

**FRANKSTON RSL SUB BRANCH INC
LICENCE NUMBER V9780030**

INDEPENDENT AUDIT REPORT TO THE MEMBERS

Scope

We have audited the Community Benefit Statement of Frankston RSL Sub Branch Inc for the period ended 30 June 2012. The committee is responsible for the Statement and have determined that the calculations used are appropriate to meet the needs of the Victorian Commission for Gambling Regulation. We have conducted an independent audit of this Statement in order to express an opinion on them to the members.

The Community Benefit Statement has been prepared for the purpose of fulfilling the requirements of the Gaming Regulation Act 2003. We disclaim any assumption of responsibility for any reliance on this report or on the Community Benefit Statement to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Committee's Responsibility for the Financial Report

The committee are responsible for the preparation of the Community Benefit Statement of Frankston RSL Sub Branch Inc for the period ended 30 June 2012.

This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the statements that are 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 Community Benefit Statement based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 judgment, 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 association's preparation of the financial report that gives a true and fair view, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Audit Opinion

In our opinion, the Community Benefit Statement presents fairly in accordance with applicable Accounting Standards in Australia and, consistent with my understanding of sections 3.6.9 (2)(a) and (b) of the Gaming Regulation Act 2003 (the Act), the Frankston RSL Sub Branch Inc compliance with the Act, in relation to Frankston RSL Sub Branch Inc for the financial year ended 30 June 2012.

Dated at Frankston on the 21st of September 2012

Shepard Webster & O'Neill Audit P/L

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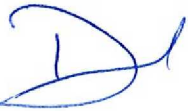
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Director

