members to voice your strongest opposition to this madness through your local Member of Parliament both State and Federal.

The Board is committed to keeping up to date with the latest guidelines for Directors, Legislation and Regulations through regular meetings of the Club Directors Institute (CDI). The CDI plays an important role in giving Directors the tools to maintain and improve their professionalism.

I would like to thank Vice Presidents Dianne Hyde, Craig Taylor and all Board Members for your continued commitment and support throughout the year. It is a pleasure to be Chairman of a stable and pro-active team. My special thanks to Chief Executive Officer, Mr David Whyte, your Management Team, and all staff for an outstanding effort.

My thanks also to all intra-club sporting bodies who continue to represent the Club in a well-disciplined and sportsmanlike manner.

To those Members who have suffered bereavement during the year, I offer my sympathy and to those dealing with illness, a speedy recovery.

In conclusion, I appeal to all members for continued support of this fine club as we continue to evolve.

A handwritten signature in black ink, appearing to read 'Russell Connell', with a stylized flourish at the end.

Russell Connell
President

SHELLHARBOUR WORKERS CLUB LIMITED

A.C.N. 001 068 864

**Financial Report For The Year Ended
30 June 2011**

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SHELLHARBOUR WORKERS CLUB LTD
A.C.N. 001 068 864
DIRECTORS' REPORT

Your directors present their report, together with the financial statements of the Company for the financial year ended 30 June 2011.

Principal Activities

The principal activities of the company during the financial year was that of a registered club.
The net profit for the year was \$1,229,883 (2010: \$285,908).
No provision for income tax was necessary.

Operating Results

The club had a profit of \$1,229,883 for the 2011 year and was able to meet commitments to community, sporting and charitable organisations, as well as providing members with quality entertainment and facilities at the lowest prices possible, having regard to increasing costs and government charges which continue to burden the club industry.

Significant Changes in State of Affairs

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

After Balance Date Events

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

Future Developments, Prospects and Business Strategies

The company's objectives provide a 5 year view to progressive growth; optimising the existing business assets, capturing new products and services and for sustainable diversification of the business. The objectives relate to:

- (1) Diversification: to establish financial sustainability by reducing the risks associated with the hospitality venue's reliance on gaming revenue.
- (2) Market Positioning: to ensure that the hospitality venue is positioned strategically within the market and is market relevant providing services and products aimed to capture optimal market share across diverse demographics.
- (3) Operational Management: to improve the service culture and the organisational management structures to ensure the efficient and effective operation of the business in support, design and development of operational systems and functions to facilitate the potential growth of the business.
- (4) Physical Venue Management: to ensure that the physical hospitality venue maintains a product focus that is efficient, financially sustainable, aligned with business, responsive to the market and is not over-ridden by the not-for profit purpose of the corporate entity.

Directors

Your directors submit the financial report of the company for the year ended 30th June 2011.
The names of the directors in office at the date of this report are:

Russell Connell	President Director of Club since 31.10.1999. (Second Term) Occupation - Sales Engineer
Dianne Hyde	Snr Vice-President Director of Club since 22.10.2000 (Second Term) Occupation - Florist
Craig Taylor	Jnr Vice-President Director of Club since 31.10.2004 Occupation - Driver
Mark Climo	Director of Club since 28.10.2007 Occupation - Real Estate Agent
Jennifer Cooper	Director of Club since 28.10.2007 Occupation - Retired
Peter Cooper	Director of Club since 25.10.2009 Occupation - Social Worker
William Gillespie	Director of Club since 28.10.2007 Occupation - Line Worker
Michael Weir (Resigned 27.06.2011)	Director of Club since 26.10.2008 Occupation - Retired Police Officer

SHELLHARBOUR WORKERS CLUB LTD
A.C.N. 001 068 864
DIRECTORS' REPORT

Company Secretary

The following person held the position of company secretary at the end of the financial year:
 David Whyte was appointed company secretary on 2 July, 1992. David holds a Bachelor of Commerce degree and a Club Manager's Higher Certificate. David has worked in the club industry since 1979.

Meetings of Directors

Attendances by each director during the year were as follows:

	Ordinary Meetings		Special Meetings	
	Attended	Possible	Attended	Possible
Mark Climo	7	12	6	9
Russell Connell	10	12	7	9
Jennifer Cooper	11	12	8	9
Peter Cooper	11	12	8	9
William Gillespie	10	12	7	9
Dianne Hyde	10	12	8	9
Craig Taylor	12	12	9	9
Michael Weir	9	12	3	9

Environmental Issues

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

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company with the exception of directors and officers insurance premiums paid of \$2,851.

Directors' Entitlements

No director has received or become entitled to receive, during or since the end of financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest with the exception of;

Warilla Florist of which Dianne Hyde is a director supplied goods to the club totalling \$2,077;

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts or the fixed salary of a full time employee of the company, controlled entity or related body corporate.

Non-audit services

The board of directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditors' independence as the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia's Professional Statement F1: Professional Independence.

The following fees for non-audit services were paid/payable to the external auditor during the year ended 30 June 2011:

Company Secretarial Services	250
Taxation	1,400
	<u>1,650</u>

Members Guarantee

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2 each. At 30 June 2011 the number of members was 20,787 (2010: 19,339) as follows;

- Life members	13
- Full members	20,774
Total Members	<u>20,787</u>

SHELLHARBOUR WORKERS CLUB LTD
A.C.N. 001 068 864
DIRECTORS' REPORT

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.

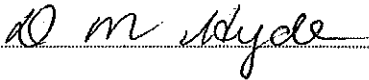
Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2011 has been received and can be found attached to the directors' report.

This Report of the Directors is signed in accordance with a resolution of the Board of Directors.



.....
Russell Connell



.....
Dianne Hyde

Dated: 21 September 2011

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SHELLHARBOUR WORKERS CLUB LTD A.C.N. 001 068 864**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 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.

Name of Firm O'DONNELL HENNESSY & CO.



Name of Partner KARL TAYLOR
Registered Company Auditor: 1212

Date 21 September 2011

Address WOLLONGONG



Liability limited by
a scheme approved
under Professional
Standards Legislation.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2011

	Note	2011 \$	2010 \$
Revenues from ordinary Activities	2	15,913,115	15,703,546
Cost of Sales		1,842,677	2,115,374
Employee Benefits Expense		4,344,012	4,671,705
Depreciation and Amortisation Expense		1,218,863	1,519,509
Finance Costs		199,629	170,973
Other Expenses		7,078,051	6,940,077
Profit/(loss) before Income Tax Expense	2	<u>1,229,883</u>	<u>285,908</u>
Income Tax Expense	3	<u>-</u>	<u>-</u>
Profit/(Loss) for the year		<u><u>1,229,883</u></u>	<u><u>285,908</u></u>

The accompanying notes form part of these financial statements

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
Profit for the year	1,229,883	285,908
Other comprehensive income:		
Total comprehensive income for the year	<u>1,229,883</u>	<u>285,908</u>

The accompanying notes form part of these financial statements.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,137,743	1,294,332
Trade and other receivables	6	52,552	67,371
Inventories	7	233,397	213,821
Other current assets	8	94,437	137,019
TOTAL CURRENT ASSETS		<u>1,518,129</u>	<u>1,712,543</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	14,137,462	12,023,730
TOTAL NON-CURRENT ASSETS		<u>14,137,462</u>	<u>12,023,730</u>
TOTAL ASSETS		<u>15,655,591</u>	<u>13,736,273</u>
CURRENT LIABILITIES			
Trade and other payables	10	927,158	1,215,326
Financial liabilities	11	527,829	825,636
Short term provisions	12	655,445	731,524
Other current liabilities	13	90,902	146,515
TOTAL CURRENT LIABILITIES		<u>2,201,334</u>	<u>2,919,001</u>
NON-CURRENT LIABILITIES			
Financial liabilities	11	3,702,756	2,294,347
Other long term provisions	12	111,969	113,276
TOTAL NON-CURRENT LIABILITIES		<u>3,814,725</u>	<u>2,407,623</u>
TOTAL LIABILITIES		<u>6,016,059</u>	<u>5,326,624</u>
NET ASSETS (LIABILITIES)		<u>9,639,532</u>	<u>8,409,649</u>
EQUITY			
Asset revaluation Reserve		48,163	48,163
Retained profits		9,591,369	8,361,486
TOTAL EQUITY		<u>9,639,532</u>	<u>8,409,649</u>
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The accompanying notes form part of these financial statements

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2011

	Retained Earnings	Asset Reval.	TOTAL
Balance at 30 June 2009	8,075,578	48,163	8,123,741
Profit Year Ended 30th June 2010	285,908	-	285,908
Balance at 30 June 2010	<u>8,361,486</u>	<u>48,163</u>	<u>8,409,649</u>
Profit Year Ended 30th June 2011	1,229,883	-	1,229,883
Balance at 30 June 2011	<u>9,591,369</u>	<u>48,163</u>	<u>9,639,532</u>

The accompanying notes form part of these financial statements

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2011

		2011 \$ Inflows/ (outflows)	2010 \$ Inflows/ (outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		15,773,300	15,530,469
Payments to Suppliers & Employees		(13,545,833)	(13,754,707)
Interest & dividends received		38,400	23,381
Interest & other costs of finance paid		(199,629)	(170,973)
Net cash provided by Operating Activities	18b	<u>2,066,238</u>	<u>1,628,170</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment For Property Plant & Equipment			
- Building Improvements		(2,648,757)	(170,925)
- Poker machines		(657,488)	(488,830)
- Plant & equipment		(87,805)	(312,330)
- Motor Vehicles		-	-
Proceeds from Sale of Assets		60,621	63,911
Net cash used by investing activities		<u>(3,333,429)</u>	<u>(908,174)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		1,776,569	373,709
Payment of Borrowings		(665,967)	(1,046,634)
Net Cash Inflow (outflow) from Financing Activities		<u>1,110,602</u>	<u>(672,925)</u>
NET INCREASE/(DECREASE) IN CASH HELD		(156,589)	47,071
Cash at Beginning of the Year	18a	1,294,332	1,247,261
CASH AT THE END OF THE YEAR	18a	<u><u>1,137,743</u></u>	<u><u>1,294,332</u></u>

The accompanying notes form part of these financial statements

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

This financial report includes the financial statements and notes of Shellharbour Workers Club Limited. Shellharbour Workers Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

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

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 otherwise stated.

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

Reporting Basis and Conventions

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

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

Income Tax

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

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

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

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

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

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

Inventories

Inventories are measured at the lower of cost and net realisable value.

Land for Sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, foreign currency movements, borrowing costs and holding costs until completion of development. Finance costs, foreign currency movements and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale.

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 costs.

Property

Freehold land and buildings are shown at their cost or fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and Equipment are measured on a cost basis.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The Depreciation Rates used for each class of depreciable assets are as follows:

Class of Fixed Asset	Depreciation Rate
Buildings	2 - 2.5%
Poker machines	14%
Plant & Equipment	7.5 - 40%
Motor Vehicles	22.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the club estimates the recoverable amount of the cash-generating unit to which the asset belongs.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

Employee Entitlements

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liabilities are settled plus related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

Cash and Cash Equivalents

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

Revenue

Revenue from the sale of goods is recognised on the delivery of goods to customers.

Interest Revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with leases agreements.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows included in receipts from customers or payments to suppliers.

Comparative Figures

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

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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 Judgements

(i) Impairment

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(ii) Poker Machine Licences

The entity holds poker machine licences either acquired through a past business combination or granted at no consideration by the NSW government. AIFRS requires that licences outside of a pre AIFRS transaction business combination be recognised initially at its fair value as at the date it was granted with a corresponding adjustment to the profit and loss to recognise the grant immediately as income. Until new gaming legislation taking effect in April 2002 allowing poker machine licences to be traded for the first time, the entity has determined that fair value at grant date for licences granted pre April 2002 to be zero. Should licences be granted to the entity post April 2002 they will be initially recognised at fair value. The entity has determined that the market for poker machine licences does not meet the definition of an active market and consequently licences recognised will not be revalued each year.

New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

— AASB 9: Financial Instruments [December 2010] (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Company has not yet determined any potential impact on the financial statements.

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
- 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 the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

— AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Company.

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— AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (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.

reporting requirements (i.e. full IFRS):

- for-profit private sector entities that have public accountability; and
- the Australian Government and State, Territory and Local Governments.

The following entities can elect to apply Tier 2 of the framework when preparing general purpose financial statements:

- for-profit private sector entities that do not have public accountability; and
- not-for-profit private sector entities; and
- public sector entities, whether for-profit or not-for-profit, other than the Australian Government and State, Territory and Local Governments.

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific 'RDR' disclosures.

— AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Company.

— AASB 2009-14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This Standard is not expected to impact the Company.

AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011)

This Standard details numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian Accounting Standard financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Company.

— AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

This Standard is not expected to impact the Company.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

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This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards; and AASB 7: Financial Instruments: Disclosures; establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Company.

— AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Company has not yet determined any potential impact on the financial statements from adopting AASB 9.

— AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Company.

— AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Company.

— AASB 2010-10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9; and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7].

This Standard is not expected to impact the Company.

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2 OPERATING PROFIT	2011	2010
	\$	\$
(a) Operating profit before income tax has been determined after:		
Crediting as Revenue		
Interest Received - Other persons	38,400	23,381
Profit on disposal of property, plant and equipment	-	25,982
 Charging as Expenses:		
Auditors Remuneration		
- Audit Services	28,080	27,180
- Other	1,650	11,180
	<u>29,730</u>	<u>38,360</u>
Movement in Provisions		
Depreciation of non-current assets:		
Property, plant and equipment	1,218,863	1,519,509
Other Provisions:		
Employee entitlements	(77,386)	(143,561)
Net expense resulting from movement in provisions	<u>1,141,477</u>	<u>1,375,948</u>
 Bad Debts written off	-	-
Interest attributable to other persons	199,629	170,973
 Loss on disposal of property, plant and equipment	834	-
 (b) Operating Revenue:		
Included in operating profit are the following items of operating revenue:		
Poker machine revenue	10,067,673	8,737,313
Bar sales	2,673,620	2,993,851
Food & catering sales	1,936,701	2,509,394
Commissions & vending income	293,995	301,495
Government wage subsidy	-	5,428
Interest	38,400	23,381
Members Subscriptions	153,185	141,419
Other income	139,579	44,615
Poker machine GST compensation	17,180	17,180
Proceeds on disposal of property, plant and equipment	60,621	63,911
Rental & hall hire	102,612	112,039
Social & entertainment income	412,741	733,074
Squash court income	16,736	17,329
Multiscreen advertising income	72	3,117
 Total Operating Revenue	<u>15,913,115</u>	<u>15,703,546</u>

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	2011	2010
	\$	\$
3 INCOME TAX		
The club pays tax on income derived other than from members. The income tax position is as follows:		
(a) The prima facie tax payable on operating profit before income tax	368,965	85,772
Add tax effect of:		
Depreciation on buildings	75,979	75,974
Other Allowable/Non-allowable Items	<u>(50,847)</u>	<u>(10,629)</u>
	394,097	151,117
Less tax effect of:		
Net income from members not subject to income tax	<u>(394,097)</u>	<u>(151,117)</u>
Income tax expense attributable to operating profit	<u>-</u>	<u>-</u>
(b) Future income tax benefits not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 occur:		
- timing differences	59,858	66,731
- tax losses	<u>323,811</u>	<u>357,005</u>
	<u>383,669</u>	<u>423,736</u>

3 KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel (KMP) of the Company during the year are:

Mark Climo	Director (no remuneration)
Russell Connell	Director
Jennifer Cooper	Director (no remuneration)
Peter Cooper	Director (no remuneration)
William Gillespie	Director (no remuneration)
Dianne Hyde	Director
Craig Taylor	Director
Michael Weir	Director (no remuneration)
David Whyte	Secretary/ Chief Executive Officer
Debra Cosmos	Chief Operating Officer

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

	2011	2010
	\$	\$
Short-term employee benefits	325,627	365,291
Post-employment benefits	<u>20,512</u>	<u>21,930</u>
	<u>346,139</u>	<u>387,221</u>

Other KMP Transactions

For details of other transactions with KMP, refer to Note 16.

5 CASH AND CASH EQUIVALENTS

Cash on Hand	717,946	617,029
Cash at Bank	<u>419,797</u>	<u>677,303</u>
	<u>1,137,743</u>	<u>1,294,332</u>

6 TRADE AND OTHER RECEIVABLES

<i>CURRENT</i>		
Trade Debtors	33,878	53,635
Sundry Debtors	18,674	13,736
Less Provision for Doubtful Debts	-	-
	<u>52,552</u>	<u>67,371</u>

7 INVENTORIES

<i>CURRENT</i>		
Stock on Hand	<u>233,397</u>	<u>213,821</u>

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8 OTHER CURRENT ASSETS

CURRENT

Deposit - Gas	250	250
Rental Bond	520	520
Expenses paid in advance	93,667	86,780
Interest paid in advance	-	49,469
	<u>94,437</u>	<u>137,019</u>

9 PROPERTY, PLANT & EQUIPMENT

	2011 \$	2010 \$
Freehold Land		
- cost	281,837	281,837
- independent valuation 31 December 1982	48,163	48,163
	<u>330,000</u>	<u>330,000</u>
Freehold Buildings - cost	15,450,315	12,801,558
Less: Accumulated Depreciation	4,661,668	4,408,403
	<u>10,788,647</u>	<u>8,393,155</u>
Total Land & Buildings (refer Note 18)	<u>11,118,647</u>	<u>8,723,155</u>
Plant & Equipment - cost	10,303,614	10,215,809
Less: Accumulated Depreciation	9,218,735	8,835,344
	<u>1,084,879</u>	<u>1,380,465</u>
Poker Machines - cost	6,958,373	7,145,883
Less: Accumulated Depreciation	5,078,311	5,283,897
	<u>1,880,062</u>	<u>1,861,986</u>
Motor Vehicles - cost	111,116	111,116
Less: Accumulated Depreciation	96,479	92,229
	<u>14,637</u>	<u>18,887</u>
Utensils & crockery - cost	39,237	39,237
Total property, plant & equipment	<u>14,137,462</u>	<u>12,023,730</u>

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

	Freehold Land	Buildings	PM, Plant & Equipment	Total
Balance at the beginning of year	330,000	8,393,155	3,300,575	12,023,730
Additions	-	2,648,757	745,293	3,394,050
Disposals	-	-	(61,455)	(61,455)
Revaluation increments/ (decrements)	-	-	-	-
Depreciation expense	-	(253,265)	(965,598)	(1,218,863)
Carrying amount at the end of year	<u>330,000</u>	<u>10,788,647</u>	<u>3,018,815</u>	<u>14,137,462</u>

Valuation of Land and buildings

Land and Building are carried in the balance sheet are cost less applicable depreciation.

Land and buildings owned by the club were independently valued, based on fair value in accordance with AASB116 by Mr. N Brady AAPI (VAL,P&M), of Nicholas Brady Valuations, on 5 June 2008 at \$20,825,000.

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10 TRADE AND OTHER PAYABLES

	2011	2010
	\$	\$
<i>CURRENT</i>		
Trade Payables	529,827	750,312
Other creditors & accruals	358,992	251,019
GST Payable	38,339	213,995
	<u>927,158</u>	<u>1,215,326</u>

11 FINANCIAL LIABILITIES

SHORT TERM FINANCIAL LIABILITIES

Commercial Bills	-	320,000
Bank Loans	332,885	-
Hire Purchase Liabilities	194,944	505,636
	<u>527,829</u>	<u>825,636</u>

LONG TERM FINANCIAL LIABILITIES

Commercial Bills	-	2,030,000
Bank Loans	3,633,232	-
Hire Purchase Liabilities	69,524	264,347
	<u>3,702,756</u>	<u>2,294,347</u>

12 PROVISIONS

SHORT TERM PROVISIONS

Employee Entitlements		
- Annual & Sick Leave	441,210	494,186
- Long Service Leave	214,235	237,338
	<u>655,445</u>	<u>731,524</u>

OTHER LONG TERM PROVISIONS

Employee Entitlements		
- Long Service Leave	111,969	113,276
	<u>111,969</u>	<u>113,276</u>

Aggregate employee entitlement liability	<u>767,414</u>	<u>844,800</u>
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Total Number of employees at 30 June:	<u>101</u>	<u>120</u>
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13 OTHER CURRENT LIABILITIES

Income in advance	2,463	369
Members' Subscriptions in Advance	88,439	146,146
	<u>90,902</u>	<u>146,515</u>

14 SECURED LIABILITIES

In respect of the Bank Bills and loans, totalling \$3,966,117 (2010: \$2,350,000), the bank holds a First Registered Mortgage over all the Club's property and a registered floating charge over all the club's assets in support of its guarantee and loan.

The club refinanced its commercial bill facilities with bank loan facilities during the year. The total loan facility limit with the bank is \$7,550,000. In addition, the club has a master leasing limit of \$630,000.

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	2011	2010
	\$	\$
15 COMMITMENTS FOR EXPENDITURE		
Maintenance Contracts		
The Club has several contracts for maintenance of equipment. No contract is for a period greater than twelve months.		
Sky Channel		
The Club has contracted for the use of the services provided by Sky Channel. Details of estimated future payments in respect of Sky Channel are as follows:		
Payments due in future years:		
(a) Not later than one year	26,732	22,490
(b) Later than one year but not later than two years	-	-
(c) Later than two years but not later than five years	-	-
	<u>26,732</u>	<u>22,490</u>
Hire Purchase		
The club has hire purchase agreements on poker machines and motor vehicles. Payments due in future years:		
(a) Not later than one year	207,180	542,916
(b) Later than one year but not later than two years	71,022	207,300
(c) Later than two years but not later than five years	-	71,022
	<u>278,202</u>	<u>821,238</u>
Less Future Interest Charges	13,734	51,255
Net Present value	<u>264,468</u>	<u>769,983</u>
Musicians and Artists		
The club has contracted with musicians and artists for performances in future months.		
The amount contracted for as at 30 June was	<u>-</u>	<u>24,650</u>
Capital Expenditure Commitments		
The company has engaged Boden Projects Pty Ltd for the club's Alfresco Gaming Terrace and Refurbishment Works. The building contract with Boden Projects Pty Ltd was agreed in January 2011 for a total of \$3,525,820 excluding GST. At 30 June 2011 progressive payments totalling \$1,776,117 had been paid, leaving \$1,749,703 outstanding at year end.		
Capital expenditure commitments contracted for: Alfresco Gaming Terrace and Refurbishment Works		
Payable:		
not later than 12 months	1,749,703	-
between 12 months and five years	-	-
greater than five years	-	-
	<u>1,749,703</u>	<u>-</u>

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16 RELATED PARTY TRANSACTIONS

Company's main related parties are as follows:

Key Management Personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, ref to Note 4: Key Management Personnel Compensation.

Other Related Parties:

Other related parties include immediate family members of Key Management Personnel; entities that are controlled or significantly influenced by those Key management Personnel individually or collectively with their immediate family members.

Transactions with related parties

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

The following transactions occurred with related parties:

	2011 \$	2010 \$
i. Purchase of goods and services		
Warilla Florist	2,077	3,662

17 CONTINGENT LIABILITIES AND ASSETS

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

GST Treatment on Gift Vouchers

The Club claimed GST on gift vouchers and received refunds from the ATO during 2011. However, the ATO has recently issued a private ruling and rejected one club's GST treatment of vouchers as monetary voucher prizes. This ruling effectively reversed an ATO decision given to the same club eighteen months earlier. Should the Club have to remit the GST refund in respect to gift vouchers the maximum liability that may arise is;

	2011 \$	2010 \$
	54,639	-

Payable under Capital Finance Agreement

The Club engaged in a rental agreement with Capital Finance in October 2005. In October 2009 the Club discontinued payments to Capital Finance due to a dispute. The dispute has been listed as part of a class action of s52 of the Trade Practices Act. Legal advice indicates that it is unlikely the Club will be required to honour the remainder of the contract. Should the Club be required to pay Capital Finance the maximum liability that may arise is;

	138,309	-
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

18 STATEMENT OF CASH FLOWS RECONCILIATION

	2011	2010
	\$	\$
(a) Reconciliation of Cash		
Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	717,946	617,029
Cash at Bank	419,797	677,303
	<u>1,137,743</u>	<u>1,294,332</u>
(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax:		
Operating Profit/(Loss) after Income Tax	1,229,883	285,908
Non Cash Flows in Operating Profit:		
Depreciation	1,218,863	1,519,509
Provision for Doubtful Debts	-	-
(Profit)/Loss on sale of Assets	834	(25,982)
Changes in Assets & Liabilities:		
Decrease (Increase) in Receivables:	14,819	34,498
Decrease (Increase) in Inventories:	(19,576)	5,839
Decrease (Increase) in Prepayments	42,582	36,502
Increase (Decrease) in Accounts Payable	(288,168)	35,740
Increase (Decrease) in Employee Entitlements	(77,386)	(143,561)
Increase (Decrease) in Income In Advance	(55,613)	(120,283)
	<u>2,066,238</u>	<u>1,628,170</u>
Net cash Provided by Operating Activities	<u>2,066,238</u>	<u>1,628,170</u>

c) Credit stand-by arrangements and loan facilities:

The club does not have any overdraft facilities.

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19 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, loans, bills, leases.

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	2011 \$	2010 \$
Financial Assets			
Cash and cash equivalents	5	1,137,743	1,294,332
Loans and receivables	6	52,552	67,371
Total Financial Assets		<u>1,190,295</u>	<u>1,361,703</u>
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	10	927,158	1,215,326
— Borrowings	11	4,230,585	3,119,983
Total Financial Liabilities		<u>5,157,743</u>	<u>4,335,309</u>

Financial Risk Management Policies

The Board of 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.

The Audit Risk and Compliance Committee, consisting of two senior executives of the Club and two members of the Board of Directors meet 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 Committee operates under policies approved by the Board of Directors.

The company manages its exposure to key financial risks in accordance with the Club's Corporate Policy Capital Management. The objective of the policy is to establish parameters for a planned and prioritised capital expenditure programme along with mechanisms for assessing current and new projects within the program for ongoing prudent management of capital.

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.

The Board review and agree policies for managing each of these risks and are primarily responsible for identification and control of financial risks.

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(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.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Depending on the division within the company, credit terms are generally 7 to 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

There are no significance concentrations of credit risk within the company.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the followings;

- (1) Preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- (2) Monitoring undrawn credit facilities;
- (3) Obtaining funding from a variety of sources;
- (4) Maintaining a reputable credit profile;
- (5) Managing credit risk related to financial assets;
- (6) Only investing surplus cash with major financial institutions; and
- (7) Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider that there is any material risk that the bank will terminate such facilities. The bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year end could become repayable within 12 months. Financial guarantee liabilities are treated as payable on demand since the company has no control over the timing of any potential settlement of the liability.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will rolled forward.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years	
	2011	2010	2011	2010
Financial liabilities due for payment	\$	\$	\$	\$
Bank overdrafts and loans				
Bank bills	332,885	320,000	3,633,232	2,030,000
Trade and other payables (excluding est. annual leave)	927,158	1,123,307	-	-
Amounts payable to related parties				
Finance lease liabilities	194,944	505,636	69,524	264,347
Financial guarantees				
Total contractual outflows	1,454,987	3,978,943	3,702,756	264,347
less bank overdrafts	-	-	-	-
Total expected outflows	1,454,987	3,978,943	3,702,756	264,347
	Over 5 years		Total	
	2011	2010	2011	2010
Financial liabilities due for payment	\$	\$	\$	\$
Bank overdrafts and loans	-	-	-	-
Bank bills	-	-	3,966,117	2,350,000
Trade and other payables (excluding est. annual leave)	-	-	927,158	1,123,307
Amounts payable to related parties	-	-	-	-
Finance lease liabilities	-	-	264,468	769,983
Financial guarantees	-	-	-	-
Total contractual outflows	-	-	5,157,743	4,243,290
less bank overdrafts	-	-	-	-
Total expected outflows	-	-	5,157,743	4,243,290

	Within 1 Year		1 to 5 years	
	2011	2010	2011	2010
Financial assets — cash flows realisable	\$	\$	\$	\$
Cash and cash equivalents	1,137,743	1,297,736	-	-
Trade, term and loans receivables	52,552	36,798	-	-
Other investments				
Total anticipated inflows	1,190,295	1,334,534	-	-
Net (outflow) / inflow on financial instruments	264,892	2,644,409	3,702,756	264,347
	Over 5 years		Total	
	2011	2010	2011	2010
Financial assets — cash flows realisable	\$	\$	\$	\$
Cash and cash equivalents	-	-	1,137,743	1,297,736
Trade, term and loans receivables	-	-	52,552	36,798
Other investments	-	-	-	-
Total anticipated inflows	-	-	1,190,295	1,334,534
Net (outflow) / inflow on financial instruments	-	-	3,967,448	2,908,756

Certain financial assets have been pledged as security for debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts. Refer to Note 14 for further details.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

(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 company's exposure to market interest rates relates primarily to the company's cash and cash equivalents, trade and other payables and loans.

At 30 June 2011, the company had the following financial assets and financial liabilities exposed to Australian variable interest rate risk;

Floating rate instruments	Note	2011 \$	2010 \$
Financial assets			
Cash and cash equivalents	5	1,137,743	1,294,332
Financial liabilities			
Interest bearing loans and borrowings	11	4,230,585	3,119,983
		<u>5,368,328</u>	<u>4,414,315</u>

ii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

Net Fair Values

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 values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement 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. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

	Footnote	2011		2010	
		Net Carrying Value \$	Net Fair Value \$	Net Carrying Value \$	Net Fair Value \$
Financial assets					
Cash and cash equivalents	(i)	1,137,743	1,137,743	1,297,736	1,297,736
Trade and other receivables	(i)	52,552	52,552	36,798	36,798
Total financial assets		1,190,295	1,190,295	1,334,534	1,334,534
Financial liabilities					
Trade and other payables	(i)	927,158	927,158	1,123,307	1,123,307
Bank bills	(ii)	3,966,117	3,966,117	2,350,000	2,350,000
Lease liability	(iii)	264,468	264,468	769,983	769,983
Total financial liabilities		5,157,743	5,157,743	4,243,290	4,243,290

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 value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) Discounted cash flow models are used that incorporate a yield curve appropriate to the remaining maturity of the debenture, bill or promissory note.
- (iii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair value of fixed rate bank debt will differ to carrying values.

20 SEGMENT REPORTING

The company operates in one industry, the principal activity being that of a licensed club providing gaming bar, dining and entertainment facilities for members and their guests. It derives its income from one geographic location, i.e. Shellharbour NSW

21 MEMBERS GUARANTEE

The company is limited by guarantee. If the company is wound up, the articles of association state that each members is required to contribute a maximum of \$2.00 each. At 30th June, 2011 the number of members was 20,787 (2010: 19,337).

22 ADDITIONAL INFORMATION REQUIRED UNDER THE REGISTERED CLUBS ACT 1976

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 30 June 2011:

(a) the following property is core property of the Club;
 Licensed premises at Shellharbour Road, Shellharbour

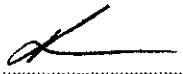
(b) the following properties are non-core properties of the Club;
 (i) Part of the land owned by the Club identified as the Northern Development Precinct
 (ii) Part of the land owned by the Club identified as the Southern Development Precinct

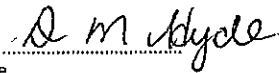
SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial report and notes,
 - (a) comply with Accounting Standards and the Corporations Act 2001; and
 - (b) give a true and fair view of the financial position as at 30th June 2011 and performance for the year ended on that date of the company;
2. In the directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director 
.....
Russell Connell

Director 
.....
Dianne Hyde

21 September 2011

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864

Report on the financial report

We have audited the accompanying financial report of Shellharbour Workers Club Limited, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration set out in the financial report has not changed as at the date of providing our audit opinion.

Auditor's opinion

In our opinion the financial report of Shellharbour Workers Club Limited is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

O'DONNELL HENNESSY & CO
Chartered Accountants



Partner: Karl Taylor



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under Professional
Standards Legislation.

WOLLONGONG
21 September 2011

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ACCOUNTANTS COMPILATION REPORT

Scope

On the basis of information provided by the Directors of Shellharbour Workers Club Limited we have compiled the General Purpose Financial Report, being the summaries of Trading and Profit and Loss statements for the year ended 30th June, 2011 as set out on pages 32-37.

The purpose of the report is to provide additional information to the members.

The additional information is in accordance with the books and records of Shellharbour Workers Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2011. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors provided, into a financial report.

The General Purpose Financial Report was prepared for the benefit of the Company and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the General Purpose Financial Report.

O'DONNELL HENNESSY & CO

Chartered Accountants



.....
Partner: Karl Taylor
WOLLONGONG

21 September 2011



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under Professional
Standards Legislation.

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2011

	2011 \$	2010 \$
BAR TRADING		
Bar sales	<u>2,673,620</u>	<u>2,993,851</u>
Cost of goods sold	<u>982,724</u>	<u>1,155,613</u>
Gross profit	<u>1,690,896</u>	<u>1,838,238</u>
Gross profit percentage	<u>63.24</u>	<u>61.40</u>
Less Direct Expenses		
Bar snacks	10,061	8,752
Depreciation	5,161	1,055
Free drinks - Designated driver	4,640	6,389
Payroll tax	34,073	39,447
Promotions	3,328	-
Repairs & replacements	31,066	31,424
Superannuation	48,669	64,025
Wages & entitlements	691,960	762,173
Workers compensation insurance	<u>27,258</u>	<u>31,732</u>
	<u>856,216</u>	<u>944,997</u>
Total Bar Profit	<u>834,680</u>	<u>893,241</u>
 POKER MACHINE ACCOUNT		
Poker machine revenue	38,697,218	30,011,046
Less Payouts & refills	<u>28,629,545</u>	<u>21,273,733</u>
	<u>10,067,673</u>	<u>8,737,313</u>
Less Direct Expenses		
Depreciation	577,958	858,173
Hire purchase charges	37,230	61,386
LAB approval fees	8,011	7,517
Monitoring fees	88,614	95,238
Payroll tax	22,487	21,097
Poker machine duty	2,375,971	1,994,723
Promotion expenses	310,482	264,524
Repairs & maintenance	155,030	162,970
State-wide link fees	63,024	124,353
Superannuation	25,691	28,924
Wages & entitlements	466,970	410,132
Workers compensation insurance	<u>18,174</u>	<u>21,154</u>
	<u>4,149,642</u>	<u>4,050,191</u>
Poker Machine Profit	<u>5,918,031</u>	<u>4,687,122</u>

To be read in conjunction with Accountant's Compilation Report

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2011

	Note	2011 \$	2010 \$
CATERING ACCOUNT			
Sales		1,936,701	2,509,394
Room Hire		102,612	112,039
		<u>2,039,313</u>	<u>2,621,433</u>
Cost of goods sold		859,953	959,761
Depreciation		8,192	1,617
Gas		16,897	24,600
Laundry & cleaning		16,129	30,639
Miscellaneous		28,885	38,842
Payroll tax		60,276	71,176
Promotions		8,305	1,858
Rent		985	9,231
Repairs & replacements		62,258	52,313
Superannuation		92,081	110,084
Wages & entitlements		1,185,012	1,340,043
Workers compensation insurance		49,923	58,184
		<u>2,386,896</u>	<u>2,608,348</u>
Catering Profit		<u>(347,583)</u>	<u>(76,915)</u>
 STATEMENT OF OPERATING PROFIT			
INCOME			
Profit / (Loss) Transferred from:			
- Bar Trading		834,680	893,241
- Poker Machine Trading		5,918,031	4,687,122
- Catering Account		<u>(347,583)</u>	<u>(76,915)</u>
Total Income from trading		6,405,128	5,503,448
Government wage subsidy		-	5,428
Interest		38,400	23,381
Keno commission		169,968	182,373
Members' subscriptions		153,185	141,419
Other income		139,579	44,615
Poker Machine GST compensation		17,180	17,180
Profit/(Loss) on sale of assets		(834)	25,982
Social & entertainment	1	412,741	733,074
Squash court income		16,736	17,329
TAB commission		36,737	37,652
Multiscreen advertising		72	3,117
Vending & video machine income		87,290	101,470
TOTAL INCOME		<u>7,476,182</u>	<u>6,816,468</u>

To be read in conjunction with Accountant's Compilation Report

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2011

STATEMENT OF OPERATING PROFIT (Continued)

	Note	2011 \$	2010 \$
EXPENDITURE			
Advertising & promotion		204,176	149,328
AGM printing & expenses		21,788	21,835
Audit & accountancy fees		49,822	38,360
Bad debts written off		-	6,707
Bank fees	4	29,361	15,893
Computer software		-	1,762
Consultants fees		153,316	48,575
Courtesy bus		77,417	61,996
Depreciation		627,552	658,664
Directors expenses	7	27,198	36,131
Electricity		335,243	319,061
Employee entitlements provision		(2,002)	(35,925)
Entertainment	3	234,040	427,276
First aid supplies		1,631	2,222
Flowers		2,078	3,662
Fringe benefits tax		15,164	17,840
Hire of equipment		22,037	18,516
Insurance		148,503	170,771
Interest	4	199,629	170,973
Keno repairs & stationery		14,963	10,302
Laundry & cleaning		311,826	305,612
Legal fees		14,715	41,165
Long service leave provided		12,500	49,830
Membership expenses		14,052	15,865
Merchandise for resale		519	942
Motor vehicle expenses		24,012	21,990
Payroll tax		82,877	101,939
Postage, printing & stationery		28,472	29,224
Rates		99,720	82,819
Rentals - equipment		(38,180)	85,064
Repairs & maintenance		351,321	354,304
Salaries & wages	6	1,480,148	1,595,670
Security - cash		25,687	31,178
Security - other		226,824	172,003
Sub-total carried forward		4,796,419	5,031,554

To be read in conjunction with Accountant's Compilation Report

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2011

STATEMENT OF OPERATING PROFIT (Continued)

	Note	2011 \$	2010 \$
EXPENDITURE (Continued)			
Sub-total brought forward		4,796,419	5,031,554
Sky channel		25,407	26,028
Social & entertainment	2	898,723	979,395
Staff training		39,890	35,595
Subscriptions & licenses	5	89,990	76,763
Superannuation		155,410	153,880
TAB expenses		7,634	9,343
Telephone		30,710	28,942
Uniforms		30,230	22,371
Workers compensation excess		661	6,097
Total Expenditure		<u>6,075,074</u>	<u>6,369,968</u>
Operating Profit/(Loss) before Donations and Sponsorships		1,401,108	446,500
Donations & Sponsorships		<u>171,225</u>	<u>160,592</u>
Operating profit/(loss) before income tax		<u>1,229,883</u>	<u>285,908</u>

To be read in conjunction with Accountant's Compilation Report

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION - NOTES
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
1 - Social & Entertainment Income		
Ticket sales & dance income	115,305	275,406
Competition income		
- Bingo	22,023	23,863
- Housie	-	548
- Meat market	164,019	272,260
- Pick a prize/ Friday night promotion	78,457	129,184
- Toy & other raffle	30,160	31,536
- Sports income	2,777	277
	<u>412,741</u>	<u>733,074</u>
2 - Social & Entertainment Expenses		
Australian poker league	33,150	42,799
Bingo	106,379	90,700
Catering promotions	-	8,897
Housie	-	4,872
Meat market	170,904	200,716
Pick a prize & Friday night promotions	105,059	145,972
Staff meals & drinks	68,214	82,978
Toy raffle	35,914	32,869
Social & entertainment		
- Coach meal subsidy	-	759
- General	49,575	59,978
- Meat market vouchers	24,827	132,564
- Pensioner meal subsidy	60,248	-
Other Expenses		
- Australia day	3,955	-
- Birthday desserts & drinks	3,988	4,204
- Drink vouchers	10,311	17,075
- Intra club prizes	33,050	37,206
- Lucky badge draw	88,182	52,853
- Melbourne cup	3,015	5,808
- Money mania	32,018	42,251
- Research	68,773	-
- Sports suppers & drinks	-	13,003
- Sports trophies	448	491
- Staff incentive	713	3,400
	<u>898,723</u>	<u>979,395</u>

To be read in conjunction with Accountant's Compilation Report

SHELLHARBOUR WORKERS CLUB LIMITED
A.C.N. 001 068 864
ADDITIONAL FINANCIAL INFORMATION - NOTES
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
3 - Entertainment		
Band expenses	2,842	4,508
Kids Dance Party	3,651	7,230
Security	-	-
Ticket shows	106,912	297,365
Non-ticket shows	120,635	118,173
	<u>234,040</u>	<u>427,276</u>
4 - Financial Expenses		
Bank fees	29,381	15,893
Interest		
- Bank bills	199,177	169,656
- Leases & Hire purchase	452	1,317
	<u>229,010</u>	<u>186,866</u>
5 - Subscriptions & Licences		
Affiliation fees	120	120
APRA	6,936	10,508
Clubs NSW	17,649	1,897
Club managers association	450	581
Fox/Austar	44,512	44,976
Other licences	16,687	15,045
TAB - Giddy up	3,636	3,636
	<u>89,990</u>	<u>76,763</u>
6 - Salaries & Wages		
Maintenance	109,061	104,379
Managerial	471,647	468,943
Office	404,860	456,849
Supervisors	242,167	248,075
Door	176,776	241,999
Keno/Tab	75,637	75,425
	<u>1,480,148</u>	<u>1,595,670</u>
7 - Directors' Expenses		
Honoraria	20,000	20,000
Meals, drinks & delegate expenses	7,026	11,427
Seminars & conferences	172	4,704
	<u>27,198</u>	<u>36,131</u>

To be read in conjunction with Accountant's Compilation Report