

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

REPORT OF THE COMMITTEE

To be presented to the Seventh Annual General Meeting of the Members to be held on Wednesday, 22nd August, 1979 at 8 p.m.

The Committee of The Albury Sailors, Soldiers and Airmen's Club Ltd., submits herewith the Balance Sheet at 31st May, 1979 and the Profit and Loss Statement for the Club for the twelve months ended on 31st May, 1979 and reports as follows :-

The names of the Committee in office at the date of this report are as follows :-

PRESIDENT

Eric Shields

VICE PRESIDENTS

Mervyn Burke
George T. Spurr

COMMITTEEMEN

Malcolm C. Donnelly
Alexander J. Fisher
Colin H. Fraser
Desmond J. Flynn
Frederick T. Hallandale
Brian W. Johnson
Kevin B. Oliver
Paul S. Packham
Kenneth D. Parker
John K. Percy
Jack Phillips
James J. Walsh

The principal activities of the Club are that of a social club with associated sporting activities.

The Net Profit of the Club for the twelve months ended 31st May, 1979, amounted to \$74556.

A provision of \$9250 has been made in the accounts for Company Income Tax, which has been calculated in accordance with the Taxation Office formula for determining the amount of income applicable to non-members which is subject to Company Taxation.

During the year \$3477 was paid from the Provision for Long Service Leave to employees who retired from the Club's employment. A further \$5877 has been added to the Provision for Long Service Leave to provide adequately for the Club's liability to its employees at the end of the financial year.

The Provision for Holiday Pay and Accrued Sick Leave has been increased by \$4720 in the current year's accounts, to provide for the Club's accruing liability to its employees in respect to holiday pay and sick leave pay, as at 31st May, 1979.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

REPORT OF THE COMMITTEE (Cont.)

The Club is a Company Limited by Guarantee, and has not therefore issued any Shares or Debentures during the period covered by the accounts.

The Club is a non-proprietary Company, and therefore has not declared or paid any dividend during the period covered by the accounts, nor is it recommended that any dividend should be paid from the Net Profit disclosed in the Accounts.

Prior to the preparation of the Profit and Loss Statement and Balance Sheet the Committee took reasonable steps to ascertain that all Bad Debts of the Club had been written off, and that no provision for Doubtful Debts was necessary.

At the date of this Report, the Committee is not aware of any circumstances which could render the amount written off for bad debts, or the lack of a provision for doubtful debts, inadequate to any substantial extent.

The Committee took reasonable steps, before the Profit and Loss Statement and Balance Sheet were made out to ascertain that the current assets of the Club, other than Debtors were shown in the accounting records of the Club at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the Committee is not aware of any circumstances which would render the value attributable to the current assets in the Club's accounts misleading.

The only charges on the assets of the Club are the mortgages in favour of the National Bank of Australasia Ltd., and of the Officers Provident Fund of that Bank. No further charge on the assets of the Club has arisen since the end of the financial year to the date of this report to secure the liability of any other person.

The Club has given orders for the supply of replacement and additional poker machines costing \$51456 to be delivered during the 1979-80 financial year.

No other contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year, which in the opinion of the Committee, will or may substantially affect the ability of the Club to meet its obligations as and when they fall due.

At the date of this report, the Committee is not aware of any circumstances not otherwise dealt with in the report, which renders any amount stated in the accounts misleading.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

REPORT OF THE COMMITTEE (Cont.)

The results of the Club's operations during the period covered by the accounts, have in the opinion of the Committee been substantially affected by the general disruption to trading whilst building alterations were in progress.

Also during the financial year ended 31st May, 1979 the Club's expenditure on Catering and Refreshments and on Orchestras, Entertainers, Films and other Club Entertainments has been substantially increased to provide additional amenities and entertainment for the members. This has affected the results achieved by the Club for the year.

The Club Dining Room and Snack Bar facilities which were operated on a contract basis prior to 31st May, 1978, have since June, 1978 been operated directly by the Club, and all Kitchen, Dining Room and Snack Bar staff have been employed by the Club.

Since 31st May, 1979, and to the date of this report, in the opinion of the Committee, no further item, transaction or event of a material and unusual nature has occurred which would substantially effect the results of the Club for the succeeding financial year.

No committeeman has received or has become entitled to receive a benefit since the end of the previous financial year by reason of a contract made by the Club with the Committeeman, or with a Company in which he has a substantial financial interest save and except dealings in the ordinary course of business with W. Clarkson for painting, M. B. Burke for plastering, R. Mitchell for maintenance, and J. Phillips for wages and maintenance.

On behalf of the Committee,




DATED at ALBURY
This 18th day of
JULY, 1979.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

PROFIT AND LOSS STATEMENT

For Twelve Months ended 31st May, 1979.

<u>1977-78</u>			<u>1978-79</u>
	<u>BAR TRADING</u>		
596943	<u>SALES</u>	655382	
	Less		
361589	<u>COST OF GOODS SOLD</u>	388984	
<u>235354</u>	<u>GROSS PROFIT ON BAR TRADING</u>		266398
	<u>DINING ROOM</u>		
-	<u>SALES</u>	276414	
	Less		
-	<u>COST OF MATERIALS</u>	171448	
-	<u>GROSS PROFIT ON DINING ROOM TRADING</u>		104966
=			
<u>1388638</u>	<u>POKER MACHINE TAKINGS</u>		1479345
1623992			1850709
15948	Members Subscriptions		21595
5880	Entrance Fees		11590
1566	Sporting Subscriptions and Fees		1663
1418	Commissions Received		1323
1164	Sales of Badges and Ties		521
13784	Interest on Investments		5972
-	Sundry Income		1877
764	Profit on Plant Disposals		301
	Bad Debts Recovered		200
<u>1664516</u>			<u>1895751</u>
	<u>LESS EXPENSES</u>		
552560	Salaries and Wages	714513	
364373	Licences and Subscriptions	381857	
16550	Rates	21646	
39544	Lighting, Heating and Cooling	57750	
77802	Repairs and Maintenance	80883	
<u>1050829</u>		<u>1256649</u>	
	C/fwd ..		

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

PROFIT AND LOSS STATEMENT (Cont.)

For Twelve Months ended 31st May, 1979.

<u>1977-78</u>			<u>1978-79</u>
1050829	B/fwd ..	1256649	1895751
6429	Interest Paid	24749	
27997	Payroll Tax	36874	
8825	Laundry and Cleaning	24120	
18087	Insurances	20249	
4065	Telephone	3807	
8103	Printing and Stationery	13843	
2084	Advertising	12510	
2111	Postages	3422	
2200	Audit Fees	2750	
3735	Accountancy Fees	3960	
350	Bad Debts Written Off	76	
1219	Bank Charges	2320	
11257	Counter Lunch	9733	
22457	Catering, Refreshments etc	59429	
13673	General Expenses	21945	
278	Legal Expenses	255	
5026	Entertaining Allowances	5925	
460	Competitions		
5844	Sporting Materials and Expenses	9443	
4395	Uniforms	8168	
2703	Annual Picnic Expenses	4145	
525	Presentations	309	
2450	Travelling Expenses	8309	
41638	Orchestras, Entertainers, Films etc	65798	
5975	Donations	5324	
880	Staff Superannuation	660	
22034	Bowling Green Wages and Maintenance Expenses	24889	
9000	Contributions to Sports Council	7000	
	Depreciation -		
81890	Plant Furniture and Equipment	91547	
39800	Buildings	64300	
15433	Loss on Disposal		
	Plant	8840	
4494	Further Provision for Long Service Leave	5877	
	Further Provision for Accrued Holiday		
	Pay and Sick Leave Pay	4720	
<hr/>		<hr/>	
1426246		1811945	1811945
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238270	<u>NET PROFIT BEFORE TAX</u>		83806
25800	Provision for Company Tax		9250
<hr/>			<hr/>
212470	<u>NET PROFIT</u>		\$74556
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THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE PROFIT AND LOSS STATEMENT

1. The Club is a non-proprietary Company and the Net Profit has been added to the Capital Account.
2. The following Entertainment Allowances were paid to Directors of the Club during the period covered by the accounts :-

Mervyn Burke	\$750
Eric Shields	\$2575

3. The Provision for Income Tax has been calculated in accordance with the Taxation Office formula for determining the amount of income applicable to non-members which is subject to Company Taxation.
4. Auditors remuneration for the year amounted to \$2750 (1977-78 - \$2200). No other remuneration or benefits were received by the Auditors in respect of their services to the Company.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

BALANCE SHEET

As at 31st May, 1979.

<u>31.5.78</u>			<u>31.5.79</u>
	<u>FIXED ASSETS</u>		
	<u>LAND AND BUILDINGS</u>		
1472895	At Cost to 31/5/78	1650268	
177373	Additions at cost	651396	
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1650268		2301664	
142200	Less Provision for Depreciation	206500	
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1508068		2095164	
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	<u>PLANT FURNITURE AND EQUIPMENT</u>		
443728	At Cost to 31/5/78	511565	
62779	Less Disposals at cost	50591	
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380949		460974	
130616	Additions at cost	260958	
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511565		721932	
189363	Less Provision for Depreciation	247688	
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322202		474244	
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1830270	<u>TOTAL FIXED ASSETS</u>	2569408	2569408
<hr/> <hr/>		<hr/> <hr/>	
	<u>CURRENT ASSETS</u>		
12200	<u>CASH ON HAND</u>	14100	
200000	<u>CASH ON DEPOSIT</u>	-	
108705	<u>CASH AT BANK</u>	-	
934	<u>SUNDRY DEBTORS</u>	4471	
33668	<u>STOCK ON HAND</u>	53302	
12245	<u>INCOME ACCRUED DUE</u>	-	
<hr/>		<hr/>	
367752		71873	71873
<hr/> <hr/>		<hr/> <hr/>	<hr/>
2198022	<u>TOTAL ASSETS C/fwd ..</u>		2641281
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The accompanying notes form an integral part of the Balance Sheet.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

BALANCE SHEET (Cont.)

As at 31st May, 1979.

<u>31.5.78</u>				<u>31.5.79</u>
	B/fwd ..			2641281
	<u>LESS LIABILITIES</u>			
	<u>CURRENT LIABILITIES</u>			
	<u>TRADE CREDITORS AND</u>			
300359	ACCRUED EXPENSES	346816		
30000	BANK OVERDRAFT - (NOTES 1 & 2)	354288		
	<u>SUBSCRIPTIONS AND</u>			
	ENTRANCE FEES			
970	IN ADVANCE	1900		
25800	PROVISION FOR INCOME TAX	9250		
	<u>PROVISION FOR LONG SERVICE</u>			
17500	LEAVE	19900		
	<u>PROVISION FOR ACCRUED</u>			
	HOLIDAY PAY AND SICK			
27400	LEAVE	32120		
402029	<u>TOTAL CURRENT LIABILITIES</u>	764274	764274	
	<u>MORTGAGE LOANS (NOTES 1 & 3)</u>			
	<u>NATIONAL BANK OF</u>			
	A/ASIA. LTD.			
	<u>OFFICERS PROVIDENT</u>			
66000	FUND LOAN	66000		
66000	<u>TOTAL MORTGAGE LOANS</u>	66000	66000	
468029	<u>TOTAL LIABILITIES</u>		830274	830274
1729993	<u>NET ASSETS</u>			\$1811007
	<u>Representing :-</u>			
	<u>CAPITAL ACCOUNT</u>			
1518927	Balance 1/1/78			1729993
	Income Tax			
1404	Underprovided 1976-77			-
-	Overprovided 1977-78			6458
1517523				1736451
212470	<u>NET PROFIT</u>			74556
1729993				\$1811007

The accompanying notes form an integral part of the Balance Sheet.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Listed by Guarantee)

NOTES TO AND FORMING PART OF THE BALANCE SHEET

1. The Bank Overdraft and Loan from the Officers Provident Fund of the National Bank of Australasia Ltd., are secured on the Freehold Property of the Club.
2. Since balancing date arrangements have been made with the National Bank of Australasia Ltd, to transfer \$300,000 of the Club's Bank Overdraft to a Fully Drawn Advance repayable over three years at the rate of \$25,000 per quarter commencing October, 1979.
3. The Loan from the Officers Provident Fund of the National Bank of Australasia Ltd, is for a term of three years from 1st December, 1978, with a minimum repayment of \$9000 per annum during the term of the loan.
4. Capital Expenditure
The Club has a commitment for Capital Expenditure in respect to replacement and additional Poker Machines amounting to \$51456.

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

STATEMENT OF ACCOUNTING POLICIES

1. TRADING STOCK VALUATION

Stock on Hand (\$53302) has been valued at landed cost on the first in / first out basis.

2. DEPRECIATION

Depreciation is provided on Plant, Furniture and Equipment on diminishing value method based on the expected useful life of each asset. Profits and Losses on disposal of these fixed assets are taken into account in determining the operating profit for the year.

Buildings are depreciated on a flat rate based on an anticipated useful life of thirty years. Freehold Land is not depreciated.

3. TAX EFFECT ACCOUNTING

The principles of Tax Effect Accounting have not been applied to the accounts, as in the opinion of the Directors it would be inappropriate to do so.

4. PROVISION FOR ACCRUED HOLIDAY PAY AND SICK LEAVE PAY

Holiday Pay and Sick Leave Pay paid to the staff during the year is charged directly to Salaries and Wages. Variations to the provision for this expense are shown separately in the Profit and Loss Statement under the heading "Provision for Accrued Holiday Pay and Sick Leave Pay".

THE ALBURY SAILORS, SOLDIERS AND AIRMEN'S CLUB LTD.

(A Company Limited by Guarantee)

STATEMENT OF COMMITTEE

In the opinion of the Committee of The Albury Sailors, Soldiers and Airmen's Club Ltd., the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Club as at 31st May, 1979, and the accompanying Profit and Loss Statement is drawn up so as to give a true and fair view of the profit of the Club for the year ended 31st May, 1979.

Dated at ALBURY this 18th day of JULY, 1979.

On behalf of the Committee,

E. Shields
.....
M. B. [unclear]
.....

STATEMENT PURSUANT TO SECTION 162 (12) OF THE COMPANIES ACT

I, DOUGLAS KEITH MILHAM, being the Officer in charge of the preparation of the accompanying accounts for The Albury Sailors, Soldiers and Airmen's Club Ltd., for the year ended 31st May, 1979, state that to the best of my knowledge and belief such accounts give a true and fair view of the matters required by Section 162 of the Companies Act to be dealt with therein.

Dated at ALBURY this 18th day of JULY, 1979.

[Signature]
.....

AUDITOR'S REPORT

To the Members of
The Albury Sailors, Soldiers and Airmen's Club Ltd.

The accompanying Accounts, being the Balance Sheet and Profit and Loss Statement of the Albury Sailors, Soldiers and Airmen's Club Ltd., are in our opinion properly drawn up in accordance with the provisions of the Companies Act 1961 of New South Wales and so as to give a true and fair view of :-

(a) the state of affairs of the Company as at 31st May, 1979,
and of its results for the year then ended;

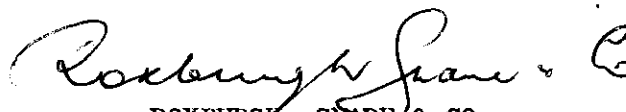
and

(b) the other matters required by Section 162 of the Act to be
dealt with in such Accounts.

These Accounts do not incorporate the separate activities of the Sports Council or the various club sporting bodies, nor are the Accounts of the Council or sporting bodies audited by this firm.

The accounting records and other records and the registers required by the Act to be kept by the Company have, in our opinion, been properly kept in accordance with the provisions of the Act.

Dated at ALBURY this 19th day of JULY, 1979.


ROXBURGH, SNARE & CO.


A.S. KOHLER
PARTNER

Registered under the Public
Accountants Registration
Act, 1945, as amended.