

New draft liquor laws released

The Government is seeking public comment to a draft Bill and Regulations proposing wide-spread amendments to liquor licensing laws.

The Bill and Regulations progress Government initiatives arising from the NSW Summit on Alcohol Abuse, held in August 2003, and the National Competition Policy review of the NSW liquor and club management laws. They support the Government's ongoing program to reduce the harm associated with alcohol abuse and promote a culture of responsible service and consumption of alcohol.

The amendments focus on issues

such as liquor accords, alcohol-related penalties and offences, and social impact assessments for liquor licences.

Under the draft Bill local liquor accords will be approved by the Director of Liquor and Gaming in addition to the Commissioner of Police and accords can apply to the LAB for a condition requiring compliance to be imposed on a venue which does not comply with the terms of the accord.

In terms of other penalties the Bill and Regulation address a range of issues such as intoxication and underage drinking, including a clarification of the definition

for 'intoxication'.

The Bill also creates:

- A new offence of attempting to enter a licensed venue with 24 hours where a person has been refused admission or turned out because they are intoxicated or violent with a maximum penalty of \$5,500;
- A new offence of remaining in or re-entering (within six-hours) the vicinity of a licensed venue where a person has been refused admission or turned out because they are intoxicated or violent;
- A separate maximum \$1,100 penalty for members of the public

... cont p2

Kokoda Trek Leaves this month

The first trek of the Kokoda Youth Leadership Challenge will leave later this month with 10 young men tackling one of the world's toughest treks.

The Services Clubs Association launched the Kokoda Youth Challenge last year as a major community project designed to develop disadvantaged and wayward youth into the leaders of tomorrow.

Merrylands RSL Club (1), Fairfield RSL Club (1), Castle Hill RSL Club (2), Wyong RSL Sub-Branch Club (2), Coffs Ex-Services Club (1), Toukley RSL Club (1) and Rooty Hill RSL Club (1) have sponsored participants on the trek. Castle Hill Director, Rick Cumming is also making the trek and another participant is being sponsored by Youth Insearch. Assistance in sponsoring the young men has also been provided by Association sponsors Tooheys Limited and Aristocrat.

The leadership trek over the infamous Kokoda Track in Papua New Guinea will be led by ex-Army Major and NSW Upper House MP, Charlie Lynn through his trek company, Adventure Kokoda. The trek will leave Sydney on 16th April and end on Anzac Day.



Trek leader, Charlie Lynn (second left) and NSW RSL President, Don Rowe speak with six of the young trekkers (l to r) Ben Griffiths, Sean Clifford (front) Cayden Noble-Kendall, Clay McArthur, Mark Gradidge, Min Oo and Castle Hill Director, Rick Cumming who is also making the trek.

It follows a successful trek earlier last year led by Mr Lynn, who has made 39 crossings of the Track and youth leader, Brett Murray of Camp Dare. Mr Lynn has for some years used the Kokoda Track as a lesson in leadership and teambuilding for many leading Australian companies, demonstrating to them the true spirit of Kokoda – strength in adversity, courage and mateship – and the program has achieved powerful results. He now believes this program can have the same results on our youth.

From the CEO

Graeme Carroll

The Services Clubs Association will join with its Victorian and Queensland counterparts to support the RSL & Services Clubs National Conference to be held at the Twin Towns Services Club in July.

It will be the 6th annual conference hosted by the Twin Towns Club and will have the theme "Against All the Odds".

The program for the conference is being finalised and details will be sent to clubs in the near future.

The Association's own conference will again be held at the Hyatt Hotel in Canberra from 20-23 November 2005.

The NSW State Branch of the RSL has a new State Secretary. Chris Perrin, a member of the Blacktown RSL Sub-Branch replaces John Sheehan, who retired from the position last December.

The Association wishes Michael Horne all the best for the future following the announcement of his resignation as Managing Director of IGT Australia.

Michael has led IGT Australia since 1999 through a period of solid accomplishments, including five of the most successful years IGT has produced from a financial and sales volume standpoint.

Under his leadership IGTA released new products, including the GU4 in 2000 and the 'bluechip' products in 2004, currently performing strongly across multiple markets. The company has also received a number of special HR awards including the Australian Human resources Institute award for "Excellence in People Management" for medium sized companies.

Michael has been in the gaming industry since 1973, but after putting work first for a number of years, he is looking forward to "getting some balance back" into his life and spending more time with his family.

IGTA's Chief Financial Officer, Andrew Hely has been appointed acting Managing Director until a new MD is appointed. He will also continue his duties as CFO.

Clubs Australia and New Zealand (CANZ) has opened a national office in Canberra to assist the industry in dealing with the growing number of challenges facing the club industry across all states and territories.

The Deputy Prime Minister, John Anderson, officially opened the office at a small gathering in Parliament House Canberra on 16 March.

CANZ CEO, David Costello, says that during the past 18 months the necessity for clubs to have a physical presence in Canberra has become increasingly apparent with a clear escalation in the number of national issues of relevance and importance to the Club industry.

He says recent moves by every State Government to ban smoking inside licensed premises is perhaps the most obvious example of an issue where a national clubs body can more easily collect and present to relevant stakeholders the impact of such decisions upon the Club industry.

Member clubs are urged to support the statewide advertising campaign launched by ClubsNSW designed to generate greater understanding of the community roles of registered clubs.

The campaign will run during prime time television and radio over the coming two months and then later again in the year, as well as in the State's almost 1,400 registered clubs.

Using the catch phrase CLUBS NOW, There for you, They're for you, the series of commercials promote clubs' support of community areas such as health, education, sport, dining and entertainment.

Chairman of ClubsNSW Peter Newell OAM says the Club Industry has generally gone silent about its role in the community. It's now finding that the consequence of this silence has been that despite clubs providing more than \$2 billion in sporting facilities and giving \$100 million annually to the community, many people don't really know what their club does or contributes to the local area.

The campaign presents an ideal opportunity for clubs to reinforce to members and the community of the community and sporting projects they support during the year. The ad can be played on club display screens, music on hold, before public forums and prior to major entertainment in club auditoriums.

Clubs are reminded that the Department of Gaming and Racing has released updated FACT SHEETS for "Signs in Registered Clubs" and "Liquor Licences in NSW".

Clubs should check the relevant FACT SHEET to ensure they are compliant with the latest requirements.

Clubs can obtain the updated FACT SHEET from the DGR website at www.dgr.nsw.gov.au and 'click on' the 'What's New' icon.

New draft liquor laws released ...from p1

who supply alcohol to an intoxicated person on licensed premises;

- A higher \$11,000 maximum penalty available for serious offences where licensees, club

secretaries or staff permit intoxication, or indecent, violent or quarrelsome conduct on licensed premises;

- A higher \$11,000 maximum penalty available for certain

underage drinking and intoxication/violence offences for repeat offenders ie same offence within 3 years;

Submissions relating to the new provisions close on Friday, 22nd April.

Kokoda trek ... from p1

Last year's trek involved a group of students from Punchbowl High in Sydney when a disparate group of year 11 & 12 students was welded into a team to overcome the military icon. Members of the group have now gone on to become ambassadors for the youth leadership courses conducted by Camp Dare and it has had a remarkable impact on the operation of their school and their own lives.

SCA CEO, Graeme Carroll, says the leadership program is aimed primarily at young people at school and disadvantaged and unemployed young people in the community who are having difficulty in finding their way in society. The Association Clubs see the project as providing a major contribution to the community by:

- Creating a source of young leaders coming back into their ranks;
- Encouraging these young leaders to help motivate their peers to take a positive role in their community and, among other things, reduce youth crime rates; and,
- Encouraging participants to work with local community leaders on a range of projects.

He said that for clubs the program had the potential to build stronger ties with the community and local business while increasing their relevance with young people who will be their future members and

become the 'custodians' of the Anzac and Kokoda traditions.

An aim of the Challenge is to find the trek participants employment within the club industry or ancillary industries on their return.

Mr Lynn says that while the Anzac campaign 'defined a nation' the Kokoda campaign 'saved a nation' when a vastly outnumbered force of virtual raw recruits withstood the might of a superior force of Japanese troops in one of the bloodiest campaigns of World War Two.

However, the sad fact is that very little is known of the campaign and even less taught about it in our schools.

"This leadership program will go towards creating a greater awareness of the sacrifices of our diggers in this campaign among our young people to ensure the traditions live on. At the same time it will instill in participants a commitment to community service, enhance their personal development by providing an opportunity for them to experience the same conditions under which our diggers fought and hopefully transform them for future leadership roles back in the community.

It is hoped to conduct three treks this year with the second planned for September.

The NSW State Premier, Bob Carr, has congratulated the SCA, Adventure Kokoda and Camp Dare for establishing the Kokoda Youth Challenge.

Mr Carr said the NSW Government was dedicated to developing the confidence and leadership skills of young Australians and he applauded the Kokoda Youth Challenge for its valuable contribution.

"The Kokoda Youth Challenge will offer a group of young people a chance to support one another through a unique physical challenge. Not only will the young participants gain a great sense of personal achievement, they will acquire a deeper understanding of Australian wartime history and a taste of the comradeship experienced by the young soldiers who fought along the Kokoda Track", he said.

"These young people can be proud as they join the many other Australians who walk the Kokoda Track each year to mark their respect. They will also play an important part in helping to carry on the special relationship that developed between the young Australian soldiers and the native heroes of Papua New Guinea during World War Two".

The Premier has encouraged the community to offer their support to the project.

Premier congratulates SCA on initiative

Legislative fix to mutuality principle not without risks

A recent taxation seminar in Sydney has been told that there is a risk involved in presenting a "legislative fix" to the current threat to mutuality principles as they apply to non-profit organisations, including licensed clubs.

Senior Consultant with KPMG, Alistair Haley, told the Sydney seminar that the application of the mutuality principle as a result of the

Coleambally decision has been significantly narrowed.

"It would seem unlikely that the ATO would seek to continue the 'long accepted practice of excluding member receipts from assessable income' when the Commissioner has pursued the case this far.

"The present stance of the ATO is

all the more intriguing considering its statement following the Coleambally decision in the first instance and its decision to pursue the appeal by CIMCL," he said.

Mr Haley said that there had been some announcements from both the Federal Coalition and the Australian Labor Party that they will aim to ensure that "the current taxation benefits given to clubs will

Mutuality threat... from p3

be maintained" in light of the Colleambally decision. While the comments have been made in the context of allowing the "legal process to run its course", both parties have advised that they will take action as necessary to "preserve mutuality for clubs".

He told delegates to the seminar that if the mutuality principle is legislated this will leave the form and application of mutuality to the discretion of the law makers.

"Particularly, it will be ultimately at the legislature's discretion to decide which type of mutual bodies will be entitled to tax exemption on receipt from members and which will not.

"If this particular avenue is pursued,

then a 'legislative fix' will need to be undertaken through significant and ongoing consultation with the various mutual organisations that currently stand affected by the Colleambally decision.

Mr Haley said that the ATO had issued numerous statements in light of the Colleambally decisions, stating that they were fully considering the implications of the decision. As a result, the outcome of the Colleambally case has meant the tax treatment of mutual organisations is uncertain.

If CIMCL's special leave to appeal the decision to the High Court is refused, or fails if heard by the High Court, the Full Federal Court's decision will stand

and the consequences of the Colleambally decision may be far reaching. In simple terms, many organisations of a mutual nature – clubs, co-operatives, other non-profit associations – which have previously relied on the mutuality principle to exclude members' receipt from assessable income will, in the words of the ATO, "lose this benefit and all of their receipts will become assessable income".

Mr Haley says that ultimately, should the Full Federal Court's decision stand, the ATO will have the discretion to apply the decision on a retrospective or prospective basis.

DGR audits detect numerous breaches

The current DGR audits have unearthed only a number of minor breaches so far, with one serious compliance and summons action being considered against one club.

The Registered Club Taskforce Audit Programme commenced in November last year and has to date completed 48 audits of which 41 venues were found to be non-compliant.

Non-compliance has been dealt with by way of enforcement action against clubs and their secretaries, while complaint and summons action is being considered against one club for allegedly providing cash advances and not having a link with an approved problem gambling counselling service provider.

A typical audit involves up to five compliance officers conducting a thorough on-site audit of a club's books and records and internal controls and procedures against legislative requirements and best practice guidelines.

Mr Peter McLean, a partner with Lawler Partners says it is strongly recommended that all clubs immediately review all the records that can be requisitioned to ensure all accounting, corporate governance and compliance systems are completely functional.

New golf course a boon for locals & holidaymakers

The new 18 hole links-style championship golf course opened on New Year's Day by the Shoalhaven Ex-Servicemen's Club at Nowra is proving a boon for locals and holidaymakers.

The Christmas holiday period and just completed Easter break generated high demand for the new facilities which is also resulting in increased patronage of the adjacent Sportsmen's club on the town's eastern outskirts.

The course adds to the first class cricket oval and two bowling greens already provided on the site and there are also future plans for accommodation at the venue.

Common issues identified in DGR Audits undertaken to date are:

- Open door policy mainly in smaller clubs
- Inadequate petty cash records
- Failure to put notices on faulty gaming machines
- Poor/unsigned minutes
- Signage breaches
- Failure to provide quarterly reporting to members
- Breach of section 10(1) (i) regarding member benefits
- Inadequate stocktake reports
- Failure to prepare the new Registered Clubs Act Annual Report to Members
- Incomplete/unsigned clearance records
- Player activity statement breaches
- Membership applications not in accordance with the Act



The par 71 links style course has been designed to complement the surrounding swamp and farmland environment. The design and construction, by golf course architects MacKay and Sons of Wollongong, has utilised sewage effluent from a nearby treatment plant and will also recycle all its stormwater giving it all important year round watering.

Picture: Shoalhaven Ex-Servicemen's Club President, Jack Elliott, prepares to hit the first shot on New Year's Day to open the new course for play.

• **Poker Machine reports not being tabled at Board meetings.**

During the next six months the audits will focus on compliance with Part 4A accountability provisions of the Act.

Assistant Director of Compliance with the DGR, Albert Gardner, said the Department has taken an educative approach to non-compliance and has provided assistance and advice to clubs. However, given that the legislative requirements have now been in existence for almost 12 months, the DGR was now obliged to take a stricter approach to non-compliance in this area.

The SCA would like to acknowledge the following sponsors and encourage your support:



services clubs association