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# NSW Leagues' Club Limited

ABN 66 000 005 229

## Concise Report 31 December 2009

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The financial statements and other specific disclosures have been derived from NSW Leagues' Club Limited's (the Company's) full financial report for the financial year. Other information included in the concise financial report is consistent with the Company's full financial report.

The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

A copy of the Company's 2009 Annual Financial Report, including the independent audit report, is available to all members and will be sent to members without charge upon request.

# NSW Leagues' Club Limited

## Directors' Report

### Directors

Your directors present their report together with the financial report of NSW Leagues' Club Limited (the company) for the year ended 31 December 2009 and the auditor's report thereon.

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

	<b>Date appointed</b>	<b>Date retired</b>
<b>Charles Henry Gibson, President</b> Life Member, NSW Leagues' Club Limited Life Member and Vice President, New South Wales Rugby League Limited Life Member, South Sydney D.R.L.F.C. Limited Life Member and Director, The Leagues Clubs Association Life Member, and Director, Camden Valley Golf Resort Director, Clubs NSW Director, Club Keno Holdings Director, Club Plus	18 April 1978	
<b>John Joseph O'Toole, M.B.E., O.A.M.</b> Life Member, NSW Leagues' Club Limited Life Member and Vice President, New South Wales Rugby League Limited Life Member, Australian Rugby Football League Limited Life Member, Country Rugby Football League of NSW Inc Life Member, Newcastle Rugby Football League Life Member, Bathurst District Rugby League Life Member, Bathurst Leagues Club Patron, Bathurst Panthers Leagues Club	20 April 1967	21 April 2009
<b>William Monaghan</b> M.B.B.S. (Syd) F.R.A.C.G.P. F.A.C.EM Dip of LAB RELNS & Law (Syd Uni) Life Member and Vice President, New South Wales Rugby League Limited Life Member, NSW Leagues' Club Life Member, Newtown Rugby League Club Former Director Medical Services St George Hospital	21 April 1998	
<b>Kerry James Stephenson</b> Company Director Life Member, NSW Leagues' Club	16 April 1996	
<b>William McNally</b> Legal Practitioner	10 April 2001	
<b>Brian Kurtz</b> Retired Vice President NSW Rugby League Limited Life Member, NSW Rugby League Limited Life Member, Illawarra Steelers RLFC Limited Life Member, Illawarra District Ruby League Life Member, Western Suburbs Leagues Club Limited Illawarra Life Member, Western Suburbs District RLFC Illawarra	15 April 2003	
<b>Ronald George Lanesbury</b> Retired Trade Mechanical Engineer Mining Industry Vice President Country Rugby League Chairman C.R.L Junior Rugby League Australian Development Council Member NSW Rugby League General Committee member NSW Jim Beam Cup Board Member Life Member Muswellbrook Rugby League Life Member Hunter Valley Group 21 Rugby League Life Member Northern Division Rugby League Life Member N.S.W Country Rugby League Life Member N.S.W Rugby League Life Member Australian Sports Medal	28 February 2007	

# NSW Leagues' Club Limited

## Directors' Report (continued)

### Directors (continued)

	<b>Date appointed</b>	<b>Date retired</b>
<b>Greg McCallum</b> Managing Director, GM Consultancy International Pty Ltd Managing Director, MC Speaking Services Director, NSW Leagues Club Vice President, NSW Rugby League Limited Deputy Chairman and Director, NSW Rugby League Referee's Association	21 April 2009	

### Directors' Meetings

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

<b>Director</b>	<b>BOARD MEETINGS</b>	
	<b>Number of meetings attended</b>	<b>Number of meetings held *</b>
Mr C H Gibson	13	13
Mr J J O'Toole	1	3
Mr R G Lanesbury	12	13
Mr W Monaghan	13	13
Mr K Stephenson	13	13
Mr W McNally	13	13
Mr B Kurtz	13	13
Mr G McCallum	10	10

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

### Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

#### **Mr Christopher Bowden**

Mr Bowden was appointed Company Secretary on 31 July 1989 and is also the Chief Executive Officer of NSW Leagues' Club Limited.

### Membership

The company is a company limited by guarantee and is without share capital.

The number of members as at 31 December 2009 and the comparison with last year is as follows:

	<b>2009</b>	<b>2008</b>
Ordinary	6,260	7,311
Honorary	172	261
Life	23	23
	<hr/>	<hr/>
	6,455	7,595
	<hr/> <hr/>	<hr/> <hr/>

## Directors' Report (continued)

### Operating Result

Earnings for the year before charging \$621,966 (2008: \$763,900) for depreciation/amortisation, impairment of \$888,576 (2008: \$Nil), loss for Narellan Properties of \$1,414,599 (2008: profit \$9,575), finance costs of \$233,632 (2008: \$374,857) and before charging \$Nil (2008: \$Nil) for income tax was \$591,007 (2008: \$614,524).

### Review of Operations

A review of the operations of the company during the financial year and the results of these operations are as follows:

The decreased earnings are mainly attributable to a decrease in revenue, in particular bar sales and poker machine net clearances.

### Significant Changes in the State of Affairs

There were no significant changes in the company's state of affairs that occurred during the financial year.

### Principal Activities

The principal activity of the company during the year has continued to be that of a licensed social club.

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

### 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 company, the results of those operations or the state of affairs of the company in future financial years.

### Likely and Future Developments and Expected Results

Likely developments in the operations of the company in future financial years and the expected results of those operations are as follows:

Government regulations with respect to smoking and poker machine duty will continue to impact upon the future revenues.

### Environmental Regulation

The company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The Board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

### Dividends

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2008: \$Nil).

## NSW Leagues' Club Limited

# Directors' Report (continued)

### Indemnification of Officers

The company has provided for and paid premiums during the year for directors' and officers' liability and legal expenses' insurance contracts.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid with respect to the directors' and officers' liability and legal expenses' insurance contract, as such disclosure is prohibited under the terms of the contract.

### Proceedings on Behalf of the 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 party for the purposes 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 Directors have received the Independence Declaration from the Auditors. The Declaration is attached as page 5.

Signed in accordance with a resolution of the directors.

Dated at Sydney this 24<sup>th</sup> day of February 2010.

**Charles Henry Gibson**  
Director

**William Monaghan**  
Director

NSW Leagues' Club Limited  
Auditor's Independence Declaration



Chartered Accountants  
& Business Advisers

Lead Auditor's Independence Declaration  
Under Section 307C of the Corporations Act 2001

To the Directors of NSW Leagues' Club Limited

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

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

PKF

**Paul Cheeseman**  
Partner

1 Margaret Street  
SYDNEY NSW 2000

24 February 2010

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NSW Leagues' Club Limited  
**Statement of Comprehensive Income**  
**For the Year Ended 31 December 2009**

	Note	2009 \$	2008 \$
<b>Revenue from continuing operations</b>			
Sale of goods		2,034,619	2,238,552
Rendering of services		3,784,764	4,047,925
Other revenue		1,270,065	1,019,468
		<hr/>	<hr/>
Total revenue from continuing operations		7,089,448	7,305,945
		<hr/>	<hr/>
<b>Expenses</b>			
Cost of sales		(1,026,537)	(1,115,304)
Employee benefits expense		(2,533,743)	(2,525,728)
Entertainment, marketing and promotional costs		(256,811)	(261,869)
Poker machine licences and taxes		(631,510)	(695,335)
Occupancy expenses		(1,599,917)	(1,549,352)
Other expenses from ordinary activities		(449,923)	(543,833)
		<hr/>	<hr/>
		(6,498,441)	(6,691,421)
		<hr/>	<hr/>
Earnings before depreciation, amortisation, Narellan Properties, impairment expense and finance costs		591,007	614,524
Depreciation and amortisation expenses		(621,966)	(763,900)
(Loss)/profit on Narellan Properties		(1,414,599)	9,575
Impairment expense		(888,576)	-
Finance costs		(233,632)	(374,857)
		<hr/>	<hr/>
<b>Loss before income tax</b>		(2,567,766)	(514,658)
Income tax expense		-	-
		<hr/>	<hr/>
<b>Net loss from continuing operations after income tax expense attributable to members</b>	2	(2,567,766)	(514,658)
<b>Other comprehensive income:</b>			
Revaluation of investment property		-	825,376
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		(2,567,766)	310,718
		<hr/>	<hr/>

The Statement of Comprehensive Income is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 13.

NSW Leagues' Club Limited

Statement of Changes in Equity

For the Year Ended 31 December 2009

	Retained Earnings \$	Revaluation Surplus \$	Total Equity \$
<b>Balance at 1 January 2008</b>	7,699,298	8,403,848	16,103,146
Total comprehensive income for the year	(514,658)	825,376	310,718
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2008</b>	7,184,640	9,229,224	16,413,864
Total comprehensive income for the year	(2,567,766)	-	(2,567,766)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2009</b>	<u>4,616,874</u>	<u>9,229,224</u>	<u>13,846,098</u>

The Statement of Changes in Equity is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 13.

NSW Leagues' Club Limited  
**Statement of Financial Position**  
**As at 31 December 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		347,439	322,342
Trade receivables		258,799	163,534
Inventories		140,532	185,298
Other current assets		66,738	76,824
		<hr/>	<hr/>
<b>Total Current Assets</b>		813,508	747,998
<b>Non-Current Assets</b>			
Financial assets		19,593	2,222,338
Property, plant and equipment		17,096,624	17,303,630
Investment property		2,242,976	2,242,976
Other non-current assets		1,336	8,326
		<hr/>	<hr/>
<b>Total Non-Current Assets</b>		19,360,529	21,777,270
		<hr/>	<hr/>
<b>Total Assets</b>		20,174,037	22,525,268
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Bank overdraft		348,699	121,169
Trade and other payables		620,666	555,721
Financial liabilities		3,701,739	3,861,419
Employee benefits		402,515	366,404
Other current liabilities		139,692	146,994
		<hr/>	<hr/>
<b>Total Current Liabilities</b>		5,213,311	5,051,707
<b>Non-Current Liabilities</b>			
Trade and other payables		42,210	-
Financial liabilities		48,431	10,664
Employee benefits		67,737	66,635
Other non-current liabilities		956,250	982,398
		<hr/>	<hr/>
<b>Total Non-Current Liabilities</b>		1,114,628	1,059,697
		<hr/>	<hr/>
<b>Total Liabilities</b>		6,327,939	6,111,404
		<hr/>	<hr/>
<b>Net Assets</b>		13,846,098	16,413,864
<b>Members' Funds</b>			
Reserves		9,229,224	9,229,224
Retained profits	2	4,616,874	7,184,640
		<hr/>	<hr/>
<b>Total Members' Funds</b>		13,846,098	16,413,864
		<hr/>	<hr/>

The Statement of Financial Position is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 13.

NSW Leagues' Club Limited  
**Cash Flow Statement**  
**For the Year Ended 31 December 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	6,526,807	8,605,434
Payments to suppliers and employees	(6,909,800)	(6,986,068)
Interest received	6,128	13,907
Rent received	1,005,937	988,485
Finance costs paid	(233,632)	(374,857)
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	395,440	2,246,901
	<hr/>	<hr/>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sale of property, plant and equipment	45,496	24,091
Payment for property, plant and equipment	(358,667)	(231,353)
Payment for investments	(100,000)	(50,000)
	<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>	(413,171)	(257,262)
	<hr/>	<hr/>
<b>Cash Flows From Financing Activities</b>		
Proceeds from borrowings	-	846,911
Repayment of borrowings	(101,792)	(2,374,565)
Finance lease payments	(82,910)	(23,329)
	<hr/>	<hr/>
<b>Net cash outflow from financing activities</b>	(184,702)	(1,550,983)
	<hr/>	<hr/>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(202,433)	438,656
<b>Cash and cash equivalents at the beginning of the financial year</b>	201,173	(237,483)
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>	(1,260)	201,173
	<hr/> <hr/>	<hr/> <hr/>

The Cash Flow Statement is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 13.

# NSW Leagues' Club Limited

## Discussion and Analysis

### Statement of Comprehensive Income

The company's total revenue has decreased by \$216,497 (3%) since the prior year and expenses have increased by \$1,836,611 (23%) resulting in a net loss before tax of \$2,567,766 compared to a \$514,658 loss for the previous year.

Individual items that have impacted the 2009 result include:

- Sale of goods decreased by \$203,933 (9%) predominately due to a decrease in bar sales of \$203,711 (9%).
- Revenue from rendering of services decreased by \$263,161 predominately due to a decrease in poker machine net clearances of \$225,957 (6%).
- Other revenue increased by \$250,597 predominately due to an increase in rent received of \$17,452 (2%), an increase in net gain on disposal of non-current assets of \$23,000 (144%) and sales of poker machine entitlements of \$219,000 which are a new income stream in the current year.
- A decrease in poker machine licences and taxes of \$63,825 due to decreased poker machine clearances.
- A decrease in cost of sales of \$88,767 (8%).
- An increase in occupancy expenses of \$50,565 (3%).
- A loss in Narellan Properties of \$1,414,599 compared to a profit of \$9,575 in prior year.
- A decrease in depreciation and amortisation expenses of \$141,934 (19%).
- An impairment expense of \$888,576 in Narellan Properties Investment compared to \$Nil in prior year.
- A decrease in finance costs of \$141,225 (38%).

### Statement of Financial Position

The company's net assets have decreased by \$2,567,766 or 16% since the previous year consisting of a decrease in total assets of \$2,351,231 and a \$216,535 increase in total liabilities.

The decrease in total assets for the year is mainly attributed to impairment loss on investment in Narellan Properties of \$888,576 and current year loss in Narellan Properties of \$1,414,599.

The increase in total liabilities is due to a net increase in current liabilities of \$161,604 or 3% and increase in non-current liability of \$54,931.

### Cash Flow Statement

Operating activities generate a net cash inflow of \$395,440, a decrease of \$1,851,461 when compared to the previous year.

Net cash used in investing activities was \$413,171 and relates to net acquisition of property, plant and equipment of \$358,667, further capital contribution of \$100,000 to Narellan Properties Investment less proceeds from sales of property, plant and equipment of \$45,496.

Net cash outflow from financing activities of \$184,702 is due to repayments of borrowing of \$101,792 and finance lease payments of \$82,910.

As a result of these cash flows, the net cash held during the year decreased by \$202,433 compared to the previous year's increase of \$438,656.

Cash at the end of the financial year therefore amounted to overdraft of \$1,260 compared to last year's balance of \$201,173.

NSW Leagues' Club Limited

# Notes to the Financial Statements

## Concise Financial Report

### For the Year Ended 31 December 2009

#### 1 Basis of Preparation of the Concise Financial Report

The concise financial report is an extract for the full financial report for the year ended 31 December 2009. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the *Corporations Act 2001*.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of NSW Leagues' Club Limited. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of NSW Leagues' Club Limited as the full financial report.

##### Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIRFS ensures that the company financial statements and notes comply with International Financial Reporting Standards (IFRS).

In preparing the financial report the company has taken the exemptions available to non profit entities.

The presentation currency used in this concise financial report is Australian dollars.

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>2 Retained Profits</b>		
Retained profits at the beginning of the year	7,184,640	7,699,298
Net loss attributable to members of the company	(2,567,766)	(514,658)
	<hr/>	<hr/>
Retained profits at the end of the year	4,616,874	7,184,640
	<hr/> <hr/>	<hr/> <hr/>

#### 3 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 company, the results of those operations or the state of affairs of the company in future financial years.

# Notes to the Financial Statements

## Concise Financial Report

### For the Year Ended 31 December 2009

#### 4 Mutuality Principle

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Following the Full Federal Court decision in *Coleambally Irrigation Mutual Co-operative Limited v FCT* [2004] FCAFC 250, Tax Laws Amendment (2005 Measures No. 6) Bill 2005 was tabled in Parliament on 7 December 2005 to amend the Income Tax Assessment Act 1997 to restore the long standing benefits of the mutuality principle to those non-profit organisations affected by the *Coleambally* decision.

These amendments will ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

#### 5 Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the ordinary course of business.

The company incurred a loss of \$2,567,766 and the current liabilities exceeded current assets by \$4,389,803.

The ability of the company to continue as a going concern is dependent upon renegotiating bank loan facilities and improving trading performance.

#### 6 Prior Period Error

In the prior financial period Narellan Properties distributed what was called a rezoning fee with the amount distributed among the partners, with NSW Leagues' Club Limited receiving \$2,000,000. The treatment in prior year accounts of \$1,666,667 was credited as income in advance and \$333,333 taken as sundry income. However, this has been subsequently called drawings from the Capital Account and any movement should have gone through the equity. Hence in the current year the amount has been reversed from the income in advance and sundry income and credited to investments.

Further, in 2007 the land was revalued with the share of gain distributed among the partners. The share of gain from the revaluation to NSW Leagues Club Limited is \$2,947,523.

The aggregate effect of the prior period error on the annual financial statements for the year ended 31 December 2009 is as follows:

NSW Leagues' Club Limited  
Notes to the Financial Statements  
Concise Financial Report  
For the Year Ended 31 December 2009

6 Prior Period Error (continued)

	Previously Stated \$	Adjustments \$	Restated \$
<b>Statement of Comprehensive Income</b>			
Rezoning revenue received – Narellan Properties	333,333	(333,333)	-
<b>Net loss from continuing operations after income tax expense attributable to members</b>	<b>(181,325)</b>	<b>(333,333)</b>	<b>(514,658)</b>
<b>Statement of Changes in Equity</b>			
Adjustment to opening Revaluation Surplus	5,456,325	2,947,523	8,403,848
<b>Statement of Financial Position</b>			
Financial Assets	1,274,815	947,523	2,222,338
<b>Total Assets</b>	<b>21,577,745</b>	<b>947,523</b>	<b>22,525,268</b>
Income received in advance – Current	432,158	(400,000)	32,158
Income received in advance – Non Current	2,249,065	(1,266,667)	982,398
<b>Total Liabilities</b>	<b>7,778,071</b>	<b>(1,666,667)</b>	<b>6,111,404</b>
<b>Net Assets</b>	<b>13,799,674</b>	<b>2,614,190</b>	<b>16,413,864</b>

# NSW Leagues' Club Limited

## Directors' Declaration

The directors of Registered Club (the company) declare that the concise financial report of the company for the financial year ended 31 December 2009, as set out on pages 6 to 13:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) is an extract from the full financial report for the year ended 31 December 2009 and has been derived from and is consistent with the full financial report of the company.

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

Dated at Sydney this 24<sup>th</sup> day of February 2010.

**Charles Henry Gibson**  
Director

**William Monaghan**  
Director

# NSW Leagues' Club Limited

## Independent Audit Report



Chartered Accountants  
& Business Advisers

To the Members of NSW Leagues' Club Limited

### Report on the concise financial report

The accompanying concise financial report of NSW Leagues' Club Limited (the company) comprises the Statement of Financial Position as at 31 December 2009, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended and related notes, derived from the audited financial report of the company for the year ended 31 December 2009, and the discussion and analysis set out on pages 6 to 13. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

### Directors' responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: *Concise Financial Reports* (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the company for the year ended 31 December 2009. Our audit report on the financial report for the year was signed on 24 February 2010 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

Our procedures with respect to the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039: *Concise Financial Reports*.

### Emphasis of Matter

#### **Inherent Uncertainty Regarding Continuity of Business Operations**

Without qualification to the opinion expressed above, attention is drawn to the matters described in Note 5. As a result, there is inherent uncertainty whether the company will be able to continue its current business operations and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

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

NSW Leagues' Club Limited  
Independent Audit Report (continued)



Chartered Accountants  
& Business Advisers

### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, was provided to the directors of the company on 24 February 2010.

### Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of the company for the year ended 31 December 2009 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

The financial report also complies with IFRS as disclosed in Note 1.

PKF

**Paul Cheeseman**  
Partner

24<sup>th</sup> February 2010

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