



Australian Government
Australian Industrial Registry

11 February 2009

Mr David Costello
Executive Director
The Licensed Club's Association of Australia
Level 8, 51 Druitt Street
Sydney NSW 2000
Email: dcostello@clubsnsw.com.au

cc: Brandon Punter
Executive Manager, Finance & Administration
The Licensed Club's Association of Australia
email: bpunter@clubsnsw.com.au

cc: Mr Andrew McMaster
Partner, KPMG
PO Box H67Australia Square
Sydney NSW 2000
email: amcmaster@kpmg.com.au

cc: Grant Dillon
Assistant Manager, Consumer & Industrial Markets
KPMG
PO Box H67Australia Square
Sydney NSW 2000
email: gdillon@kpmg.com.au

Dear Mr Costello

Financial Report for The Licensed Club's Association of Australia 30 June 2008: FR 2008/338

I acknowledge receipt of the financial report of The Licensed Club's Association of Australia for the year ended 30 June 2008 lodged in the Registry on 19 December 2008. I also acknowledge receipt of the additional opinion of the auditor lodged in the Registry on 5 February 2009.

The financial report has now been filed.

I also make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

1. Auditor's Qualifications

[Regulation 4 of the Workplace Relations \(Registration and Accountability of Organisations\) Regulations 2003](#) (RAO Regulations) defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accounts **and** holds a current Public Practice Certificate. In all likelihood the auditor is such a person however it is our preference that this is made explicit on the auditor's report. Please ensure in future audit reports that your auditor explicitly states whether (s)he is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accounts **and** whether he holds a

current Public Practice Certificate.

2. Operating Report – Review of Principal Activities

[Subsection 254\(2\)\(a\) of the RAO schedule](#) requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of the those activities. I note that your operating report provides a review of the principal activities and explains that there were no significant changes to those activities. In future years please provide a brief description of the results of these activities (note: this is not a financial result but a description of the results from providing industrial services to members).

3. Operating Report – Significant Changes in Financial Affairs

[Subsection 254\(2\)\(b\) of the RAO schedule](#) requires an operating report to give details of any significant changes in the financial affairs during the year. I note that your operating report states the profit for this and the previous financial year. It could be deduced from these figures that there have been no significant changes in the profit, however the RAO schedule requires a statement that encompasses more than the profit. In future years, if there no significant changes in the financial affairs of the organisation, this should be stated. If there were any significant changes, these should be detailed.

4. Operating Report – Details of Right of Members to resign

[Subsection 254\(2\)\(c\) of the RAO schedule](#) requires an operating report to give details of the right of members to resign from the organisation. I note that your operating report states that members may resign in accordance with Rule 7(1) of the Association. I also note that Rule 7 of the Association provides further rights about resignation. In future years, the operating report should refer to Rule 7 and be limited to just Rule 7(1). (Note: it is not necessary to summarise all of Rule (7), the operating report needs only to refer to Rule (7).)

The Registry aims to assist organisations in complying with their obligations under the RAO Schedule and the Reporting Guidelines, by providing advice about financial reports. The comments above are made to assist you when you next prepare a financial report and we recommend that you attend to the matters raised. If you have any queries I can be contacted on 03 86617929.

Yours sincerely



Eve Anderson
Statutory Services Team
Tel: 03 86617929
Email: eve.anderson@airc.gov.au



THE LICENSED CLUBS'

Association of Australia

Level 8, 51 Druitt Street, Sydney NSW 2000
Telephone: (02) 9268 3000 Fax: (02) 9261 2500

Designated Officer's Certificate

Schedule 1 to the Workplace Relations Act 1996

I, David Alan Costello, being the Executive Director/Secretary of The Licensed Clubs' Association of Australia certify:

- That the document lodged herewith are copies of the full report, referred to in s263 of the RAO schedule; and
- That the full report was provided to members on 14 November 2008; and
- That the full report was presented to a general meeting of members of the reporting unit on 9 December 2008 in accordance with section 266 of the RAO Schedule.



David Costello



Date

The Licensed Clubs Association
of Australia

Financial Report
For the year ended 30 June 2008

The Licensed Clubs Association of Australia

Operating Report

The Committee of Management present their report, together with the financial report of The Licensed Clubs Association of Australia ("the Association") for the year ended 30 June 2008 and the auditors' report thereon

Principal Activities

The principal Activities of the Association were to provide industrial services to members consistent with the objects of the Association. There were no significant changes in the nature of the Association's principal activities during the reporting period

Committee

The Committee of Management of the Association at any time during or since the end of the financial year were

Patrick Allan Rogan (Chairman)	Gerard McMillan
Jack Ball AM	Charles Henry Gibson
Kenneth William Hurst	Charles Eason

Operating and financial review

The Association's result for the year was a profit of \$6,279 (2007: \$4,306)

Resignation of members

A member of the Association may resign from membership by written notice addressed and delivered to the Executive Director in accordance with Rule 7 (1) of the Association

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Committee of Management, to affect significantly the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years

Number of Members

The number of members as at 30 June 2008 was 79 (2007: 83)

Number of Employees


As at 30 June 2008 the number of employees was Nil (2007: Nil)

Superannuation

Mr Charles Gibson is currently a Board Member of Club Plus Superannuation Pty Ltd. No payments have been made on behalf of any persons to this superannuation plan by the Association

Dated at Sydney this 12th November 2008

Signed in accordance with a resolution of the Committee of Management


Pat Rogan
Chairman

Committee of Management Statement

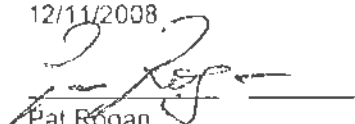
On 12/11/2008 the Committee of Management of The Licensed Clubs Association of Australia (the Association) passed the following resolution in relation to the general purpose financial report of the Association for the year ended 30 June 2008.

The Committee of Management declares in relation to the financial report that in its opinion

- a) The financial statements and notes comply with Australian Accounting Standards (including Australian Accounting Interpretations),
- b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar,
- c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year to which they relate
- d) There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable
- e) During the financial year to which the financial report relates and since the end of that year
 - (i) meetings of the committee of management were held in accordance with the rules of the Association,
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the Association,
 - (iii) the financial records of the Association have been kept and maintained in accordance with the Registration and Accountability of Organisations Schedule (RAO) and the RAO Regulations,
 - (iv) the Association consists of only one reportable unit
 - (v) no members have requested information under section 272 of the RAO schedule during the period; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period

Signed in accordance with a resolution of the Committee of Management on this

12/11/2008


Pat Rogan
Chairman

Income Statement for the year ended 30 June 2008

	Note	2008 \$	2007 \$
Revenue			
Interest income		7,821	6,298
		<u>7,821</u>	<u>6,298</u>
Expenses			
Audit fees	3	1,500	1,100
Other		42	592
		<u>1,542</u>	<u>1,692</u>
Profit before tax		6,279	4,306
Income tax expense	1(6)	-	-
Profit for the period		<u>6,279</u>	<u>4,306</u>

The Income Statement is to be read in conjunction with the notes to the financial statements set out on pages 7 to 12.

The Licensed Clubs Association of Australia

Statement of Changes in Equity for the year ended 30 June 2008

	2008	2007
	\$	\$
Retained earnings at beginning of year	108,239	103,933
Net profit after income tax for current year	6,279	4,306
Retained earnings at end of year	114,518	108,239

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 7 to 12

The Licensed Clubs Association of Australia

Balance Sheet as at 30 June 2008

	Note	2008 \$	2007 \$
Current Assets			
Cash & cash equivalents	5	115,876	107,591
Receivables		142	1,748
Total assets		<u>116,018</u>	<u>109,339</u>
Current Liabilities			
Payables		1,500	1,100
Total Liabilities		<u>1,500</u>	<u>1,100</u>
Net Assets		<u>114,518</u>	<u>108,239</u>
Retained earnings		<u>114,518</u>	<u>108,239</u>

The Balance Sheet is to be read in conjunction with the notes to the financial statements set out on pages 7 to 12.

The Licensed Clubs Association of Australia

Statement of Cash Flows for the year ended 30 June 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Interest received from cash deposits		9,427	5,081
Outgoings in the course of operations		(1,142)	(2,542)
Net cash from operating activities	7	<u>8,285</u>	<u>3,539</u>
Net cash from investing activities		<u>-</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		8,285	3,539
Cash at beginning of the financial year		<u>107,591</u>	<u>104,052</u>
Cash at end of the financial year	5	<u><u>115,876</u></u>	<u><u>107,591</u></u>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 7 to 12.

The Licensed Clubs Association of Australia

Notes to the financial statements for the year ended 30 June 2008

1 *Significant accounting policies*

The Licensed Clubs Association of Australia (the "Association") is an association domiciled in Australia

The financial report was authorised for issue by the directors on 12/11/2008

a) **Statement of Compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs"), (including Australian interpretations) adopted by the Australian Accounting Standards Board ("AASB") The financial report also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board.

b) **Basis of preparation**

The financial report is presented in Australian dollars

A number of accounting standards and amendments with application dates commencing subsequent to year end were available for early adoption The Association plans to adopt the relevant Accounting Standards and amendments in future financial years The initial application of those standards is expected to have an insignificant impact on the Association.

The financial report is prepared on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses

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 These accounting policies have been consistently applied by the Association.

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

The accounting policies set out below have been applied consistently to all periods presented in the financial report

Notes to the financial statements for the year ended 30 June 2008

1 *Statement of significant accounting policies (continued)*

c) Non-derivative financial instruments

Non-derivative financial instruments comprise receivables, cash and cash equivalents and payables

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below

A financial instrument is recognised if the Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flows from the financial assets expire or if the Association transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Association commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Association's obligations specified in the contract expire or are discharged or cancelled

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, demand deposits and short-term interest bearing deposits that are readily convertible to cash and which are subject to an insignificant risk of change in value

(ii) Receivables

Receivables are stated at their amortised cost less impairment losses

(iii) Payables

Payables are stated at their amortised cost

(iv) Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses

d) Impairment – Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset

Notes to the financial statements for the year ended 30 June 2008

1 *Statement of significant accounting policies (continued)*

(d) **Impairment – Financial assets (continued)**

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

e) **Income tax**

The Association is a tax exempt entity. Therefore no income tax balances have been recognised by the Association.

f) **Revenue recognition**

Interest revenue is recognised as it accrues using the effective interest rate method.

The Licensed Clubs Association of Australia

Notes to the financial statements for the year ended 30 June 2008

2 Information to be provided to members or registrar

In accordance with the requirements of the Workplace Relations Act, 1996, as amended, the attention of members is drawn to the provisions of Subsection (1), (2) and (3) of Section 272 of the RAO Schedule which reads as follows:

(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection

	2008	2007
	\$	\$
3 Auditors remuneration		
Amounts received by the auditors for:		
Audit of financial report	<u>1,500</u>	<u>1,100</u>

4 Key Management Personnel

The key management personnel of the Association consists of the Committee of Management. The Association did not pay any remuneration to the Committee of Management throughout the year. (2007: Nil).

There were no transactions between the Association and key management personnel during the current or prior financial year.

5 Cash and cash equivalents

	2008	2007
	\$	\$
Bank balances	9,466	6,839
Term deposits	<u>106,410</u>	<u>100,752</u>
	<u>115,876</u>	<u>107,591</u>

6 Financial instruments

The material financial instruments to which the Company has exposure include

- i) Cash and short term deposits

Credit risk exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Credit risk on financial assets of the Association is the carrying amount net of any provision for impairment loss. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Interest rate risk

The Association's exposure to interest rate risk relates directly to funds deposited with financial institutions. Changes in interest rates will affect the level of interest income received by the Association. The Association actively manages its cash balances in order to minimise risk, whilst optimising the return.

The Association's exposure to interest rate risk is presently limited to cash and cash equivalents. Cash includes at call balances and short-term deposits amounting to \$115,876 (2007: \$107,591). All balances have short term maturities and are paying variable interest at 30 June 2008 of 8.10% (2007: 6.62%).

The Association's financial liabilities at 30 June 2008 are non-interest bearing (2007: non-interest bearing).

Sensitivity analysis for interest rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) the profit or loss and the net equity by approximately \$1,159 (2007: \$1,076). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2007.

Fair values

The carrying amounts of financial assets and liabilities shown in the balance sheet approximate their fair values.

The Licensed Clubs Association of Australia

Notes to the financial statements for the year ended 30 June 2008

7 Notes to the statement of cash flows

For the purposes of the Statement of Cash Flows, cash includes cash at bank and short term deposits

	2008	2007
	\$	\$
Reconciliation of cash flow from operations with operating profit for the year		
Profit for the period	6,279	4,306
(Decrease)/ increase in Payables	400	(550)
(Increase)/ decrease in Receivables	1,606	(217)
Net cash generated by operating activities	8,285	3,539

Independent audit report to the members of Licensed Clubs Association of Australia

Report on the financial report

We have audited the accompanying financial report of Licensed Clubs Association of Australia ("the Association") which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes set out on pages 3 to 12.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the entity's financial position, and of its performance and cash flows.

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

(Continued Overleaf)

Independent audit report to the members of Licensed Clubs Association of Australia (Continued)

Auditor's opinion

In our opinion, the financial report presents fairly, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the financial position of Licensed Clubs Association of Australia as of 30 June 2008 and of its financial performance and its cash flows for the year then ended.

KPMG

KPMG



Andrew McMaster

Partner

Sydney

12 November 2008



Australian Government
Australian Industrial Registry

13 January 2009

Mr David Costello
Executive Director
The Licensed Club's Association of Australia
Level 8, 51 Druitt Street
Sydney NSW 2000

cc: Brandon Punter
Finance Officer
The Licensed Club's Association of Australia
email: bpunter@clubsnsw.com.au

cc: Mr Andrew McMaster
Partner, KPMG
PO Box H67 Australia Square
Sydney NSW 2000

Dear Mr Costello

Financial Report for The Licensed Club's Association of Australia 30 June 2008: FR 2008/338

I acknowledge receipt of the financial report of The Licensed Club's Association of Australia for the year ended 30 June 2008. The documents were lodged in the Industrial Registry on 19 December 2008. However the financial report has not been filed as the auditor's opinion does not comply with the requirements of [subsection 257\(5\)](#) of Schedule 1 to the Workplace Relations Act 1996 (the RAO Schedule). This subsection states:

- 5) *An auditor must, in his or her report, state whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:*
- (a) the Australian Accounting Standards;*
 - (b) any other requirements imposed by this Part.*
- If not of that opinion, the auditor's report must say why.*

The auditor's opinion satisfies subsection 257(5)(a) in that an opinion has been given regarding the Australian Accounting Standards. However there is no opinion as to whether the financial report is presented fairly in accordance with the requirements of Part 3 of Chapter 8 of the RAO Schedule to the Workplace Relations Act 1996 (subsection 257(5)(b)). In order to satisfy the requirements of the RAO Schedule, we ask that your auditor provide such an opinion and that this be forwarded to the Industrial Registry as a matter of urgency. If you wish to discuss the matter further I can be contacted on 03 86617929.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Eve Anderson'.

Eve Anderson
Statutory Services Team
Tel: 03 86617929; Email: eve.anderson@airc.gov.au



Independent audit report to the members of Licensed Clubs Association of Australia

Report on the financial report

We have audited the accompanying financial report of Licensed Clubs Association of Australia (“the Association”) which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes set out on pages 3 to 12.

Directors' responsibility for the financial report

The directors of the Association 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 requirements of Part 3 of Chapter 8 of the RAO Schedule to the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements of Part 3 of Chapter 8 of the RAO Schedule to the Workplace Relations Act 1996, a view which is consistent with our understanding of the entity's financial position, and of its performance and cash flows.

(Continued Overleaf)



Independent audit report to the members of Licensed Clubs Association of Australia (Continued)

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

Auditor's opinion

In our opinion, the financial report presents fairly, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements of Part 3 of Chapter 8 of the RAO Schedule to the Workplace Relations Act 1996, the financial position of Licensed Clubs Association of Australia as of 30 June 2008 and of its financial performance and its cash flows for the year then ended.

A handwritten signature of the KPMG firm, written in black ink.

KPMG

A handwritten signature in black ink, which appears to be 'Andrew McMaster'.

Andrew McMaster
Partner

Sydney

12 November 2008