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**Castle Hill RSL Club Limited  
and its Controlled Entity**

ABN 35 001 043 910

**Annual Financial Report  
30 June 2011**

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# Castle Hill RSL Club Limited and its Controlled Entity

## Directors' Report

Your directors present their report together with the consolidated financial report of the consolidated entity, being the Company and its Controlled Entity, for the year ended 30 June 2011 and the auditor's report thereon.

### Directors

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

<b>Name</b>	<b>Qualifications and period of directorship</b>
Warren Edward Glenny	Director. Appointed 29 June 1994
Rick Anthony Cumming	Director. Appointed 29 November 1995
David Bruce Wood	Director. Appointed 27 April 1994
Robert Bruce Duncan	Director. Appointed 12 October 1993
Walter Hromow	Director. Appointed 28 February 2002
Jules Paul Lippman	Director. Appointed 29 June 1976
Ronald Mervyn Smith	Director. Appointed 13 August 1975
Donald Montague Tait	Director. Appointed 26 October 2004
David Elliott	Director. Appointed 27 May 2009
Robert Hudson	Director. Resigned 19 October 2010
Mervyn William Cummings	Director. Resigned 19 October 2010
Noel Herbert Simmons	Director. Resigned 19 October 2010

### Directors' meetings

The number of directors' meetings including meetings of committees of directors and number of meetings attended by each of the directors of the Company during the financial year are:

<b>Director</b>	<b>Number of Meetings Attended</b>	<b>Number of Meetings Held *</b>
Warren Edward Glenny	19	19
Rick Anthony Cumming	19	19
David Bruce Wood	19	19
Robert Bruce Duncan	17	19
Walter Hromow	18	19
Jules Paul Lippman	14	19
Ronald Mervyn Smith	18	19
Donald Montague Tait	18	19
David Elliott	16	19
Robert Hudson - Resigned 19 October 2010	7	7
Mervyn William Cummings - Resigned 19 October 2010	7	7
Noel Herbert Simmons - Resigned 19 October 2010	7	7

\* Number of meetings held during the time the director held office during the year.

# Castle Hill RSL Club Limited and its Controlled Entity

## Directors' Report (continued)

### Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2011 and the comparison with last year is as follows:

	2011	2010
<b>Castle Hill RSL</b>		
Financial Members:		
Category 1	658	641
Category 2	33,492	32,434
Junior Members	1,726	1,334
	<hr/>	<hr/>
	35,876	34,409
	<hr/>	<hr/>
<b>Parramatta RSL</b>		
Service, Association and Social	8,780	8,650
Sub-Branch Members	1,115	1,192
	<hr/>	<hr/>
	9,895	9,842
	<hr/>	<hr/>
Total	45,771	44,251
	<hr/> <hr/>	<hr/> <hr/>

### Members' Limited Liability

In accordance with the Constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$22 per member for all Castle Hill RSL members and \$5.50 for all Parramatta RSL Club members in the event of the winding up of the Company during the time that he is a member or within one year thereafter.

### Operating result

The net profit for the year amounted to \$1,110,555 compared with \$2,565,884 for the prior year. This resulted after charging \$6,049,006 (2010: \$5,448,793) for depreciation/amortisation and \$1,146,866 (2010: \$85,761) for finance costs.

# Castle Hill RSL Club Limited and its Controlled Entity

## Directors' Report (continued)

### Objectives

#### Short term

The short term organisational strategy is to consolidate and to reduce current debt levels within a reasonable time frame whilst maintaining state of the art facilities and amenities that service the needs of our diverse membership and community. The company will continue to promote and develop sporting and social activities ensuring we continue to maximise the clubs exposure and involvement within our shire.

#### Long term

The long term strategic objective of the Castle Hill RSL Club Group is to conduct its business affairs in a sound and responsible manner ensuring relevance to the membership and community providing the facilities and amenities that improve the financial and future viability of the group. This commitment is not limited to physical premises but also to our broader community activities and the development of sport and sporting activities within our Shire.

### Strategy for achieving the objectives

The primary strategies to achieve the clubs objectives is through sound financial management and the use of financial ratios and key performance indicators (KPIs) to ensure that organisational Business Plans, Budgets and Cash Flows are current and relevant. Business activities are managed in a pro-active manner to ensure that the goals, objectives and business strategies are achieved.

The current departmental / management reporting strategies support this objective and the organisational checks and control measures ensure all ratios and KPIs provide relevant and true information to be utilised in the decision making processes of the club.

Recent building refurbishment strategies have placed the club in a very sound position for the future with the premises rejuvenated over the past few years modernising the whole premises and finally tying the whole premises together as one. The recent introduction of the TAB, Sports / Terrace Lounge, Snooker Room and the new Games Room (Bingo, Poker, Mahjong, Darts, Chess) has brought all the bars and restaurants together with the sporting / games related facilities of the club in perfect synergy. The club is modern and well appointed and well positioned for the next decade to ensure consistent growth and long term scope for sustainability and efficiency, with limited capital expenditure required.

### Performance measurement and key performance indicator

The company has departmental and organisational business plans and corporate strategic plans and the documented KPIs are reviewed by executive management and the Board of Directors at monthly meetings.

These KPIs are reviewed on a regular basis to ensure relevance at any particular point in time. Business activities are reviewed and altered to adhere to these documents.

### Principal activities

The principal activities of the consolidated entity during the year were to provide sporting, social and entertainment activities and amenities to the members of the Company and guests from conducting the business of a licensed social club. The clubs' activities enhance, support and continue to develop and promote a range of sporting and social activities that have assisted the general club membership and broader community. These activities have not been limited to the provision of sporting infrastructure but also to the development and promotion of a wide range of activities including all forms of sport from a novice to an elite level.

There have been no significant changes in the nature of these activities during the year.

## Castle Hill RSL Club Limited and its Controlled Entity Directors' Report (continued)

### Proceedings on behalf of the consolidated entity

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

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

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 370C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the directors.

Dated at Sydney this 31<sup>st</sup> day of August 2011.



**W E Glenny**  
Director



**R B Duncan**  
Director

# Castle Hill RSL Club Limited and its Controlled Entity Auditor's Independence Declaration



Chartered Accountants  
& Business Advisers

As lead auditor for the audit of Castle Hill RSL Club Limited and its Controlled Entity for the year ended 30 June 2011, I declare that to the best of my knowledge and belief there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect to Castle Hill RSL Club Limited and its Controlled Entity during the year.

PKF

**Paul Cheeseman**  
Partner

31 August 2011

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# Castle Hill RSL Club Limited and its Controlled Entity Independent Audit Report



Chartered Accountants  
& Business Advisers

To the members of Castle Hill RSL Club Limited and its Controlled Entity

We have audited the accompanying consolidated financial report of Castle Hill RSL Club Limited and its controlled entity which comprises the Statement of Financial Position as at 30 June 2011 and the Statement of Comprehensive Income, statement of changes in equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration. The Consolidated Entity comprises Castle Hill RSL Club Limited and the entity it controlled during the financial year.

## *Directors' Responsibility for the Financial Report*

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

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

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

## *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

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Castle Hill RSL Club Limited and its Controlled Entity  
Independent Audit Report (continued)



Chartered Accountants  
& Business Advisers

Auditor's Opinion

In our opinion the financial report of Castle Hill RSL Club Limited and its Controlled Entity is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2011 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'PKF'.

PKF

A handwritten signature in black ink that reads 'Paul Cheeseman'.

**Paul Cheeseman**  
Partner

31 August 2011

# Castle Hill RSL Club Limited and its Controlled Entity


## Directors' Declaration

The directors of Castle Hill RSL Club Limited declare that:


- (a) In the Directors' opinion the financial statements and notes set out on pages 9 to 33, are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Corporations Regulations 2001.
- (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Dated at Sydney this 31<sup>st</sup> day of August 2011.



**W E Glenny**  
Director



**R B Duncan**  
Director

Castle Hill RSL Club Limited and its Controlled Entity  
**Statement of Comprehensive Income**  
**For the Year Ended 30 June 2011**

	Note	2011 \$	2010 \$
<b>Revenue from continuing operations</b>			
Sale of goods revenue		12,958,881	13,026,569
Rendering of services revenue		36,946,264	35,382,255
Other revenue		817,780	790,255
		<hr/>	<hr/>
Total revenue from continuing operations	2	50,722,925	49,199,079
		<hr/>	<hr/>
<b>Expenses</b>			
Cost of goods sold		(4,806,801)	(4,944,866)
Employee benefits expense		(16,187,344)	(15,585,835)
Poker machine licences, taxes and donations		(8,061,387)	(7,768,091)
Marketing and entertainment expenses		(1,328,278)	(1,192,076)
Members benefits and promotions		(2,827,246)	(2,532,304)
Occupancy and property expenses		(6,667,687)	(6,106,536)
Leases and rental expenses		(260,051)	(431,792)
Other expenses from ordinary activities		(2,277,704)	(2,537,141)
		<hr/>	<hr/>
		(42,416,498)	(41,098,641)
		<hr/>	<hr/>
Earnings before depreciation/ amortisation and finance costs		8,306,427	8,100,438
Depreciation/amortisation	3(a)	(6,049,006)	(5,448,793)
Finance costs	3(a)	(1,146,866)	(85,761)
		<hr/>	<hr/>
Profit before income tax expense		1,110,555	2,565,884
Income tax expense	1(e)	-	-
		<hr/>	<hr/>
<b>Net profit after income tax expense</b>	16	1,110,555	2,565,884
		<hr/>	<hr/>
<b>Other Comprehensive Income</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year attributable to members</b>		1,110,555	2,565,884
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 33.

Castle Hill RSL Club Limited and its Controlled Entity  
Statement of Financial Position  
As at 30 June 2011

<b>ASSETS</b>	<b>Note</b>	<b>2011</b> \$	<b>2010</b> \$
<b>Current Assets</b>			
Cash and cash equivalents	4	4,471,957	4,689,754
Trade and other receivables	5	160,456	259,652
Inventories	7	481,382	478,431
Other current assets	8	912,499	919,499
<b>TOTAL CURRENT ASSETS</b>		<b>6,026,294</b>	<b>6,347,336</b>
<b>Non-Current Assets</b>			
Financial assets	6	2,516	2,516
Property, plant and equipment	9	84,850,852	86,248,943
Intangible assets	10	2,995,558	2,601,258
<b>TOTAL NON-CURRENT ASSETS</b>		<b>87,848,926</b>	<b>88,852,717</b>
<b>TOTAL ASSETS</b>		<b>93,875,220</b>	<b>95,200,053</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	2,726,820	2,889,205
Financial liabilities	12	2,453,820	2,634,648
Employee benefits	13	1,232,881	1,142,668
Other current liabilities	14	769,114	764,911
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,182,635</b>	<b>7,431,432</b>
<b>Non-Current Liabilities</b>			
Financial liabilities	12	13,430,466	15,634,132
Employee benefits	13	341,150	349,582
Other non-current liabilities	14	195,821	170,314
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>13,967,437</b>	<b>16,154,028</b>
<b>TOTAL LIABILITIES</b>		<b>21,150,072</b>	<b>23,585,460</b>
<b>NET ASSETS</b>		<b>72,725,148</b>	<b>71,614,593</b>
<b>Members' Funds</b>			
Reserves	15	19,127,467	19,127,467
Retained profits	16	53,597,681	52,487,126
<b>TOTAL MEMBERS' FUNDS</b>		<b>72,725,148</b>	<b>71,614,593</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 33.

Castle Hill RSL Club Limited and its Controlled Entity  
**Statement of Change in Equity**  
**For the Year Ended 30 June 2011**

	<b>Reserves \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>Balance at 1 July 2009</b>	19,127,467	49,921,242	69,048,709
Total comprehensive income for the year	-	2,565,884	2,565,884
<b>Balance at 30 June 2010</b>	19,127,467	52,487,126	71,614,593
Total comprehensive income for the year	-	1,110,555	1,110,555
<b>Balance at 30 June 2011</b>	19,127,467	53,597,681	72,725,148

The Statement of Changes in Equity should be read in conjunction with the accompanying notes set out on pages 13 to 33.

Castle Hill RSL Club Limited and its Controlled Entity  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	54,995,766	53,531,375
Payments to suppliers and employees	(47,384,277)	(45,954,083)
Interest received	56,487	55,455
Finance costs	(1,146,866)	(1,045,608)
Rent received	659,597	579,352
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>7,180,707</b>	<b>7,166,491</b>
	<hr/>	<hr/>
<b>Cash Flow from Investing Activities</b>		
Proceeds from sale of property, plant and equipment	164,600	167,703
Payment for property, plant and equipment	(4,151,280)	(6,994,702)
Payment for intangibles	(394,300)	(1,075)
	<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>	<b>(4,380,980)</b>	<b>(6,828,074)</b>
	<hr/>	<hr/>
<b>Cash Flow from Financing Activities</b>		
Finance lease and hire purchase repayments	(1,398,449)	(1,210,130)
Proceeds from borrowings	-	3,731,895
Repayment of borrowings	(1,619,075)	(2,604,673)
	<hr/>	<hr/>
<b>Net cash outflow from financing activities</b>	<b>(3,017,524)</b>	<b>(82,908)</b>
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(217,797)</b>	<b>255,509</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>4,689,754</b>	<b>4,434,245</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4,471,957</b>	<b>4,689,754</b>
	<hr/>	<hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 33.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

**Historical cost convention**

The financial statements have been prepared under the historical cost convention.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

(a) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards' and AASB 2010-02 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy.

The adoption of these Accounting Standards and Interpretations did not have any impact on the financial performance or position of the company. The following Accounting Standards and Interpretations are most relevant to the company:

*AASB 1053 Application of Tiers of Australian Accounting Standards*

The company has early adopted AASB 1053 from the financial year ended 30 June 2010. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

*AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*

The company has early adopted AASB 2010-2 from the financial year ended 30 June 2010. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(a) New, revised or amending Accounting Standards and Interpretations adopted (continued)

*AASB 2009-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

The company has applied AASB 2009-5 amendments from 1 July 2010. The amendments result in some accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes had no or minimal effect on accounting. The main changes were:

AASB 101 'Presentation of Financial Statements' - classification is not affected by the terms of a liability that could be settled by the issuance of equity instruments at the option of the counterparty;

AASB 107 'Statement of Cash Flows' - only expenditure that results in a recognised asset can be classified as a cash flow from investing activities;

AASB 117 'Leases' - removal of specific guidance on classifying land as a lease;

AASB 118 'Revenue' - provides additional guidance to determine whether an entity is acting as a principal or agent; and

(b) Revenue Recognition – Note 2

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

**Sale of Goods**

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) on the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

**Rendering of Services**

Revenue from rendering services comprises revenue from gaming and fitness facilities together with other services to members and other patrons of the club and is recognised when the services are provided.

**Interest Revenue**

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

**Sale of Property, Plant and Equipment**

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as revenue at the date control of the asset passes to the buyer.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(c) 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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

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

(d) Finance Costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings, lease and hire purchase finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets, which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings.

(e) Income Tax

The Australian Taxation Office ruled on 20 October 2006 that the Club was exempt from income tax for the years ended 30 June 2007 to 2010 under section 50-45 of the Income Tax Assessment Act 1997 because of the Club's encouragement of sport and games. A private ruling application has been lodged with the Australian Taxation Office seeking confirmation of the continuation of the exemption for the years ending 30 June 2011 to 2018. As on the date of this financial report, the ATO has not decided on the company's application, but in the opinion of the directors the chances of the ATO rejecting the application is remote.

(f) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(g) Cash and Cash Equivalents – Note 4

Cash and cash equivalents include cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(h) Trade and Other Receivables – Note 5

Trade debtors and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

(i) Inventories – Note 7

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the weighted average basis.

(j) Leased Assets

Leases under which the consolidated entity assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

**Finance Leases – Note 12**

A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

**Operating Leases**

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

(k) Investments and Other Financial Assets

The consolidated entity classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

**Available-for-sale financial assets – Note 6**

Available-for-sale financial assets, comprising principally equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. Available-for-sale financial assets are carried at fair value

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(l) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

(m) Property, Plant and Equipment – Note 9

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' 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 consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Capital works in progress is transferred to property, plant and equipment and amortised when completed and ready for use.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line/ diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings & improvements	2.5% - 10%
Plant and equipment	7.5% - 40%
Motor vehicles	13% - 20%
Leased plant and equipment	7.5% - 20%
Poker machines	20% - 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position 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 carrying amount. These are included in the Statement of Comprehensive Income. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

(n) Intangible Assets – Note 10

**Poker Machine Entitlements**

Poker machine entitlements are not amortised. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(o) Trade and Other Payables – Note 11

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 60 days.

(p) Financial Liabilities – Note 12

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Financial liabilities 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 the period of borrowings using the effective interest method.

Financial liabilities are classified as non-current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

(q) Employee Benefits – Note 13

**Wages and Salaries, Annual Leave and Sick Leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

**Long Service Leave**

The provision for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attaching to national government bonds at reporting date which most closely match the terms of maturity of the related liabilities. The unwinding of the discount is treated as long service leave expense.

**Superannuation Plan**

The consolidated entity contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The Consolidated Entity has no legal or constructive obligation to fund any deficit.

(r) Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2011 (continued)**

**2 Revenue from Continuing Operations**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Sale of Goods Revenue</b>		
Liquor sales	5,850,992	6,415,732
Catering sales	7,107,889	6,610,837
	<hr/>	<hr/>
	12,958,881	13,026,569
	<hr/>	<hr/>
<b>Rendering of Services Revenue</b>		
Poker machines – net clearances	27,008,083	26,215,684
Fitness Centre income	7,187,347	6,591,212
Functions centre income	963,226	824,904
Members' subscriptions	694,052	627,069
Commission received	426,599	360,832
Sundry income	666,957	762,554
	<hr/>	<hr/>
	36,946,264	35,382,255
	<hr/>	<hr/>
<b>Other Revenues</b>		
Interest received	56,487	55,455
Rent received	659,597	579,352
Gain on disposal of non-current assets	101,696	155,448
	<hr/>	<hr/>
	817,780	790,255
	<hr/>	<hr/>
<b>Total revenue from continuing operations</b>	<b>50,722,925</b>	<b>49,199,079</b>
	<hr/> <hr/>	<hr/> <hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

	2011 \$	2010 \$
<b>3 Expenses</b>		
(a) Profit before income tax includes the following specific expenses:		
<b>Finance costs</b>		
Bank loans and overdraft	991,311	851,766
Less: Interest capitalised	-	(963,123)
	<hr/>	<hr/>
	991,311	(111,357)
	<hr/>	<hr/>
Finance lease charges	155,555	197,118
	<hr/>	<hr/>
	1,146,866	85,761
	<hr/>	<hr/>
<b>Rental expense relating to operating leases</b>		
Minimum lease payments	260,051	431,792
	<hr/>	<hr/>
<b>Depreciation</b>		
Buildings and improvements	1,762,378	1,608,838
Plant and equipment	2,015,639	1,711,971
Poker machines	1,297,842	1,275,735
Motor vehicles	2,184	2,184
	<hr/>	<hr/>
<b>Amortisation</b>		
Leased plant and equipment	970,963	850,065
	<hr/>	<hr/>
Total depreciation and amortisation	6,049,006	5,448,793
	<hr/>	<hr/>
<b>Net bad and doubtful debts expense including movements in provision for doubtful debts</b>	(3,622)	155,716
	<hr/>	<hr/>
<b>Net expense from movements in provision for</b>		
Employee benefits (written back)	81,781	(86,618)
	<hr/>	<hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

	2011 %	2010 %
<b>3 Expenses (continued)</b>		
<b>(b) Key Performance Indicators</b>		
<b>Bar – Castle Hill RSL Club</b>		
Gross profit percentage	65.8%	66.4%
Wages to sales percentage	29.9%	28.4%
<b>Catering – Castle Hill RSL Club</b>		
Gross profit percentage	64.7%	64.4%
Wages to sales percentage	49.7%	48.5%
<b>Bar – Parramatta RSL Club</b>		
Gross profit percentage	61.5%	60.4%
Wages to sales percentage	31.2%	33.0%
<b>Catering – Parramatta RSL Club</b>		
Gross profit percentage	65.1%	63.2%
Wages to sales percentage	44.2%	47.2%
<b>Wages and salaries – percentage of total revenue – Consolidated</b>	31.9%	31.7%
<b>EBITDA percentage – Consolidated</b>	16.4%	16.5%
<b>4 Cash and Cash Equivalents</b>		
	\$	\$
<b>(a) Cash and Cash Equivalents</b>		
Cash at bank and in hand	2,573,400	3,309,323
Short term bank deposits	1,898,557	1,380,431
	4,471,957	4,689,754
	4,471,957	4,689,754

**(b) Non-Cash Investing Activities**

During the year, property, plant and equipment amounting to \$515,475 (2010: \$790,980) were acquired by the way of finance leases. These transactions are not reflected in the cash flow statement.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

	2011 \$	2010 \$
<b>5 Trade and Other Receivables</b>		
Trade Debtors	93,240	249,717
Less: Provisions for doubtful debts	(10,905)	(161,716)
	<hr/>	<hr/>
Other debtors and deposits	82,335	88,001
	78,121	171,651
	<hr/>	<hr/>
	160,456	259,652
	<hr/> <hr/>	<hr/> <hr/>

**Note**

Current trade and other receivables are non-interest bearing loans and generally on 30-day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

	2011 \$	2010 \$
<b>6 Other Financial Assets</b>		
Shares – available for sale	2,516	2,516
	<hr/>	<hr/>
<b>7 Inventories</b>		
Finished goods – at cost	481,382	478,431
	<hr/>	<hr/>
<b>8 Other Current Assets</b>		
Prepayments	912,499	919,499
	<hr/> <hr/>	<hr/> <hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

9 Property, Plant and Equipment

	2011 \$	2010 \$
Freehold land <i>At cost</i>	13,650,000	13,650,000
Buildings and improvements <i>At cost</i>	64,195,819	63,968,943
<i>Accumulated depreciation</i>	(9,281,879)	(7,519,502)
	54,913,940	56,449,441
Total Land and Buildings	68,563,940	70,099,441
Plant and equipment <i>At cost</i>	24,511,588	23,195,711
<i>Accumulated depreciation</i>	(14,437,478)	(12,421,839)
	10,074,110	10,773,872
Poker machines <i>At cost</i>	10,936,917	9,459,925
<i>Accumulated depreciation</i>	(8,511,442)	(7,229,722)
	2,425,475	2,230,203
Motor vehicles <i>At cost</i>	26,218	26,218
<i>Accumulated depreciation</i>	(10,495)	(8,311)
	15,723	17,907
Leased plant and equipment <i>At capitalised cost</i>	5,487,521	5,094,940
<i>Accumulated amortisation</i>	(3,034,071)	(2,123,575)
	2,453,450	2,971,365
Capital works in progress <i>At cost</i>	1,318,154	156,155
Total property, plant and equipment net book value	84,850,852	86,248,943

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2011 (continued)**

**9 Property, Plant and Equipment (continued)**

Refer to Note 12 for details of security over property, plant and equipment.

**Valuation**

The independent valuation of the consolidated entity's land and buildings (located at Castle Hill) carried out as at 26 June 2009 by Global Valuation Services Pty Limited on the basis of the market value for existing use resulted in a valuation of land and buildings of \$67,000,000. As land and buildings are recorded at cost, the valuation has not been brought to account.

The independent valuation of the consolidated entity's land and buildings (located at Parramatta) carried out as at 20 February 2009 by Global Valuation Services Pty Limited on the basis of the market value for existing use resulted in a total valuation of \$15,000,000. As land and buildings are recorded at cost, the valuation has not been brought to account.

The following are core properties:

- 77 Castle St, Castle Hill NSW 2154
- 2 Macquarie Street, Parramatta NSW 2150
- 7 Macquarie Street, Parramatta NSW 2150

There are no non-core properties owned by the club.

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliations</b>		
<b>Movements in Carrying Amounts</b>		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:		
<b>Freehold Land</b>		
Carrying amount at beginning of year	13,650,000	13,650,000
	<hr/>	<hr/>
Carrying amount at end of year	13,650,000	13,650,000
	<hr/>	<hr/>
<b>Buildings and Improvements</b>		
Carrying amount at beginning of year	56,449,441	53,016,502
Additions	44,882	945,359
Depreciation expense	(1,762,378)	(1,608,838)
Transfers from work in progress	96,930	4,096,418
Capitalisation of borrowing costs	85,065	-
	<hr/>	<hr/>
Carrying amount at end of year	54,913,940	56,449,441
	<hr/>	<hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

9 Property, Plant and Equipment (continued)

Reconciliations (continued)

	2011 \$	2010 \$
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	10,773,872	10,699,877
Additions	1,069,059	877,725
Disposals	-	(8,141)
Depreciation expense	(2,015,639)	(1,711,971)
Transfers from work in progress	246,818	916,382
	<hr/>	<hr/>
	10,074,110	10,773,872
	<hr/>	<hr/>
<b>Poker Machines</b>		
Carrying amount at beginning of year	2,230,203	2,253,082
Additions	1,493,592	1,256,969
Disposals	(478)	(4,113)
Depreciation expense	(1,297,842)	(1,275,735)
	<hr/>	<hr/>
Carrying amount at end of year	2,425,475	2,230,203
	<hr/>	<hr/>
<b>Motor Vehicles</b>		
Carrying amount at beginning of year	17,907	20,091
Depreciation expense	(2,184)	(2,184)
	<hr/>	<hr/>
Carrying amount at end of year	15,723	17,907
	<hr/>	<hr/>
<b>Leased Plant and Equipment</b>		
Carrying amount at beginning of year	2,971,365	3,030,451
Additions	515,475	790,979
Disposals	(62,427)	-
Amortisation expense	(970,963)	(850,065)
	<hr/>	<hr/>
Carrying amount at end of year	2,453,450	2,971,365
	<hr/>	<hr/>
<b>Capital Works in Progress</b>		
Carrying amount at beginning of year	156,155	194,946
Additions	1,505,747	4,974,009
Transfers to building and improvements	(96,930)	(4,096,418)
Transfers to plant and equipment	(246,818)	(916,382)
	<hr/>	<hr/>
Carrying amount at end of year	1,318,154	156,155
	<hr/>	<hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

10 Intangible Assets

	2011 \$	2010 \$
Poker machine entitlements – at carrying value	2,995,558	2,601,258
<b>Movement</b>		
Opening net book amount	2,601,258	2,600,183
Additions	394,300	1,075
Closing net book amount	2,995,558	2,601,258

**Impairment tests for poker machine entitlement**

At the end of the reporting period the consolidated entity assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The consolidated entity uses the daily net income earned (excluding GST) per machine per day and multiplies by the number of poker machine entitlements it has paid for. The value in use recoverable amount for each entitlement is calculated by dividing the total value of the entitlements with the actual number of entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

11 Trade and Other Payables

	2011 \$	2010 \$
Trade creditors	1,536,525	1,360,264
Goods and Services Tax (GST) payable	186,342	223,305
Other creditors and accruals	1,003,953	1,305,636
	2,726,820	2,889,205

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

12 Financial Liabilities

**Current**

**Secured**

Commercial bill facility		1,242,720	1,135,044
Hire purchase liabilities	17	-	36,419
Finance lease liabilities	17	859,163	1,144,727
Insurance premium funding		351,937	318,458
		2,453,820	2,634,648
		2,453,820	2,634,648

**Non-Current**

**Secured**

Commercial bill facility		12,954,167	14,714,397
Finance lease liabilities	17	476,299	919,735
		13,430,466	15,634,132
		13,430,466	15,634,132

**Financing Arrangements**

The consolidated entity has access to the following lines of credit:

*Total facilities available:*

Commercial bill facility		14,200,000	16,620,000
Business card		50,000	25,000
Asset / equipment finance		5,500,000	5,500,000
		19,750,000	22,145,000
		19,750,000	22,145,000

*Facilities utilised at reporting date:*

Commercial bill facility		14,196,887	15,849,442
Business card		20,861	3,069
Asset / equipment finance		1,335,462	2,100,881
		15,553,210	17,953,392
		15,553,210	17,953,392

**Commercial Bill Facility**

The facility is based on a variable interest rate and at year end it was 6.12%. \$5 million is applied on a fixed rate interest swap at 5.52% over 5 years. Repayment terms are \$387,500 on a quarterly basis.

**Hire Purchase and Leases**

The consolidated entity purchased certain plant and equipment under finance leases and hire purchase arrangements from the bank. This facility is also secured by a fixed and floating charge of the assets of the consolidated entity together with the commercial bill facility.

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2011 (continued)**

**12 Financial Liabilities (continued)**

**Security**

The commercial bill facility is secured by;

- a) First Registered Company Charge (Mortgage Debenture) dated 1 February 2011 over all the assets and undertaking of Castle Hill RSL Club Ltd.  
 This is to be a fixed and floating charge over all present and future assets, undertaking (including goodwill) and unpaid/uncalled capital of the company, inclusive of poker machine entitlements.
- b) First Registered Mortgage dated 1 February 2011 over Certificate of Title Folio Identifier 1/1080161 given by Castle Hill RSL Club Ltd over the property situated at 77 Castle Street, Castle Hill NSW.
- c) Tripartite agreement dated 1 February 2011 between Australia and New Zealand Banking Group Ltd, Castle Hill RSL Ltd and the licensee in respect of the liquor licence and poker machine entitlements for the premises at 77 Castle St, Castle Hill NSW being folio identifier 1/1080161.

	2011 \$	2010 \$
<b>13 Employee Benefits</b>		
Aggregate liability for employee benefits including on-costs;		
Current	1,232,881	1,142,668
Non-current	341,150	349,582
	1,574,031	1,492,250
	1,574,031	1,492,250

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

	2011	2010
Assumed rate of increase in wage and salary rates:		
Inflation rate	3.60%	3.10%
Discount rates	5.21%	5.10%
Settlement term (years)	10 years	10 years

**Superannuation Plans**

**Contributions**

The consolidated entity is under a legal obligation to contribute 9% of each employee's base salary to a superannuation fund.

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
For the Year Ended 30 June 2011 (continued)

**14 Other Liabilities**

	<b>2011</b>	<b>2010</b>
<b>Current</b>	<b>\$</b>	<b>\$</b>
Income received in advance	771,886	764,911
	<hr/>	<hr/>
<b>Non-Current</b>		
Income received in advance	193,049	170,314
	<hr/>	<hr/>

**15 Reserves**

Capital profit reserve	19,127,467	19,127,467
	<hr/>	<hr/>

**Capital Profits Reserve**

The capital profits reserve represents realised capital profit on sale of freehold property in prior years.

**16 Retained Profits**

Retained profits at the beginning of the year	52,487,126	49,921,242
Total comprehensive income for the year	1,110,555	2,565,884
	<hr/>	<hr/>
Retained profits at the end of the year	53,597,681	52,487,126
	<hr/>	<hr/>

**17 Commitments**

**Finance Lease Commitments**

Finance lease rentals commitments are payable:

Within one year	844,681	1,274,839
One year or later and no later than five years	634,704	1,010,240
	<hr/>	<hr/>
	1,479,385	2,285,079
	<hr/>	<hr/>

The consolidated entity leases property, plant and equipment under finance leases expiring from one to five years. At the end of the lease term the consolidated entity has the option to purchase the equipment at a price deemed to be a bargain purchase option. The lease facility is secured against the assets purchased under this facility.

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2011 (continued)**

**17 Commitments (continued)**

	Note	2011 \$	2010 \$
<b>Hire Purchase Commitments</b>			
Hire purchase payments are payable as follows:			
Within one year		-	37,702
One year or later and no later than five years		-	-
		<hr/>	<hr/>
Minimum hire purchase payments		-	37,702
		<hr/> <hr/>	<hr/> <hr/>

The consolidated entity hires property, plant and equipment under hire purchase agreements expiring from one to five years. At the end of the hire purchase term the consolidated entity has the option to purchase the equipment. The hire purchase facility is secured against the assets purchased under this facility.

**18 Contingent Liabilities**

**Bank Guarantees**

The consolidated entity has given the following bank guarantees:

TAB Corp Limited	12,000	7,000
Hills Shire Council	60,000	60,000
	<hr/>	<hr/>
	72,000	67,000
	<hr/> <hr/>	<hr/> <hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2011 (continued)**

**19 Key Management Personnel Details**

**(a) Directors**

The following persons were non-executive directors of the Company during the financial year:

Warren Edward Glenny (Chairman)  
 Rick Anthony Cumming  
 David Bruce Wood  
 Robert Bruce Duncan  
 Walter Hromow  
 Jules Paul Lippman  
 Ronald Mervyn Smith  
 Donald Montague Tait  
 David Elliot  
 Robert Hudson – Resigned 19 October 2010  
 Mervyn William Cummings – Resigned 19 October 2010  
 Noel Herbert Simmons – Resigned 19 October 2010

**(b) Other Key Management Personnel**

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly during the financial year:

<b>Name</b>	<b>Position</b>
David O'Neil	Group General Manager / Secretary
Brett Crastin	Group Operations Manager
Nadeem Ali	Group Chief Financial Officer
Brent Williams	Group Human Resources Manager
Alan DePaoli	Group Building Services Manager

**(c) Key Management Personnel Compensation**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Benefits and payments made to the Directors and Other Key Management Personnel as named in (a) and (b) above	1,036,409	957,334
	<hr/>	<hr/>

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

## 20 Related Parties

### Key Management Personnel

Disclosures relating to key management personnel are set out in Note 19.

### Directors' Transactions with the Consolidated Entity

From time to time, directors of the consolidated entity, or their director-related entities, may purchase goods from the consolidated entity. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the consolidated entity since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

## 21 Company Details

The Company is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$22 per member for all Castle Hill RSL members and \$5.50 for all Parramatta RSL Club members in the event of the winding up of the Company during the time that he is a member or within one year thereafter. At 30 June 2011 there were 35,876 members of Castle Hill RSL and 9,895 Parramatta RSL members.

The registered office of the Company is:

77 Castle Street  
CASTLE HILL NSW 2154

## 22 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Castle Hill RSL Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2011 (continued)

23 Parent Entity Disclosures

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
Total Current Assets	6,015,384	6,337,336
Total Assets	93,874,310	95,200,053
<b>LIABILITIES</b>		
Current Liabilities	7,184,497	7,431,432
Total Liabilities	21,149,162	23,585,460
<b>Members' Funds</b>	<b>72,725,148</b>	<b>71,614,593</b>
<b>Net profit from continuing operations after income tax expense attributable to members</b>	<b>1,110,555</b>	<b>2,565,884</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>1,110,555</b>	<b>2,565,884</b>
<b>Contingent Liabilities</b>	<b>187,000</b>	<b>67,000</b>