



UTS HABERFIELD CLUB LTD

UTS HABERFIELD CLUB REPORT 2008

2008 has been a difficult year for the UTS Haberfield Club as turnover and returns from poker machines have reduced significantly compared with previous years and budget. As has been the case for most registered clubs in NSW the changes to indoor smoking laws and the negative impact of the slowing economy have led to less discretionary spending by members in these areas. Despite this, our bar trading and other club activities were well supported by our members and guests which helped to offset the decline in poker machine revenue to some extent.

In 2008 we introduced member pricing on all beverages, being 10% cheaper than guests who still enjoy very good value. A new large screen plasma TV for watching your favourite sporting events is proving popular especially when we all gathered to cheer on the representative UTS rowers in the Olympic finals in Beijing. Live music, trivia nights, members jackpotting badge draws, regular happy hours and meat raffles continued to be well-patronised in 2008, together with regular wine tasting nights. Our Thursday poker league nights have been well supported in 2008 with a healthy following of regulars enjoying this social game.

The UTS Haberfield Club website is now up and running. At www.utshaberfieldclub.com.au you will find current information for members and guests including the Club's entertainment program, specials, restaurant and function menus, special event information and general membership information. We welcome your feedback on the website and hope you enjoy referring to it on a regular basis to see what is happening at the Club.

Early in the year some action was taken by Ashfield Council with signage and paint to the footpath in front of the Club to reduce the number of incidents with club patrons being confronted by speeding cyclists and runners on the bay walk. While this situation is still not perfect we will continue to work on a better long term solution to this matter with the RTA and Ashfield Council. The lack of sufficient parking is another long term issue we face at the Club with no clear solution in hand. In 2008 the Club's gaming room was given a new look with dark paint, lighting adjustments and new stools for the comfort of players.

UTS HABERFIELD CLUB REPORT 2008 (CONTINUED)

The Rowers Retreat restaurant celebrated its tenth Birthday in October with a fun night of great Italian food, live music and a presentation of past photos and memories. Congratulations to Toni and Pina on reaching this milestone in business and thanks for their continued commitment to serving our Club with their fine Italian fare and friendly service.

Thank you to the members who attended the AGM in May. Your feedback to the Board and management was most welcome and it was great to see the number of members who are committed to supporting the Club on a regular basis to ensure its future place in the Haberfield and wider general community. With no membership price increase for 2009 and the added advantages of discounted beverages and other member-only specials, your membership represents better value than ever before. We also encourage existing members to introduce new members, so do your friends and family a favour and spread the word about the UTS Haberfield Club.

In what is shaping up to be another difficult economic year in 2009 with the onset of the global financial crisis and its impact on the local market, we especially appreciate our members' patronage as we work to keep the Club viable, relevant and of value for all its patrons. We look forward to your support again in 2009.

Geoff Brooke-Smith
Food and Beverage Manager

UTS HABERFIELD CLUB LIMITED
ACN: 000 378 558
CONCISE FINANCIAL REPORT
31 DECEMBER 2008

The financial statements and other specific disclosures are an extract of, and have been derived from UTS Haberfield Club Limited's ("the Company's") full financial report for the financial year. Other information included in the concise financial report is consistent with the Company's full financial report.

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

A copy of the Company's 2008 Annual Financial Report, including the independent audit report, is available to all members, and will be sent to members without charge upon request. The 2008 Annual Financial Report can be requested by telephone on (02) 9514 1444.



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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report together with the financial report of UTS Haberfield Club Limited ('the Company') for the financial year ended 31 December 2008 and the auditor's report thereon.

1. Directors

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

Associate Professor Geoffrey Riordan

BEd, MEdAdmin, PhD
Appointed 1 April 2008

Dr Judith Johnston

BA, M.Litt, M.Pub.Pol, PhD,
Associate Professor
Appointed 14 November 2003
Resigned 31 March 2008

Tom O'Sullivan

BA, LLB
Chief Executive Officer
Appointed 30 June 2004

Dr Gloria Blondé

BA, GradDip (Comm Mgmt), MAppFC, DBA
University Staff
Appointed 1 February 2006
Resigned 31 December 2008

David Latham

Student
Appointed 7 October 2006
Resigned 6 October 2008

Susan Kirk

BSc, GradDipOT
University Staff
Appointed 7 October 2006

Kamal Zreika

Student
Appointed 7 October 2007

James Parkhill

University Staff
Appointed 1 January 2004

Bharti Sharma

Student
Appointed 7 October 2004
Resigned 6 October 2008

Professor Anthony Moon

BSc Honours, PhD, FAIP
Professor Emeritus
Appointed 1 February 2006

Caitlin Emery

Student
Appointed 7 October 2006
Resigned 5 February 2008

Nigel Paschini

Student
Appointed 7 October 2006
Resigned 6 October 2008

Robert Malcolm

Student
Appointed 27 February 2008
Resigned 6 October 2008

Christopher Chase

Student
Appointed 8 October 2007

Rebecca Trewick

Student
Appointed 8 October 2007

Alex Rybak

Student
Appointed 7 October 2008

Andrew Ho

Student
Appointed 7 October 2008

Felicity Evans

Student
Appointed 7 October 2008

Sandya Natarajan

Student
Appointed 7 October 2008

William Paterson

BA(Hons), MEdAdmin
University Staff
Appointed 1 January 2009

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

2. Company secretary

Tom O'Sullivan was appointed to the position of Company Secretary in June 2004.

3. Directors' meetings

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

BOARD MEETINGS		
Director	Number of meetings attended	Number of meetings held *
J. Johnston	3	3
G. Riordan	6	8
J. Parkhill	9	11
T. O'Sullivan	11	11
B. Sharma	5	9
A. Moon	10	11
G. Blondé	9	11
C. Emery	0	0
D. Latham	8	9
N. Paschini	3	9
S. Kirk	10	11
C. Chase	6	11
R. Trewick	10	11
K. Zreika	7	11
A. Rybak	2	2
A. Ho	2	2
F. Evans	2	2
S. Natarajan	2	2
R. Malcolm	6	6

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

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

4. Principal activities

The principal activities of the Company during the course of the financial year were the conduct and promotion of a licensed social club and facilities for the members of the Company.

There were no significant changes in the nature of the activities of the Company during the year.

5. Operating and financial review

Overview of the Company

The net loss for the year amounted to \$77,262 (2007: \$8,672). This resulted after charging \$19,321 (2007:\$18,135) for depreciation/amortisation and charging \$Nil (2007: \$Nil) for income tax.

The reason for the increase in the loss incurred during the period was largely due to a decrease in poker machine revenue and increases in property expenses and repairs and maintenance expenses, offset by increases in bar sales revenue.

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

6. Membership

The Company is limited by guarantee and without a share capital. The number of members as at 31 December 2008 and the comparison with last year is as follows:

	2008	2007
	No.	No.
Ordinary	1,359	1,314

7. Environmental regulation

The Company is subject to various environmental regulations under both Commonwealth and State legislation.

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

8. Dividends

The Company is a non-profit organisation and is prevented by its constitution from paying dividends.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

9. Events subsequent to reporting 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 and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

10. Likely developments

The directors do not anticipate any particular change in the operation of the Company that will affect the results in subsequent years.

11. Indemnification and insurance of officers and auditors

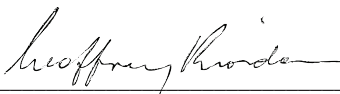
During or since the end of the financial year, UTS Union Limited, on behalf of the Company, has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officer of the Company.

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

12. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for financial year ended 31 December 2008.

This report is made with a resolution of the directors:



G Riordan

Dated at Sydney this 29th day of April 2009.


**LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF
THE CORPORATIONS ACT 2001**

To the Directors of UTS Haberfield Club Limited

I declare that, to the best of my knowledge and belief, in relation to our audit for the financial year ended 31 December 2008, there have been:

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

KPMG



Cameron Roan
Partner
29 April 2009

UTS HABERFIELD CLUB LIMITED

CONCISE FINANCIAL REPORT

Balance sheet

As at 31 December 2008

<i>In AUD</i>	Note	2008	2007
Assets			
Cash and cash equivalents		334,831	193,962
Trade and other receivables		12,526	117,705
Inventories		21,430	20,056
Total current assets		368,787	331,723
Property, plant and equipment		27,563	43,920
Total non-current assets		27,563	43,920
Total assets		396,350	375,643
Liabilities			
Trade and other payables		183,203	88,363
Employee benefits		16,596	13,467
Total current liabilities		199,799	101,830
Total liabilities		199,799	101,830
Net assets		196,551	273,813
Members' funds			
Retained earnings	5	196,551	273,813
Total members' funds		196,551	273,813

The balance sheet is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 12.

UTS HABERFIELD CLUB LIMITED CONCISE FINANCIAL REPORT

Income statement

For the year ended 31 December 2008

<i>In AUD</i>	Note	2008	2007
Revenue	4	831,675	890,120
Other income		-	-
Cost of goods sold		(213,729)	(229,414)
Personnel expenses		(275,320)	(281,785)
Events and functions expenses		(36,566)	(31,729)
Insurance expenses		(32,164)	(29,086)
Management fee		(50,000)	(48,000)
Poker machine expenses		(7,192)	(14,518)
Professional services expenses		(21,230)	(27,411)
Property expenses		(105,626)	(93,569)
Rent and rates expenses		(64,153)	(55,214)
Repairs and maintenance expenses		(45,289)	(30,130)
Other expenses		(39,281)	(40,448)
Earnings before financing costs, income tax and depreciation		(58,875)	8,816
Depreciation		(19,321)	(18,135)
Results from operating activities		(78,196)	(9,319)
Finance income		934	647
Profit before income tax		(77,262)	(8,672)
Income tax expense		-	-
Profit for the period		(77,262)	(8,672)

The income statement is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 12.

UTS HABERFIELD CLUB LIMITED CONCISE FINANCIAL REPORT

Statement of recognised income and expense

For the year ended 31 December 2008

<i>In AUD</i>	Note	2008	2007
Income and expense recognised directly in equity		-	-
Profit for the period	5	<u>(77,262)</u>	<u>(8,672)</u>
Total recognised income and expense for the period		<u>(77,262)</u>	<u>(8,672)</u>
Retained earnings at 1 January	5	<u>273,813</u>	<u>282,485</u>
Retained earnings at 31 December	5	<u>196,551</u>	<u>273,813</u>

The statement of recognised income and expense is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 12.

UTS HABERFIELD CLUB LIMITED CONCISE FINANCIAL REPORT

Statement of cash flows

For the year ended 31 December 2008

In AUD

	2008	2007
Cash flows from operating activities		
Cash receipts from customers	908,918	981,656
Cash paid to suppliers and employees	(940,120)	(891,536)
Cash generated from operations	<u>(31,202)</u>	<u>90,120</u>
Interest received	934	647
Net cash flows from operating activities	<u>(30,268)</u>	<u>90,767</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,964)	(18,986)
Net cash flows used in investing activities	<u>(2,964)</u>	<u>(18,986)</u>
Cash flows from financing activities		
Repayment of borrowings	-	(111,330)
Advanced from/ (to) related party	174,101	(111,104)
Net cash flows from financing activities	<u>174,101</u>	<u>(222,434)</u>
Net increase in cash and cash equivalents	140,869	(150,653)
Cash and cash equivalents at beginning of period	193,962	344,615
Cash and cash equivalents at end of period	<u>334,831</u>	<u>193,962</u>

The statement of cash flows is to be read in conjunction with the discussion and analysis on page 10 and the notes to the financial statements set out on pages 11 to 12.

UTS HABERFIELD CLUB LIMITED CONCISE FINANCIAL REPORT

Discussion and analysis of the income statement

The Club's total revenue decreased by \$58,158 (6.5%) to \$832,609. Total expenses have increased by \$10,432 (1.2%) to \$909,871 resulting in a net loss before tax of \$77,262 (2007: \$8,672). Individual items that have impacted the result include:

- A decrease in poker machine revenue by \$62,764 or 24.9%;
- An increase in bar sales by \$18,788 or 3.5%;
- A decrease in other revenue by \$16,110 or 29.3%;
- A decrease in costs of goods sold by \$15,685 or 6.8%;
- An increase in property expenses by \$12,057 or 12.9%; and
- An increase in repairs and maintenance expenses by \$15,159 or 50.3%.

Discussion and analysis of the statement of recognised income and expenses

Total retained earnings decreased by \$77,262 during 2008 to \$196,551 (2007: \$273,813). This decrease solely represents the loss for the period as there was no income recognised directly in equity during 2008 (2007: \$Nil).

Discussion and analysis of the balance sheet

The Club's net assets have decreased by \$77,262 or 28.2% over the year. The Club's total assets increased by \$20,707 or 5.5%, whilst total liabilities increased by \$97,969 or 96.2% for the same period. Major movements during the year were as follows:

- An increase in cash assets of \$140,869 or 72.6%;
- A decrease in trade and other receivables of \$105,180 or 89.4%;
- A decrease in plant and equipment of \$16,356 or 37.2%; and
- An increase in trade and other payables of \$94,840 or 107.3%.

Discussion and analysis of the statement of cash flows

The Club's net cash on hand at the end of the reporting period increased by \$140,869 compared with a decrease of \$150,653 in the prior year. The major factors resulting in this increase were:

- An increase in net cash used in operating activities of \$121,035 or 133.3%;
- A decrease in net cash used in investing activities of \$16,022 or 84.4% representing reduced capital expenditure when compared to the prior year; and
- An increase in net cash from financing activities by \$396,535 or 178.3%, due to the repayment of amounts advanced by the Company to the controlling entity and advances made to the Company by the controlling entity during the year.

UTS HABERFIELD CLUB LIMITED NOTES TO THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

1. Basis of preparation of the concise financial report

The concise financial report has been prepared in accordance with the Corporations Act 2001, Accounting Standard AASB1039 Concise Financial Reports and applicable Urgent Issues Group consensus views.

The financial statements and specific disclosures required by AASB1039 have been derived from the Company's full financial report for the financial year. Other information included in the concise financial report is consistent with the Company's full financial report.

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

The financial report is prepared on the historical cost basis except where stated.

A full description of the accounting policies adopted by the Company may be found in the Company's full financial report.

The presentation currency is Australian dollars.

These accounting policies have been consistently applied by the Company and are consistent with those of the previous year.

Certain comparative amounts in the income statement have been reclassified to conform with the current year's presentation (refer below).

Previously, poker machine revenue was disclosed on a gross basis, with gross takings being included in revenue from rendering of services and payouts being included in cost of sales. As a result of a change in accounting policy during the year, the net takings figure, being gross takings less payouts, has been included in revenue from rendering of services. Comparative figures have been adjusted.

This has reduced both revenue from rendering of services and cost of sales by \$446,436 (2007: \$556,125). This represents the poker machine payouts.

2 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates & assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Results may differ from these estimates.

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 and in any future periods affected.

UTS HABERFIELD CLUB LIMITED NOTES TO THE CONCISE FINANCIAL REPORT

3 Segment reporting

A segment is a distinguishable component of the entity that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment reporting is based on business segments.

The Company operates predominantly in the hospitality and entertainment industry. Its operations and customers are located predominantly in Sydney, New South Wales. The Company provides food, beverage, gaming, and other entertainment facilities to members and guests.

4 Revenue

<i>In AUD</i>	2008	2007
Revenue from sale of goods	550,882	532,094
Revenue from rendering of services	241,914	303,037
Other revenue	38,879	54,989
	<u>831,675</u>	<u>890,120</u>

5 Retained earnings

<i>In AUD</i>	2008	2007
Balance at 1 January	273,813	282,485
Loss for the period	(77,262)	(8,672)
Balance at 31 December	<u>196,551</u>	<u>273,813</u>

6 Subsequent events

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 and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

7 Core Property

Pursuant to section 41J of the Registered Clubs Amendment Act 2006, all the Company's properties are core properties.

Directors' declaration

In the opinion of the directors of UTS Haberfield Club Limited the accompanying concise financial report of UTS Haberfield Club Limited for the financial year ended 31 December 2008 set out on pages 6 to 12:

- (a) has been derived from or is consistent with the full financial report for the financial year; and
- (b) complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

Signed in accordance with a resolution of directors.



G Riordan

Dated at Sydney this 29th day of April 2009.

Independent audit report to the members of UTS Haberfield Club Limited

Report on the concise financial report

The accompanying concise financial report of UTS Haberfield Club Limited (the 'Company') comprises the balance sheet as at 31 December 2008, the income statement, statement of recognised income and expenses and cash flow statement for the year then ended and related notes 1 to 7 derived from the audited financial report of UTS Haberfield Club Limited for the year ended 31 December 2008 and the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors' responsibility for the financial report

The directors of the UTS Haberfield Club Limited are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; 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 concise financial report based on our audit procedures. We have conducted an independent audit in accordance with Australian Auditing Standards, of the financial report of UTS Haberfield Club Limited for the year ended 31 December 2008. Our audit report on the financial report for the year was signed on 29 April 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free of material misstatement.

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

Independent audit report to the members of UTS Haberfield Club Limited (continued)

Auditor's opinion

In our opinion, the concise financial report, including the discussion and analysis, of UTS Haberfield Club Limited for the year ended 31 December 2008 complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

KPMG

A handwritten signature in black ink, appearing to read 'C. Roan', is written over a horizontal line.

Cameron Roan
Partner
Sydney

29 April 2009