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P.R. Hardgrove

VICE PRESIDENT

M. Dowel

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J. Dorahy
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P. Turnbull

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W. Webster
J.J. (MO) Wilson (Dec)
A. Robinson (Dec)
J. Knipe (Dec)
C. Gibson (Dec)
J. Martin
A. Thomas
A. Fitzgibbon
B. Smith
G. Wright

SOLICITORS

Thomsons Lawyers

AUDITORS

PKF Chartered Accountants

PREMIER SPONSOR

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Leagues Clubs Australia Member Clubs

Arana Leagues Club
Arncliffe Scots Sports & Social Club
Aspley Leagues Club
Asquith Rugby League Club
Ballina Seagulls Rugby League Football Club
Balmain Tigers Leagues Club
Bankstown District Sports Club
Bathurst Panthers Leagues Club
Blacktown Workers Club
Broncos Leagues Club
Brothers Leagues Club - IPSWICH
Brothers Leagues Club - TSV
Brothers Sports Club - BUNDABERG
Burleigh Bears RLFC
Cabramatta Rugby Leagues Club
Camden Valley Golf Resort
Canterbury Bankstown Leagues Club
Carina Leagues Club
Central Charlestown Leagues Club
Central Coast Leagues Club
Cessnock Rugby League Supporters Club
Club Central Hurstville
Collegians Rugby League Football Club
Corrimal Leagues Club
Cowboys Leagues Club
Cronulla Sharks Leagues Club
Crushers Sports Club
Dapto Leagues Club
Eastern Suburbs Leagues Club
Easts Leagues Club
Erina RLFC
Goulburn Workers Club
Griffith Leagues Club
Illawarra Leagues Club
Illawarra Steelers
Jets Sport Club
Kiama Leagues Club
Liverpool Catholic Club
Maitland District Leagues Club
Manly Leagues
Mounties
Newcastle Leagues Club
North Sydney Leagues Club
Norths Leagues & Services Club
NSW Leagues Club
Parkes Leagues Club
Parramatta Leagues Club
Penrith Rugby League Club
Port Kembla Leagues Club
Queanbeyan Kangaroos RLFC
Queanbeyan Leagues Club
Redcliffe Leagues Club
Revesby Workers Club
Ryde Eastwood Leagues Club
Seagulls Rugby League Football Club
South Newcastle Rugby League Club
South Sydney Junior Leagues Club
Southern Suburbs Football Club - MACKAY
St Marys Rugby League Club
St. George Leagues Club
Sutherland District Trade Union Club
The Entrance Leagues Club
Warilla Bowls and Recreation Club
Wentworthville Leagues Club
West Tamworth League Club
Western Suburbs (Ashfield) Leagues Club
Western Suburbs (Campbelltown) Leagues Club
Western Suburbs (Newcastle) Leagues Club
Wests Illawarra
Windsor Leagues Club
Woy Woy & District Rugby League Football Club
Wynnum Manly Leagues Club
Wyong Rugby League Club

PRESIDENT'S REPORT

In my report last year I highlighted the serious ramifications for the future of the Club Industry emanating from the Julia Gillard – Andrew Wilkie deal that would impose a mandatory pre-commitment scheme by 2014, as well as a \$250 daily withdrawal limit at ATMs in venues with gaming machines (except casinos). The gravity of those concerns remain consistent 12 months on, with expert predictions of a potential 40% impact on gaming revenues, which will destroy the Club Industry as we know it and result in massive job losses and a significant reduction in rugby league funding and community grants.

I applaud the Clubs Australia “It’s Un-Australian – Licence to Punt” campaign and the second phase “Won’t Work, Will Hurt” campaign. The success of these campaigns, which have featured highly visible messages in Clubs and billboards, radio & newspaper advertisements, the generation of supportive articles & letters in metropolitan and regional press and well supported rallies around NSW, is undeniable. It has even led to predictions by many political commentators that the issue of mandatory pre-commitment raises a greater threat to the Gillard Government than the Carbon Tax and an illegal immigrant solution.

I would like to congratulate our Member Clubs that have organised extremely successful rallies – Souths Juniors, Bankstown Sports Club, Parramatta Leagues Club, Mounties and Blacktown Workers Club. All of these rallies generated large crowds and positive publicity. At the same time I encourage all Clubs to maintain the fight – keep your members, staff, community and suppliers informed and continue the dialogue with your local MPs.

Your Association will continue to work with the governing bodies of rugby league – NRL, NSWRL and QRL – to highlight the likely impact that MPC will have on the sport at every level.

CEO Peter Turnbull will provide a comprehensive report on this issue at the Annual General Meeting, and as usual we have invited Clubs Australia & Clubs NSW President, Peter Newell to address the meeting.

Another issue that the Association continues to monitor is internet gambling. We provided a submission on this topic to the Joint Select Committee, which is chaired by Andrew Wilkie, and a separate and more detailed submission to the Department of Broadband, Communications and the Digital Economy. The LCA sees internet gambling as both a threat and an opportunity. It is a threat in the sense that in the current regulatory environment there is no safety or security for Australians who gamble to the tune of \$1 billion a year on off-shore sites, but may become a future opportunity should the Australian Government follow the growing global emergence of liberalisation of this form of gambling.

I am pleased to report that our two IGT sponsored Conferences – 2010 National Conference & 2011 Gaming Conference - were again successful in terms of attendance and content. We are extremely appreciative that IGT continue to not only provide financial support for our conferences, but also for their valuable input into the conference program and events. The Association will be again conducting next year’s Gaming Conference at the Marriott Resort, Surfers Paradise, from May 8 – 10, 2012.

2010 – 2011 also saw another successful Aristocrat – LCA GMDC class, with Tracey Watson from Newcastle Panthers the winner of the UNLV trip. Tracey will take up this prize on our second UNLV & Casino tour in June, 2012, which will be organised once again through Total Travel Solutions. A full report on GMDC appears in this Annual Report. Also, in conjunction with Aristocrat, the LCA presented a 4 day GMDC program for our Queensland Member Clubs in May/June, 2011.

Over the past 12 months the Association has been a participant in a number of Club Industry Forums, namely ClubsNSW State Council, Club Industry Associations Meetings and the Gaming Advisory Council. With so many challenging issues continually confronting the Industry it is extremely pleasing to see all of the Associations working so closely together.

On behalf of the Board of Directors of Leagues Clubs Australia, I would like to convey our sincere thanks and appreciation to all of our valued Sponsors, who are an integral part of the LCA “family”. In particular I would like to convey our appreciation to Premier Sponsor, Paynter Dixon for their on-going support of the LCA and the Club Industry. As well, I would like to acknowledge our Diamond and Platinum Sponsors, namely IGT, Aristocrat, Carlton United Brewers, Coca Cola Amatil, PKF, IG, ShuffleMaster and Thomsons Lawyers. I also extend a warm welcome to our new Corporate Partners who have joined our Association in the last 12 months – Voyager Gaming, Simtech Creations and Treasury Wine Estates.

I would also like to thank all of our Member Clubs for your continued support, especially during what has been yet another demanding year for our Industry.

It would be remiss of me not to pay tribute to a great man and a true friend to many, John Knipe, who sadly passed away on 30 April, 2011. John was Life Patron and a Life Member of our Association who, along with past President Jack Martin, was instrumental in the development and growth of what was then the Registered Leagues Clubs Association, and later the Leagues Clubs Association of NSW. A comprehensive and fitting tribute to John follows my report.

As well, we were all saddened by the passing of Redcliffe Leagues Club President and rugby league stalwart, Des Webb, in June. Des was the worthy recipient of the Jack Martin Award at the 2010 National Conference, in recognition of his life long contribution to the game of rugby league, and to the Redcliffe Dolphins and Redcliffe community in particular. Des also played a significant supportive role in the amalgamation of Queensland Leagues Clubs with NSW Leagues Clubs, resulting in Leagues Clubs Australia.

Finally, I would like to convey my sincere appreciation to my fellow Board Members for their valued contribution throughout the past year, and also acknowledge the efforts of Peter Turnbull, Rhonda Bowen and Krystal Lees.

Peter R. Hardgrove
President



Tribute to LCA Life Member and Life Patron John Knipe – A True Gentleman

29 October, 1929 – 30 April, 2011

The Board of Directors of Leagues Clubs Australia would like to acknowledge John Knipe's magnificent contribution to the game of rugby league, his visionary leadership of a successful Leagues Club and his valued contribution to the Leagues Clubs Association. Over the last 28 years the Association has been a major part of John's life, and over the same time span John Knipe was a major part of the Association's growth and success.

George Bernhard Shaw once said: "A gentleman is one who puts more into the world than he takes out."

John Knipe was a true gentleman.

John always possessed a profound love of rugby league, particularly his beloved Cessnock Goannas. His passion for the game, and the desire for his team to be always competitive, saw him head up a committee in 1972 to establish a licensed rugby league supporters club in Cessnock that would ultimately provide future funding for senior and junior rugby league teams, as well as provide a venue for the many Goannas supporters to enjoy. That goal turned into an eight year mission, involving incredible commitment, determination and a lot of hard work from a group of similar minded people receiving positive direction from John Knipe. The establishment of Cessnock Rugby League Supporters Club and the work done by John and his great friend Boy Bradstreet along with the contribution of so many dedicated people was the key to the club obtaining its license to operate.

When the Club eventually received their license approval, they then faced another challenge - to fund the building of the Supporters Club. It was at this time that John was introduced to the Leagues Clubs Association of NSW by their then Association President, Mo Wilson. The Association provided introductions to 15 Member Clubs at the time, each providing bank guarantees to help establish John's dream. History goes on to record that the Cessnock Rugby League Supporters Club opened its doors for the first time in October, 1980, with John being appointed as the inaugural Secretary Manager, a post he would hold for 18 years, before being elected to the Club's Board of Directors.

With the Club up and running Cessnock quickly joined the Leagues Clubs Association, with John becoming an active participant at most scheduled meetings. In May, 1983, John was appointed to the Association management committee, the start of a 28 year direct involvement with the LCA. When the Association was incorporated in December, 1998, John was elected to the Board to represent the northern region of NSW.

In 2003 John was awarded Life Membership of the Association in recognition of 20 continuous years service.

John tendered his resignation from the Board in 2006, but his continued association & involvement was confirmed when he accepted the position as Patron of the Association in 2006 and from 2008 Life Patron.

As a Life Patron John's opinions and views of the Association were always sought, and he showed strong support of the Association's amalgamation with Queensland Leagues Clubs in 2008 and with the resultant name change to Leagues Clubs Australia.

Both the Cessnock Rugby League Supporters Club and the Leagues Clubs Association were beneficiaries of John's vast knowledge, his astute business acumen, and his total commitment and enthusiasm. As exemplified with his IT prowess, John always kept up to speed with the changing business environment and was never anchored to the past. He always thought about tomorrow not yesterday and as such was a true visionary.

Over the years John formed an extremely close relationship with Jack Martin, long serving committee member and President of the Leagues Clubs Association. They were the closest thing to brothers, through their common love for their families, rugby league and the Association.

There is no doubt that Jack and John were the dynamic "partnership" in guiding the evolution of the LCA, and during their time on the Board the Association grew in terms of its membership from about 20 clubs to its current 90, there was the introduction of a unique educational program at no charge for members, the introduction of two highly respected Industry Conferences, with John's favourite event, the National Conference achieving attendances in excess of 450,. However, their greatest achievement was transforming the Association from an organization into what we call one big family, many of whom are in attendance today.

At Jack Martin's funeral in June 2007, John in his eulogy said of Jack -

“In spite of all his achievements, Jack was a humble man. No illusions of grandeur, a “beer and pie” bloke who constantly spoke of his family and his love for Rugby League. If he spoke of the Association's achievements he never used the word “I” – it was always “We”.

To those who know John Knipe, reflecting on that moment, it could be well said that those words are now appropriate to be used in a similar tribute to John's life.

John Knipe was a true gentleman, and there is no doubt whatsoever that he put far more into this world than he took out. His many, many friends will all know that their lives are all the better for knowing and loving him, and that we had the opportunity of sharing part of our lives with him.

Mr. John Knipe will live in our hearts forever.



GMDC Report

The twelfth year of the Gaming Management Development Course (GMDC) concluded on Thursday 30th June 2011. The graduation presentation, which was hosted by Leagues Clubs Australia's Education Sponsor ARISTOCRAT, was attended by several CEOs and Gaming Managers from the Club Industry along with presenters from the course and participants.

Leagues Clubs Australia CEO, Mr Peter Turnbull, thanked Aristocrat for their significant investment in the future of the Club Industry by sponsoring the GMDC for many years. In that time, nearly 600 students have completed this highly regarded and unique educational program.

Mr Trevor Croker – Managing Director, Australia and New Zealand for Aristocrat presented all 50 participants in this year's course with their certificates and congratulated them on their dedication in completing the course. He also announced the launch of 2 strands to the GMDC in the future – continuation and improvement of the current format plus the addition of a "Executive GMDC Program".

First place winner and the beneficiary of the GMDC David Costello Bursary Award to study at UNLV was Tracey Watson from Panthers Newcastle & Cardiff. Tracey hopes to continue to develop her current role and is working towards becoming the Accountant for the Cardiff and Newcastle Panthers sites as well as continuing her professional development as a Manager. The GMDC has allowed Tracey to broaden her knowledge on Gaming by being able to tour sites and talk with managers from leading Clubs in NSW and also allowed the opportunity to network with fellow students, guest speakers and course facilitators.

Second place winner and the recipient of the bursary for a 3 days study tour to Melbourne was Karen Champion from Blacktown Workers. Karen's current position at Blacktown Workers Club is Financial Accountant. Karen's main goal is to learn as much as she can in the club industry and move into to a senior management position. The GMDC provided Karen with a better understanding of the gaming side of the industry and, as an Accountant being mainly involved in the final monetary outcome of gaming each month, she now has a broader scope and a much better understanding of it part in the business.

Third place winner and also travelling to Melbourne later this year for a 3 day study tour is Deanna Calgareo from St Marys Leagues Club. Deanna has been employed at St Marys Rugby Leagues Club for 4yrs, currently holding a Duty Manager position. Although completing a number of courses referring to hospitality, Deanna found GMDC to be the most stressful yet insightful of them all and enjoyed learning different aspects of gaming. The knowledge gained from this course has provided Deanna the determination to continue in the gaming department and one day be promoted to Gaming Manager.

All participants acknowledged the generosity of their clubs in affording them the time and opportunity to undertake the course, along with the efforts of Aristocrat in putting together the program. Further generosity in both time and/or money is provided by the clubs that during the past ten months those undertaking the course had the pleasure of visiting. Those clubs include Mounties, Canterbury Leagues, Wests Ashfield, Wests Campbelltown, Wests Newcastle and Bankstown District Sports Club. Participants also heard from presenters such as Greg Pickering, Jonathan Brain, Toby Kennett, Scott Bennetts, Mary O'Neill and John Willis. Sessions covered as part of the course included the History of Gaming in Australia, Cashflow Analysis, Floor Layout & Design, Customer Service & Conflict Resolution. Participants on the 2010/2011 GMDC agreed that it was a great opportunity to visit each venue, and all expressed how appreciative they were to each presenter who shared so much of their time, knowledge and experience with the class.

Leagues Clubs Australia Limited

Directors' Report

Your directors present their report together with the financial report of Leagues Clubs Australia Limited (the company) 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:

Name	Date of Appointment	Position
Peter Hardgrove	April 2005	President
Mark Dowel	April 2005	Vice President
Brian Smith	December 1998	Director
Greg Edwards	April 2004	Director
Michael Brennan	April 2005	Director
John Dorahy	April 2005	Director
Jim McClymont	April 2005	Director
Ian Munro	April 2005	Director
Geoff Wright	December 1998	Director
Anthony Murphy	November 2008	Director
Paul Burton	November 2008	Director
Mark Hennelly	August 2010	Director

Information on directors

Mr Peter Hardgrove

Appointed April 2005
Chairman of Wests Ashfield Leagues Club
Deputy Chairman of Wests Tigers Rugby League Football Pty Ltd
Life Member of Wests Ashfield Leagues Club

Mr Mark Dowel

Appointed April 2005
Delegate Asquith Leagues Club
Vice President and Life Member of North Sydney District Junior Rugby League
Director North Sydney District Rugby League Football Club
Director Australian Universities Rugby League

Mr Brian Smith

Appointed December 1998
Retired
Director and Life Member Manly Warringah Rugby League Club

Mr Greg Edwards

Appointed April 2004
CEO Guildford Rugby League and Recreation Club
Director Rugby League Country Club Limited

Mr Michael Brennan

Appointed April 2005
Operations Manager Dapto Leagues Club

Mr John Dorahy

Appointed April 2005
Director Wests Illawarra

Leagues Clubs Australia Limited

Directors' Report (continued)

Information on directors (continued)

Mr Jim McClymont

Appointed April 2005

Retired

Director Ryde Eastwood Leagues Club

Life Member Ryde-Eastwood RLFC

Mr Ian Munro

Appointed April 2005

Secretary Manager Erina Leagues Club

Mr Geoff Wright

Appointed December 1998

Retired

Life Member Glendale JRLFC

Life Member Western Suburbs (Newcastle) RLFC

Life Member Newcastle Rugby Football League

Life Member NSW Country Rugby League Life

Life Member NSW Rugby League

Mr Anthony Murphy

Appointed November 2008

General Manager Redcliffe Leagues Club

General Manager Redcliffe District Rugby League Football Club Inc.

Mr Paul Burton

Appointed November 2008

Resigned 23 August 2010

General Manager Norths Leagues & Services Club (until March 2009)

Mr Mark Hennelly

Appointed August 2010

General Manager, Brothers Leagues Club, Ipswich

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:

Director	Number of Meetings Attended	Number of Meetings Held *
Michael Brennan	8	9
John Dorahy	6	9
Mark Dowel	8	9
Greg Edwards	4	9
Peter Hardgrove	8	9
Jim McClymont	7	9
Ian Munro	6	9
Brian Smith	6	9
Geoff Wright	8	9
Anthony Murphy	9	9
Paul Burton	-	2
Mark Hennelly	7	7

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

Leagues Clubs Australia Limited

Directors' Report (continued)

Membership

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

	2011	2010
Level 1	53	53
Level 2	10	9
Associate	10	7
	<hr/>	<hr/>
	73	69
	<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 \$500 per member in the event of the winding up of the company during the time that they are a member or within one year thereafter. The total amount that the members of the company are liable to contribute if the company is wound up is \$36,500 (2010: \$34,500).

Operating result

The net profit before tax for the year ended 30 June 2011 amounted to \$103,376 compared with a \$20,339 profit for the prior period. This resulted after charging \$12,802 (2010: \$12,446) for depreciation and before charging \$60,534 (2010: \$29,086) for income tax.

Principal activities

The principal activity of the company has continued to be to represent the interest of member clubs generally in relevant club industry forums and to provide current industry information to member clubs.

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

Leagues Clubs Australia Limited

Directors' Report (continued)

Objectives

Short and Long Term Objectives

- To provide member clubs with current, accurate and timely information on key industry issues and through a range of forums such as General and Chief Executive meetings, take direction from member clubs, that in conjunction with the Board of Directors, will formulate the Associations policy direction on all issues
- To represent the policy direction of member clubs at all available industry forums, including but not limited to: ClubsNSW State Council, ClubsNSW Gaming Advisory Committee (GAC), The Gaming Council of Australia and The Gaming Industry Operators Group (GIO)
- To establish and maintain a working relationship with The Minister and Shadow Minister for Gaming and Racing and to communicate to Government and Opposition the thoughts of member clubs on all relevant industry issues, including all planned legislative and regulatory changes
- To encourage networking between member clubs of all sizes and in particular, develop and co-ordinate forums which will allow member clubs to discuss problems and events common to their day to day activities.
- To encourage through training courses such as the Gaming Management Development Course (GMDC) a greater level of knowledge and understanding of the key elements of gaming management and through a relationship with BETSAFE, CLUBSAFE and other Responsible Gaming Service Providers, a clear understanding of the importance of commitment to Harm Minimisation.
- To provide, where necessary and at no cost, support to member clubs who require specific assistance in any area of industry activity
- To plan and co-ordinate member clubs specific conferences, trade days and product demonstrations, which further the awareness of key industry issues and product development and availability

Strategies to Achieve Objectives

- Conducts regular meetings of the Board of Directors to review the effectiveness of the operations of the Association, and discuss future strategies to properly represent our member clubs, as well as to invite clubs that significantly support rugby league to join and participate in the Association
- Participates in Industry Association forums as well as being in regular dialogue with Government ministers, Government agencies, National Rugby League, NSW Rugby League and Queensland Rugby League
- Provide communication to member clubs on industry and rugby league issues, as well as organise regular meetings and conferences
- Provide the Gaming Management Development Course for nominated staff of member clubs, thereby contributing to the increased professionalism of those member clubs

Leagues Clubs Australia Limited

Directors' Report (continued)

How these activities assist in achieving the objectives

The association's principal activities revolve around processes of communication and education, which enables continual monitoring on the entity's key objectives. The Association acts on behalf of its Member Clubs in wider Industry forums and dialogue with the Government and its agencies, thereby ensuring their best interests are being represented.

Performance measurement and key performance indicators

The Board of Directors measures the performance of the Association by the yearly renewal percentage of Member Clubs, reviewing the quality and attendance of Member Clubs at Conferences at Meetings, reviewing the success of the Gaming Management Development Course, as well as feedback provided by Member Clubs and Sponsors. The Board of Directors receive financial reports at every Board Meeting, as well as sign off on Annual Accounts, thereby ensuring the ongoing financial success of the association in delivering its service to Member Clubs.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 6.

Signed in accordance with a resolution of the directors.

Dated at Sydney this 19th day of September 2011.

Peter Hardgrove
Director

Leagues Clubs Australia Limited
Auditor's Independence Declaration



As lead auditor for the audit of Leagues Club Australia Limited 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 of Leagues Clubs Australia Limited.

PKF

Paul Cheeseaman
Partner

19 September 2011

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia

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Independent Audit Report

To the members of Leagues Clubs Australia Limited

Report on the Financial Report

We have audited the accompanying financial report of Leagues Clubs Australia Limited, which comprises the Statement of Financial Position as at 30 June 2011, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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*.

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia

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Independent Audit Report (continued)

Auditor's Opinion

In our opinion the financial report of Leagues Clubs Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

PKF

Paul Cheeseman
Partner

19 September 2011

Leagues Clubs Australia Limited

Directors' Declaration

The directors of Leagues Club Australia Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 10 to 27, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company'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 (including the Australian Accounting Interpretations) and Corporations Regulations 2001.
- (b) there are reasonable grounds to believe that the company 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 19th day of September 2011.

Peter Hardgrove
Director

Leagues Clubs Australia Limited
Statement of Comprehensive Income
For the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
Revenue from continuing operations			
Rendering of services		1,233,588	1,163,394
Other revenue		29,911	20,215
		<hr/>	<hr/>
Total revenue from continuing operations	2	1,263,499	1,183,609
		<hr/>	<hr/>
Expenses			
Employment expenses		(321,866)	(295,430)
Conferences and seminar expenses		(365,301)	(463,288)
Sponsorship expenses		(282,343)	(223,820)
Office operating expenses		(50,177)	(55,548)
General meetings and dinner expenses		(15,711)	(15,818)
Gaming development course		(27,101)	(26,130)
Investment property expenses		(4,010)	(4,911)
Other expenses		(80,812)	(65,879)
		<hr/>	<hr/>
		(1,147,321)	(1,150,824)
		<hr/>	<hr/>
Earnings before depreciation expense		116,178	32,785
Depreciation expense	3(a)	(12,802)	(12,446)
		<hr/>	<hr/>
Profit before income tax		103,376	20,339
Income tax expense	4(a)	(60,534)	(29,086)
		<hr/>	<hr/>
Net profit/(loss) from continuing operations after income tax expense attributable to members	12	42,842	(8,747)
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year, net of tax		42,842	(8,747)
		<hr/>	<hr/>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 21 to 34.

Leagues Clubs Australia Limited
Statement of Financial Position
As at 30 June 2011

	Note	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	121,974	8,316
Trade and other receivables	6	54,243	47,242
Other current assets	7	36,140	31,689
		<hr/>	<hr/>
Total Current Assets		212,357	87,247
		<hr/>	<hr/>
Non-Current Assets			
Property, plant and equipment	8	13,176	15,669
Investment property	9	210,138	217,431
Deferred tax assets	4(c)	6,286	5,431
		<hr/>	<hr/>
Total Non-Current Assets		229,600	238,531
		<hr/>	<hr/>
Total Assets		441,957	325,778
		<hr/>	<hr/>
LIABILITIES			
Current Liabilities			
Trade and other payables	10	42,824	22,807
Current tax liabilities	4(b)	38,264	160
Employee benefits	11	50,452	40,019
		<hr/>	<hr/>
Total Current Liabilities		131,540	62,986
		<hr/>	<hr/>
Non-Current Liabilities			
Employee benefits	11	11,473	6,690
		<hr/>	<hr/>
Total Non-Current Liabilities		11,473	6,690
		<hr/>	<hr/>
Total Liabilities		143,013	69,676
		<hr/>	<hr/>
Net Assets		298,944	256,102
		<hr/>	<hr/>
Members' Funds			
Retained profits	12	298,944	256,102
		<hr/>	<hr/>
Total Members' Funds		298,944	256,102
		<hr/>	<hr/>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 21 to 34.

Leagues Clubs Australia Limited
Statement of Changes in Equity
For the Year Ended 30 June 2011

	Retained Earnings	Total Equity
Balance at 1 July 2009	264,849	264,849
Changes in equity for 2010		
Total comprehensive income for the year	(8,747)	(8,747)
	<hr/>	<hr/>
Balance as at 30 June 2010	256,102	256,102
	<hr/>	<hr/>
Changes in equity for 2011		
Total comprehensive income for the year	42,842	42,842
	<hr/>	<hr/>
Balance at 30 June 2011	298,944	298,944
	<hr/>	<hr/>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes set out on pages 21 to 34.

Leagues Clubs Australia Limited
Statement of Cash Flows
For the Year Ended 30 June 2011

	2011	2010
	\$	\$
Cash Flows From Operating Activities		
Receipts from customers	1,352,702	1,282,520
Payments to suppliers and employees	(1,229,559)	(1,268,796)
Interest received	12,671	6,014
Rent received	18,964	15,621
Income taxes paid	(35,171)	(38,492)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	119,607	(3,133)
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Payment for property, plant and equipment	(5,949)	(1,272)
	<hr/>	<hr/>
Net cash outflow from investing activities	(5,949)	(1,272)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	113,658	(4,405)
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the financial year	8,316	12,721
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	121,974	8,316
	<hr/>	<hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 21 to 34.

Leagues Clubs Australia Limited

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 1 July 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 1 July 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.

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;

(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.

Rendering of Services

Revenue from rendering services comprises revenue from conferences together with other services to members and sponsors of the company 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.

Contribution of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the company gains control of the contribution, except when the contributions are by owners.

Leagues Clubs Australia Limited
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 Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which is 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 and lease 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. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

(e) Income Tax – Note 4

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

Deferred tax is accounted for using the comprehensive Statement of Financial Position liability method whereby:

- The tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements;
- Current and deferred tax is recognised as income or expense except to the extent that the tax relates to equity items or to a business combination;
- A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset;
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled.

Notes to the Financial Statements For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(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) Use and Revisions of Accounting Estimates

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

(h) Cash and Cash Equivalents – Note 5

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

(i) Trade and Other Receivables – Note 6

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.

Notes to the Financial Statements For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(j) Leased Assets

Leases under which the company assumes substantially all the risks and benefits incidental to the ownership of the assets but not the legal ownership are classified as finance leases. Other leases are classified as operating leases.

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) Non-Current Assets Held for Sale

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(l) Property, Plant and Equipment – Note 8

All property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. 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 company/group 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.

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:

	2011	2010
Buildings	40 years	40 years
Furniture, fittings and equipment	4 – 10 years	4 – 10 years

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.

(m) Investment Property – Note 9

Investment property, principally comprising freehold buildings, is held for long-term rental yields and is not occupied by the company. Investment property is carried at cost.

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

1 Summary of Significant Accounting Policies (continued)

(n) Trade and Other Payables – Note 10

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee Benefits – Note 11

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 market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

Superannuation Plan

The company contributes to a defined contribution superannuation plan. Contributions are recognised as an expense as they are made. The company has no legal or constructive obligation to fund any deficit.

(p) Comparatives

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

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

	2011 \$	2010 \$
2 Revenue from Continuing Operations		
Rendering of Services Revenue		
Members' subscriptions	229,500	215,500
Sponsorship income	514,436	398,036
Conference income	430,925	491,505
Sundry income	58,727	58,353
	1,233,588	1,163,394
Other Revenues		
Rent received	17,240	14,201
Interest received	12,671	6,014
	29,911	20,215
Total revenue from continuing operations	1,263,499	1,183,609
3 Expenses		
(a) Profit before income tax includes the following specific expenses:		
Total rental expenses relating to operating leases	27,419	26,851
Depreciation		
Buildings	4,852	4,852
Plant and equipment	5,509	5,063
Furniture and fittings	2,441	2,531
	12,802	12,446
Net expense from movements in provision for Employee benefits	15,216	6,763
Defined contribution superannuation expense	21,903	21,191

Notes to the Financial Statements For the Year Ended 30 June 2011 (continued)

4 Income Tax

(a) Income Tax Expense

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities.

	2011 \$	2010 \$
The amount set aside for income tax in the statement of financial performance has been calculated as follows:		
Net income subject to tax	231,053	96,278
Current income tax applicable to above at rate of 30%	69,316	28,884
Under/(over) provided in prior years	(7,927)	-
Movement in deferred tax asset	(855)	202
Income tax expense	60,534	29,086

(b) Current Tax Liabilities

Movements during the year:

Balance at beginning of year	160	9,768
Income tax paid	(35,171)	(38,492)
Refunds received	11,886	-
Current year's income tax expense on profit	69,316	28,884
Under/(over) provision in prior year	(7,927)	-
	38,264	160

(c) Deferred Tax Assets

The balance comprises temporary differences attributable to:

Amounts recognised in profit or loss

Employee benefits	6,286	5,431
Net deferred tax assets	6,286	5,431
Movements:		
Opening balance at 1 July	5,431	5,633
Credited/(charged) to the Statement of Comprehensive Income	855	(202)
Closing balance at 30 June	6,286	5,431

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

	2011	2010
	\$	\$
5 Cash and Cash Equivalents		
Cash and Cash Equivalents	121,974	8,316
	<hr/>	<hr/>
6 Trade and Other Receivables		
Current		
Trade debtors	36,800	32,555
Other debtors	14,587	13,186
GST receivable	2,856	1,501
	<hr/>	<hr/>
	54,243	47,242
	<hr/> <hr/>	<hr/> <hr/>
7 Other Assets		
Prepayments	36,140	31,689
	<hr/>	<hr/>
8 Property, Plant and Equipment		
Plant and equipment		
<i>At cost</i>	46,529	46,625
<i>Accumulated depreciation</i>	(33,353)	(30,956)
	<hr/>	<hr/>
Total property, plant and equipment	13,176	15,669
	<hr/> <hr/>	<hr/> <hr/>
Reconciliations		
Movements in Carrying Amounts		
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:		
Plant and Equipment		
Carrying amount at beginning of year	15,669	19,460
Additions	5,949	1,272
Depreciation expense	(5,509)	(5,063)
Disposals	(2,933)	-
	<hr/>	<hr/>
Carrying amount at end of year	13,176	15,669
	<hr/> <hr/>	<hr/> <hr/>

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

	2011	2010
	\$	\$
9 Investment Properties		
Buildings		
At cost	194,073	194,073
Accumulated depreciation	(36,649)	(31,797)
	<hr/>	<hr/>
	157,424	162,276
	<hr/>	<hr/>
Furniture and Fittings		
At cost	70,315	70,315
Accumulated depreciation	(17,601)	(15,160)
	<hr/>	<hr/>
	52,714	55,155
	<hr/>	<hr/>
Total investment properties	<hr/> <hr/> 210,138	<hr/> <hr/> 217,431

Reconciliations

Movements in Carrying Amounts

Movements in the carrying amounts between the beginning and the end of the current financial year are set out below:

Buildings

Carrying amount at beginning of year	162,276	167,128
Depreciation expense	(4,852)	(4,852)

Carrying amount at end of year	<hr/> <hr/> 157,424	<hr/> <hr/> 162,276
--------------------------------	---------------------	---------------------

Furniture and Fittings

Carrying amount at beginning of year	55,155	58,937
Depreciation expense	(2,441)	(2,531)
Carrying amount of disposals	-	(1,251)

Carrying amount at end of year	<hr/> <hr/> 52,714	<hr/> <hr/> 55,155
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Valuation

The independent valuation of the company's land and buildings was carried out as at 18 January 2008 on the basis of open market value for existing use resulted in a valuation of land and buildings of \$230,000. In the opinion of the directors the market value has remained stable hence market value at 30 June 2011 is estimated to be \$230,000.

Land and buildings are recorded at cost and the valuation has not been brought to account.

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

	2011	2010
	\$	\$
10 Trade and Other Payables		
Other creditors and accruals	42,824	22,807
	<hr/> <hr/>	<hr/> <hr/>
11 Employee Benefits		
Current	50,452	40,019
	<hr/> <hr/>	<hr/> <hr/>
Non-current	11,473	6,690
	<hr/> <hr/>	<hr/> <hr/>
12 Retained Profits		
Retained profits at the beginning of the year	256,102	264,849
Net profit/(loss) attributable to members of the company	42,842	(8,747)
	<hr/> <hr/>	<hr/> <hr/>
Retained profits at the end of the year	298,944	256,102
	<hr/> <hr/>	<hr/> <hr/>
13 Commitments		
Non Cancellable Operating Lease Expense Commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	27,825	18,748
One year or later and no later than five years	18,399	2,869
	<hr/> <hr/>	<hr/> <hr/>
	46,224	21,617
	<hr/> <hr/>	<hr/> <hr/>

Leagues Clubs Australia Limited
Notes to the Financial Statements
For the Year Ended 30 June 2011 (continued)

14 Contingent Liabilities

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 association. 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 associations continue not to be taxed on receipts from contributions and payments received from members.

15 Key Management Personnel Details

(a) Directors

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

Peter Hardgrove	President
Mark Dowel	Vice President
Brian Smith	Director
Greg Edwards	Director
Michael Brennan	Director
John Dorahy	Director
Jim McClymont	Director
Ian Munro	Director
Geoff Wright	Director
Anthony Murphy	Director
Paul Burton	Director
Mark Hennelly	Director

Mr Paul Burton resigned in August 2010.

Mr Mark Hennelly was appointed in August 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:

Name	Position
Peter Turnbull	Chief Executive Officer

Notes to the Financial Statements For the Year Ended 30 June 2011 (continued)

15 Key Management Personnel Details (continued)

(c) Key Management Personnel Compensation

	2011	2010
	\$	\$
Benefits and payments made to the Directors and Other Key Management Personnel named in (a) and (b) above	219,099	215,856

16 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 15.

Directors' Transactions with the Company

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. 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 company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

17 Company Details

The Association 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 \$500 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At the year ended 30 June 2011 there were 73 members (2010: 69).

The registered office of the company is Suite 468, 311 Castlereagh Street Sydney NSW 2001.

18 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.

Leagues Clubs Australia ANNUAL GENERAL MEETING

Sheraton Mirage Resort, Main Beach QUEENSLAND
8.15am Sunday 7th November 2010

MINUTES

1. WELCOME TO MEMBERS AND OFFICIAL GUESTS

The Chairman, Mr Peter Hardgrove, opened the meeting at 8.15am and welcomed all members and official guests including Patron & Life Member Mr John Knipe, Clubs Australia and Clubs NSW President, Mr. Peter Newell and CMAA CEO, Mr Terry Condon

1.1 Present

Those persons as noted in the Attendance Register: 77 Delegates representing 26 clubs.

2. APOLOGIES

Apologies were received from Mr Ken Arthurson, Mr Colin Love, Mr John Martin, Mr Anthony Ball, Mr Damien Irvine, Ms Debbie Feening, Mr Bill Clegg and Blacktown Workers Club.

It was unanimously resolved that the apologies be accepted.

3. MINUTES OF THE 2009 ANNUAL GENERAL MEETING HELD AT SHERATON MIRAGE RESORT – SATURDAY 7TH NOVEMBER 2009.

It was unanimously resolved that the minutes of the above meeting be accepted as a true record.

4. CORRESPONDENCE

Outgoing:

- Mr Peter Newell – invitation to attend the AGM
- Mr Anthony Ball – invitation to attend the AGM
- Mr Ken Arthurson A.M. – invitation to continue role as co-patron of the Association
- Mr Colin Love – invitation to continue role as co-patron of the Association
- Notice of AGM, Annual Report and Financial Report to all Member Clubs
- Mr John Knipe, Life Patron – invitation to attend the AGM
- Mr Terry Condon – invitation to attend the AGM
- Mr Bill Clegg – invitation to attend AGM

Incoming:

- Mr Ken Arthurson – acceptance of position of co-patron of the Association
- Mr Colin Love – acceptance of the position of co-patron of the Association

It was unanimously resolved that all correspondence be accepted.

5. REPORTS

5.1 President's Report

Mr Peter Hardgrove referred to his President's Report as detailed in the Annual Report and invited questions from the delegates.

It was unanimously resolved that the President's Report be adopted.

5.2 Chief Executive's Report

Peter Turnbull provided a comprehensive analysis of the Productivity Commission Report on Not for Profit, the Henry Review, Productivity Commission Report on Gambling, the Gillard/Wilkie Deal plus the new alliance between Xenophon and Wilkie.

The processes in place to detail with these issues include the 1st meeting of the COAG select committee on 27th October plus the Ministerial Expert Advisory Group on Gambling with its 1st meeting in late October.

Peter also highlighted that 2010 has been a year of NSW Industry Communication which has occurred through the NSW Club Industry Associations Forum and in QLD as part of the Clubs QLD/LCA Forum.

The biggest challenges going forward are the adverse media focus on our Industry, the NSW state election (with the positive being the Coalition MOU giving recognition of Clubs role in the community) plus the LCA's GMDC course with a review occurring in NSW plus the organizing of the QLD 4 day course during the 1st 6 months of 2011.

5.3 Auditor's Report

The President referred to the Auditor's Report and invited questions from the delegates. There being no questions or comments, *it was unanimously resolved that the Auditor's Report be adopted.*

6. ELECTION OF PATRONS

It was unanimously agreed that the incumbents continue as patrons of the Association.

7. ELECTION OF BOARD OF DIRECTORS

The President turned proceedings over to the CEO who went through the positions on the Board that were elected unopposed:

7.1 President

Mr Peter Turnbull indicated that Mr Peter Hardgrove had been elected unopposed.

7.2 Queensland District

Mr Peter Turnbull indicated that Mr Tony Murphy and Mr Mark Hennelly had been elected unopposed.

7.3 Southern District

Mr Peter Turnbull indicated that Mr Michael Brennan and Mr John Dorahy had been elected unopposed.

7.4 Northern District

Mr Peter Turnbull indicated that Mr Ian Munro and Mr Geoff Wright had been elected unopposed.

7.5 Metropolitan District

Mr Peter Turnbull indicated that Mr Jim McClymont, Mr Mark Dowel, Mr Brian Smith and Mr Greg Edwards had been elected unopposed.

8. LIFE MEMBERSHIPS

8.1 Nomination of Mr Brian Smith to Life Membership

Nominated by Manly Warringah Leagues Club. Peter Spray spoke to the nomination.

Seconded by North Sydney Leagues Club

Approved unanimously by the Board of Directors at its meeting 27 September, 2010.

The President sought the approval from the meeting for nomination of Mr Brian Smith to Life Membership.

It was resolved unanimously for Mr Brian Smith to be given Life Membership and this was presented to Brian.

8.2 Nomination of Mr Geoff Wright to Life Membership

Nominated by Cessnock Rugby League Supporters Club. John Knipe spoke to the nomination.

Seconded by Central Charlestown Leagues Club

Approved unanimously by the Board of Directors at its meeting 27 September, 2010.

The President sought the approval from the meeting for nomination of Mr Geoff Wright to Life Membership.

It was resolved unanimously for Mr Geoff Wright to be given Life Membership and this was presented to Geoff.

9. GUEST SPEAKER – Mr Peter Newell

Mr Peter Hardgrove introduced Mr Peter Newell – Chairman of ClubsNSW – and invited him to address the meeting. Mr Newell provided an Industry overview, including estimations of potential tax decreases for Leagues Clubs should the NSW Coalition be elected in March, 2011.

10. GENERAL BUSINESS

Peter Hardgrove asked if there was any general business from the floor. A question was asked if there were any Licensed Leagues Clubs in any other states. Peter Turnbull advised that through connections made with the Brothers Confraternity and also through Marty Fields being an ambassador of the Melbourne Storm these possibilities were being explored.

A request from the floor was also made that a list of member clubs be provided as part of the Annual Report and this request was noted.

11. CLOSE OF MEETING

There being no further business, the meeting was closed by the Chairman at 9.00am

Signed as a true and correct record.

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Peter R Hardgrove
Chairman

Date: