

# MOOREBANK SPORTS CLUB

ANNUAL REPORT 2015

Clubs & Community Awards  
**2014 WINNER**  
Environment Category

BUSINESS AWARDS  
2014 REGIONAL FINALIST



**Employer of Choice**  
Regional Winner 2014

BUSINESS AWARDS  
2014 STATE FINALIST



**Sporties®**

# PRESIDENT'S REPORT

I am pleased to present the Annual Report and Financial Statements of Moorebank Sports Club Ltd for the financial year ending 30th June 2015.

This year has once again been a very successful year for the club with a total revenue of \$14,573,959, which is an increase of 16% on last year. Net profit was \$1,931,079 which is a 16% increase on last year's net profit. This is an outstanding effort which everyone should be proud of.

Moorebank Sports club is dedicated to the community. This year we donated \$206,446 to local sporting codes and charity groups. These donations help the sporting codes purchase essential services and equipment such as sporting uniforms and training resources. Junior sport is often the bedrock for many families in our community and I am proud that we can be of service in enhancing this experience. I thank the codes for all their efforts in carrying the Moorebank name and proudly serving the local community with their sporting achievements.

We donated \$79,845 to local charities and schools such as Holsworthy High School, Autism Spectrum Australia, The Shepherd Centre and Max Potential. It gives me great pride to be able to support these organisations and give them the funding they need. The funding to Max Potential and Holsworthy High School enabled the schools and students to build programs that engaged students in community activities. Autism Spectrum Australia and The Shepherd Centre both help disadvantaged children minimise the impact of their disability and we are proud that the club can offer this invaluable assistance.

The club continues to grow. We are building a new alfresco dining area. At the time of writing this report these extensions are still awaiting approval from council. We are also investing over \$1.5 million in the resurfacing of our car park. This includes a complete resurface, stormwater, line marking, landscaping and improving disabled access into the club. This also includes an additional 66 car spaces. We anticipate these developments to be completed by next year.

My sincere thanks to my fellow board members for their time, energy and dedication to Sporties. Thank you for sharing in the strategic vision and leadership to make the club what it is today and thank you also for representing the views of the membership.

I would also like to extend my gratitude to the management team. Without the hard work and dedication of this team the club would not be the club it is today. I also thank the staff for their tireless efforts in serving members, guests and visitors to the club. I'm proud of the strong customer service culture we have at the club and I'm sure you will agree that it is always a pleasure when entering the club and this is largely due to the exceptional staff.

Finally I would like to thank you, the members of this club. Since being president of Moorebank Sports Club it's been an honour and privilege to serve as its president. This club has been built by you and for you and I hope you continue to enjoy the benefits of being a member of Sporties.

See you at the club!



**Robert Fleeton**  
President

# CHIEF EXECUTIVE OFFICER'S REPORT

It is with pleasure that I present the financial report for the period ended 30 June 2015. 2015 was an extremely successful trading year for Sporties with all aspects of our business and setting your Club up well for the future. The Club has continued to evolve and the Board / Management policy on constantly re-investing back into your Club has continued to prove successful.

Sporties total revenue for the year was \$14,573,959 which represented an increase over 2014 revenue \$12,488,009 of \$2,085,950 or 16.70%. Our net profit for the financial year amounted to \$3,630,835 before depreciation, amortisation, interest and income tax expense compared against \$2,946,065 in the previous year, an improvement of \$684,770 or 23.24%. Our net profit for the year amounted to \$1,931,079 against \$1,663,212 the previous year, a difference of \$267,867 or 16.1%.

Sporties EBITDA percentage of revenue for the 2015 year is 25.41% which is a healthy increase from 2014 23.59%. This puts your Club in a very solid financial position and gives the Board and Management the ability to continue to follow our Strategic Plan positioning the Club for future long term plans.

## FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014	2013	2013
<b>CONTRIBUTIONS</b>				
Total revenue	\$14,573,959	12,488,009	12,011,149	11,229,744
Overheads (inc. donations)	(\$12,670,095)	(9,541,944)	(9,079,112)	(8,529,326)
EBITDA	\$3,630,835	2,946,065	2,932,037	2,700,418
Depreciation and finance costs	(\$1,699,756)	(1,282,853)	(1,270,755)	(1,195,031)
Profit before tax	\$1,931,079	1,663,212	1,661,282	1,505,387
Income tax	0	0	0	0
Net profit	\$1,931,079	1,663,212	1,661,282	1,505,387
<b>KEY PERFORMANCE INDICATORS</b>				
<b>BAR</b>				
Gross profit percentage	52.80%	53.66%	52.93%	53.39%
Wages to sales percentage	18.83%	20.12%	17.55%	18.43%
<b>CATERING/CAFE</b>				
Gross profit percentage	59.86%	59.55%	61.38%	44.72%
Wages to sales percentage	39.86%	46.31%	49.68%	32.83%
Wages and salaries - percentage of total revenue	25.54%	27.22%	24.32%	23.99%
EBITDA percentage	25.41%	23.60%	24.41%	24.05%
<b>BALANCE SHEET</b>				
Current assets	\$3,524,755	\$2,359,453	\$3,496,848	\$3,359,772
Non-current assets	\$14,544,049	\$15,047,854	\$11,047,854	\$10,665,220
Total assets	\$18,068,804	\$17,407,307	\$15,034,910	\$14,024,992
Current liabilities	\$2,043,882	\$1,901,101	\$1,198,099	\$1,071,762
Non-current liabilities	\$206,762	\$1,619,125	\$1,612,942	\$2,390,643
Total liabilities	\$2,250,644	\$3,520,226	\$2,811,041	\$3,462,405
Net assets	\$15,818,160	\$13,887,081	\$12,223,869	\$10,562,587
Total members funds		\$13,887,081	\$12,223,869	\$10,562,587

# CHIEF EXECUTIVE OFFICER'S REPORT

This year has been a year with incredible growth in the business and we have paid off the final amount owing on our loan and consolidated cash as we have not had major projects as we have had in past years. We have our DA in to extend Indulge with a large outdoor / indoor area but unfortunately so far the DA has been in Liverpool Council for 5 months just waiting. We had hoped it would have been finished now in time for summer but this is not to be. Our next major project will be an upgrade of the car park which we know we need but again for a number of years we have been at the hands of Council and had been waiting on an outcome of land being made available to us. We will now go ahead despite not receiving the land.

The Board and Management are proud of the contribution the Club makes to our members and community and we are extremely pleased to play an active role. However, our biggest success is not our net profit or the revenue we make but our people. Sporties are very lucky to have a sensational team of dedicated and committed people who love coming to work and this reflects in the way and which they go about their roles. They make your Club the way it is, their commitment to our values, their commitment to each other and their commitment to customer service.

Our people are passionate about the community and are avid supporters of our community initiative called "Sporties Supports". Throughout the year our people volunteer many hours to fund raise money and support many numbers of charities some being RSPCA Cup Cake Day, Make a Wish, Youth of the Streets, Chris O'Brien Lifeline, The Red Cross donating blood, Biggest Morning Tea, Disability Sports and many more. Another charity that they love to support is Help2Help, a charity that helps villages in rural Cambodia where currently the charity is building a school of education and Sporties has been dedicated the School of Housekeeping in our name as a show of recognition for the support we give them.

The results of the past year could not have been achieved without the help, support and professionalism of my very dedicated and conscientious management team and staff. Every member of my team holds and performs an integral role to the organisation that I couldn't be without. All of my members of staff continue to provide excellence in service that are the envy of many clubs, for making my job most enjoyable and for being fun to be around both for myself and our customers. My thanks go to my Board of Directors for giving myself and my Management team the support and encouragement to continually grow and develop our Club.

The Board of Directors, Management and staff will continue to provide amenities and facilities that are of the finest standard and comfort to meet your social, entertainment and sporting needs.



**Tracey Lentell ACCM**

Chief Executive Officer

## MOOREBANK SPORTS CLUB LIMITED

ABN 21 002 081 905

# ANNUAL FINANCIAL REPORT 30 JUNE 2015



# DIRECTORS' REPORT

The directors present their report together with the financial statements of Moorebank Sports Club Limited (the company) for the year ended 30 June 2015.

## Directors

The directors of the company in office at any time during or since the end of the financial year are:

Name	Board Status	Period of directorship	Qualification
Robert Fleeton	President	Appointed 7 December 1990	Driver
Stephen Keegan	Vice President	Appointed 19 December 1999	Manager
Philip Sampson	Treasurer	Appointed 30 October 2011	Business Owner
Dennis Errington	Director	Appointed 30 October 2011	Industrial Sales
Fred Schuyt	Director	Appointed 31 October 2005	Business Owner
John Sibbald	Director	Appointed 25 June 2013	Sales Manager
Peter Wilkie	Director	Appointed 7 December 1990	Public Servant

## Directors' meetings

The number of meetings of the company's Board of Directors (the Board) and the number of meetings attended by each director were:

Director	Number of Meetings Attended	Number of Meetings Held *
Robert Fleeton	12	14
Stephen Keegan	13	14
Philip Sampson	13	14
Dennis Errington	12	14
Fred Schuyt	13	14
John Sibbald	12	14
Peter Wilkie	13	14

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

## Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2015 and the comparison with last year is as follows:

	2015	2014
Ordinary	15,103	12,341
Life	18	18
Perpetual	42	36
	<hr/>	<hr/>
	15,163	12,395
	<hr/>	<hr/>

# DIRECTORS' REPORT

## Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$20 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.

## Operating result

The net profit before tax for the year amounted to \$1,931,079 compared with \$1,663,212 for the prior year. This resulted after charging \$1,699,755 (2014: \$1,286,505) for depreciation/amortisation, and before charging \$Nil (2014: \$Nil) for income tax.

## Objectives

### Short term

In the short term the Company objectives are to grow revenues through existing revenue streams and look at potential diversification of income and continue to promote and develop sporting activities and expand the Club's offerings. We will continue to provide quality entertainment and social activities for members to support our principal activities whilst maintaining state of the art facilities and amenities that serve our many members.

### Long term

In the long term the Company's primary objective is to investigate and implement successful alternate revenue streams that complement the Club's core business whilst still maintaining the principal activities.

## Strategy for achieving the objectives

The Company will strive to continue to be a market leader in the Licensed Club Industry in the current offerings provided to members while undertaking due diligence, extensive research and looking at market demands to determine the viability of any potential alternate revenue streams.

The primary strategies to achieve the Club's objectives is through sound financial management and the use of financial ratios and key performance indicators (KPIs) to ensure that organisational business plans, budgets and cash flows are current, accurate and relevant.

## Principal activities

The principal activities of the company during the year have continued to be that of a sporting and athletic club supported by licensed operations to provide members, their guests and the community with the amenities and facilities usually associated with a sporting and recreational licensed Club. The Club's activities enhance, support and continue to develop and promote a range of sporting and social activities that have assisted the Club and the broader community. These activities have not been limited to the provision of sporting infrastructure but also to the development and promotion of a wide range of activities including all forms of sport for all levels of players. There has been no significant change in the nature of that activity during the year.

# DIRECTORS' REPORT

## How these activities assist in achieving the objectives

The principal activities assist in achieving the objectives as they are our core revenues and foundations to be able to achieve the objectives.

## Performance measurement and key performance indicators

The Company measures its success in the following areas:

- Satisfaction of its members and guests
- Success of marketing and promotional events, entertainment and major calendar events
- Financial performance through review of:
  - Earnings before interest, tax, depreciation and amortisation
  - Revenue
  - Wages cost as a percentage of revenues
  - Profitability
  - Targeted budgets being met
  - Business Plan targets achieved
  - Financial ratios and KPIs
  - Patron visitations

## Key Performance Indicators

	2015	2014 %
<b>Bar</b>		
Gross profit percentage	52.80%	53.66%
Wages to sales percentage	18.83%	20.12%
<b>Catering - Cafe</b>		
Gross profit percentage	59.86%	59.55%
Wages to sales percentage	39.86%	46.31%
<b>Wages and salaries - percentage of total revenue</b>	25.54%	27.22%
<b>EBITDA - percentage of revenue</b>	25.41%	23.59%



# DIRECTORS' REPORT

## 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 5.

Signed in accordance with a resolution of the directors.

Dated at Moorebank this 28<sup>th</sup> day of September 2015.



**Robert Fleeton**  
President



Tel: 61 2 9251 4100  
 Fax: 61 2 9240 9821  
[www.bdo.com.au](http://www.bdo.com.au)

Level 11, 1 Margaret St  
 Sydney NSW 2000  
 Australia

## DECLARATION OF INDEPENDENCE BY PAUL CHEESEMEN TO THE DIRECTORS OF MOOREBANK SPORTS CLUB LIMITED

As lead auditor of Moorebank Sports Club Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Paul Cheeseman  
 Partner

**BDO East Coast Partnership**

Sydney, 28 September 2015

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.



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 Sydney NSW 2000  
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## INDEPENDENT AUDITOR'S REPORT

To the members of Moorebank Sports Club Limited

### Report on the Financial Report

We have audited the accompanying financial report of Moorebank Sports Club Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 company'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 company'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.

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### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Moorebank Sports Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

### Opinion

In our opinion the financial report of Moorebank Sports Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### BDO East Coast Partnership

Paul Cheeseman  
Partner

Sydney, 28 September 2015

# DIRECTORS'S DECLARATION

The directors of Moorebank Sports Club Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 9 to 33, 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 2015 and of its performance, for the financial year ended on that date; and
  - (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

Dated at Moorebank this 28<sup>th</sup> day of September 2015.



**Robert Fleton**  
President

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
<b>Revenue</b>			
Sale of goods		3,781,423	3,217,617
Rendering of services		10,443,554	8,950,467
Other revenue		348,982	319,925
		<hr/>	<hr/>
Total revenue	2	14,573,959	12,488,009
		<hr/>	<hr/>
<b>Other income</b>	2	27,215	46,091
		<hr/>	<hr/>
<b>Expenses</b>			
Raw material and consumables used		(1,818,144)	(1,526,904)
Depreciation and amortisation expenses	3	(1,699,755)	(1,286,505)
Employee benefits expense		(3,722,972)	(3,399,138)
Entertainment, marketing and promotional costs		(1,275,338)	(1,022,467)
Poker machine licences and taxes		(2,377,106)	(1,980,036)
Finance costs	3	(72,870)	(80,198)
Occupancy expenses		(919,037)	(891,388)
Donations and grants paid		(161,906)	(181,984)
Impairment reversal of land and buildings	3	-	83,850
Other expenses		(622,967)	(586,118)
		<hr/>	<hr/>
<b>Total Expenses</b>		(12,670,095)	(10,870,888)
		<hr/>	<hr/>
<b>Profit before income tax</b>		1,931,079	1,663,212
Income tax expense	4(a)	-	-
		<hr/>	<hr/>
<b>Net profit after income tax expense attributable to members</b>		1,931,079	1,663,212
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		1,931,079	1,663,212
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 33.



# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	3,194,651	1,972,811
Trade and other receivables	6	78,732	69,699
Inventories	7	101,745	114,045
Other current assets	8	149,624	202,898
<b>Total Current Assets</b>		<b>3,524,752</b>	<b>2,359,453</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	9	12,675,691	13,179,493
Intangible assets	10	1,868,361	1,868,361
<b>Total Non-Current Assets</b>		<b>14,544,052</b>	<b>15,047,854</b>
<b>Total Assets</b>		<b>18,068,804</b>	<b>17,407,307</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	1,016,615	1,295,686
Financial liabilities	12	158,946	251,794
Employee benefits	13	316,512	313,528
Other current liabilities	14	51,809	40,093
<b>Total Current Liabilities</b>		<b>1,543,882</b>	<b>1,901,101</b>
<b>Non-Current Liabilities</b>			
Financial liabilities	12	541,865	1,500,811
Employee benefits	13	71,269	59,612
Other non-current liabilities	14	93,628	58,702
<b>Total Non-Current Liabilities</b>		<b>706,762</b>	<b>1,619,125</b>
<b>Total Liabilities</b>		<b>2,250,644</b>	<b>3,520,226</b>
<b>Net Assets</b>		<b>15,818,160</b>	<b>13,887,081</b>
<b>Members' Funds</b>			
Retained profits	15	15,818,160	13,887,081
<b>Total Members' Funds</b>		<b>15,818,160</b>	<b>13,887,081</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 33.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Retained Earnings \$	Total Equity \$
Balance at 1 July 2013	12,223,869	12,223,869
Net profit for the year	1,663,212	1,663,212
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	1,663,212	1,663,212
Balance at 30 June 2014	13,887,081	13,887,081
Net profit for the year	1,931,079	1,931,079
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	1,931,079	1,931,079
Balance at 30 June 2015	15,818,160	15,818,160

The Statement of Changes in Equity should be read in conjunction with the accompanying notes set out on pages 13 to 33.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
<b>Cash Flows From Operating Activities</b>			
Receipts from customers (including GST)		15,812,303	13,451,053
Payments to suppliers and employees (including GST)		(12,646,045)	(10,277,341)
Interest received		29,653	51,152
Rent received		319,329	268,773
Finance costs paid		(72,870)	(80,198)
<b>Net cash inflow from operating activities</b>		<b>3,442,370</b>	<b>3,413,439</b>
<b>Cash Flows From Investing Activities</b>			
Proceeds from sale of property, plant and equipment		124,809	46,091
Payment for property, plant and equipment		(1,301,045)	(4,421,365)
Payment for intangible assets		-	(340,022)
<b>Net cash outflow from investing activities</b>		<b>(1,176,236)</b>	<b>(4,715,296)</b>
<b>Cash Flows From Financing Activities</b>			
Repayment of borrowings		(800,000)	-
Proceeds from hire purchase liabilities		7,500	247,798
Repayment of hire purchase liabilities		(251,794)	(222,278)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>(1,044,294)</b>	<b>25,520</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>1,221,840</b>	<b>(1,276,337)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>1,972,811</b>	<b>3,249,148</b>
<b>Cash and cash equivalents at the end of the financial year</b>	5	<b>3,194,651</b>	<b>1,972,811</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 33.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 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.

#### (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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

#### 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).

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

The financial report is presented in Australian dollars, which is the company's functional and presentation currency.

The company is a not for profit entity for the purpose of preparing these financial statements, which means that in preparing the financial report, the company has applied the exemptions available for not for profit entities.

The financial report was authorised for issue on 28 September 2015, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial report.

#### Historical Cost Convention

The financial statements have been prepared under the historical cost convention.

#### (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.

#### Sale of Goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) on the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (b) Revenue Recognition - Note 2 (continued)

##### Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club 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.

##### Rent Revenue

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (c) Other Income

##### 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.

#### (d) 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 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 Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

#### (e) Finance Costs - Note 3

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and borrowing costs.

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.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (f) Income Tax - Note 4

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted, except for:

- When deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business a business combination and that, at the tie of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associate or interest in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

#### (g) Impairment of Assets

Non-financial assets 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 asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### (h) Cash and Cash Equivalents - Note 5

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (i) Inventories - Note 7

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the weighted average basis.

#### (j) Leased Assets - Note 9

Leases under which the company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

##### Finance Leases - Note 12

A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

##### 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) Fair Value Estimation

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price.

The carrying value of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar liabilities.

#### (l) Property, Plant and Equipment - Note 9

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 asset's 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 and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (l) Property, Plant and Equipment - Note 9 (continued)

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 amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	5-40 years
Plant & Equipment	3-30 years
Poker Machines	3-4 years
Leased assets	3-5 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.

Capital works in progress are transferred to other categories and amortised when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

#### (m) Intangible Assets - Note 10

##### Poker Machine Entitlements

Poker machine entitlements are considered to be intangible assets with an indefinite life as there is no set term for holding the entitlements. As a result, the entitlements are not subject to amortisation. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

#### (n) Trade and Other Payables - Note 11

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) Financial Liabilities - Note 12

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit or Loss and Other Comprehensive Income over the period of borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (p) Employee Benefits - Note 13

##### **Wages, 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 several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The company has no legal or constructive obligation to fund any deficit

#### (q) Comparatives

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

#### (r) Customer Loyalty Program

The company operates a loyalty program where customers accumulated points for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 1 Summary of Significant Accounting Policies (continued)

#### (s) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Estimation of Useful Lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### Long Service Leave Provision

As discussed in Note 1(p), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### Intangible Assets

As discussed in Note 1(m), impairment of poker machine entitlements is recognised based on a value in use calculations and is measured at the present value of the estimated future cash inflows available to the company from the use of these licenses. In determining the present value of the cash inflows, growth rates and appropriate discount factors have been considered.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>2 Revenue and Other Income</b>		
<b>Sale of Goods Revenue</b>		
Bar sales	3,338,074	2,912,931
Catering sales - Cafe	443,349	304,686
	<hr/>	<hr/>
	3,781,423	3,217,617
	<hr/>	<hr/>
<b>Rendering of Services Revenue</b>		
Poker machines - net clearances	10,017,679	8,571,564
Members' subscriptions	58,708	51,561
Commission received	282,140	238,431
Sundry income	85,027	88,911
	<hr/>	<hr/>
	10,443,554	8,950,467
	<hr/>	<hr/>
<b>Other Revenue</b>		
Interest received	29,653	51,152
Rent received	319,329	268,773
	<hr/>	<hr/>
Total other revenue	348,982	319,925
	<hr/>	<hr/>
Total Revenue	14,573,959	12,488,009
	<hr/>	<hr/>
<b>Other Income</b>		
Net gain on disposal of property, plant and equipment	27,215	46,091
	<hr/>	<hr/>
Total Other Income	27,215	46,091
	<hr/>	<hr/>
Total Revenue and Other Income	14,601,174	12,534,100
	<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>3 Expenses</b>		
Profit before income tax includes the following specific expenses:		
<b>Finance costs</b>		
Bank loans	54,433	62,766
Other borrowing costs	18,437	17,432
<b>Total Finance costs</b>	<b>72,870</b>	<b>80,198</b>
<b>Depreciation</b>		
Buildings	298,220	246,201
Plant and equipment	675,772	471,398
Poker machines	530,185	402,197
<b>Amortisation</b>		
Leased Assets	195,578	166,709
<b>Total Depreciation and Amortisation</b>	<b>1,699,755</b>	<b>1,286,505</b>
<b>Movements in provision for employee benefits</b>	<b>14,641</b>	<b>96,742</b>
<b>Impairment expense - land and buildings reversal</b>	<b>-</b>	<b>(83,850)</b>
<b>Defined contribution superannuation expense</b>	<b>302,693</b>	<b>264,208</b>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 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.

	2015 \$	2014 \$
The amount set aside for income tax in the Statement of Profit or Loss and Other Comprehensive Income has been calculated as follows:		
Net income subject to tax	46,293	100,921
Current income tax applicable to above at rate of 30%	13,888	30,276
Tax losses claimed	(13,888)	(30,276)
Income tax expense	-	-

#### (b) Deferred Tax Assets

Deferred tax asset attributable to tax losses carried forward and timing differences has not been recognised as an asset because recovery is not probable.

Tax losses carried forward	26,074	39,961
Timing differences - employee provisions	20,114	19,265
Deferred tax assets not recognised	46,188	59,226

These benefits will only be obtained if:

- The company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised.
- The company continues to comply with the conditions for deductibility imposed by law, and
- No changes in tax legislation adversely affect the company in realising the benefit.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 5 Cash and Cash Equivalents

#### Reconciliation of Cash

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2015 \$	2014 \$
Cash and cash equivalents	1,400,902	1,063,216
Short term deposits	1,793,749	909,595
	<hr/>	<hr/>
	3,194,651	1,972,811
	<hr/>	<hr/>

#### Non-Cash Financing and Investment Activities

During the financial year the company acquired property, plant and equipment with an aggregate fair value of \$Nil (2014: \$247,797) by means of hire purchase. These acquisitions are not reflected in the Statement of Cash Flows.

### 6 Trade and Other Receivables

#### Current

Trade receivables	56,981	51,172
Other receivables	21,751	18,527
	<hr/>	<hr/>
	78,732	69,699
	<hr/>	<hr/>

### 7 Inventories

#### Current

Finished goods - at cost	101,745	114,045
	<hr/>	<hr/>

### 8 Other Assets

#### Current

Prepayments	148,913	78,731
Deposits paid	711	124,167
	<hr/>	<hr/>
	149,624	202,898
	<hr/>	<hr/>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>9 Property, Plant and Equipment</b>		
Freehold Land <i>At Cost</i>	11,204	11,204
Buildings <i>At Cost</i>	10,742,190	10,587,348
<i>Accumulated Depreciation</i>	(2,408,173)	(2,193,803)
<i>Impairment reversal</i>	-	83,850
	8,334,017	8,477,395
Total Land and Buildings	8,345,221	8,488,599
Plant and equipment <i>At cost</i>	4,583,434	4,332,775
<i>Accumulated depreciation</i>	(2,432,760)	(1,963,125)
	2,150,674	2,369,650
Poker Machines <i>At cost</i>	4,125,242	3,502,362
<i>Accumulated depreciation</i>	(2,490,961)	(2,162,724)
	1,634,281	1,339,638
Leased Assets <i>At capitalised cost</i>	756,294	792,430
<i>Accumulated amortisation</i>	(447,675)	(274,719)
	308,619	517,711
Capital Works in Progress <i>At cost</i>	236,896	463,895
Total property, plant and equipment net book value	12,675,691	13,179,493

Refer to Note 12 for details of security over property, plant and equipment.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 9 Property, Plant and Equipment (continued)

#### Valuation

The independent valuation of the company's land and buildings was carried out as at 25 June 2014 by Global Valuation Services Pty Ltd (Registered Valuer No. 1578) on the basis of open market value for existing use resulted in a valuation of land at \$875,000 and buildings at \$8,750,000. As freehold land and buildings are recorded at cost the valuation has not been brought to account. The directors do not believe that there has been a material movement in the fair value since the valuation date.

	2015 \$	2014 \$
<b>Reconciliations</b>		
<b>Movements in Carrying Amounts</b>		
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:		
<b>Buildings</b>		
Carrying amount at beginning of year	8,477,395	7,309,142
Additions	-	1,334,318
Disposals	-	(3,714)
Depreciation expense	(298,220)	(246,201)
Transfers from WIP	154,842	-
Reversal of impairment charge	-	83,850
Carrying amount at end of year	8,334,017	8,477,395
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	2,369,650	916,461
Additions	321,313	692,527
Disposals	(31,781)	(16,970)
Depreciation expense	(675,772)	(471,398)
Transfers from WIP	167,264	1,249,030
Carrying amount at end of year	2,150,674	2,369,650
<b>Poker Machines</b>		
Carrying amount at beginning of year	1,339,638	1,022,792
Additions	884,625	747,300
Disposals	(59,797)	(28,257)
Depreciation expense	(530,185)	(402,197)
Carrying amount at end of year	1,634,281	1,339,638

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 9 Property, Plant and Equipment (continued)

	2015 \$	2014 \$
<b>Leased Assets</b>		
Carrying amount at beginning of year	517,711	436,623
Additions	-	247,797
Disposals	(13,514)	-
Amortisation expense	(195,578)	(166,709)
	<hr/>	<hr/>
Carrying amount at end of year	308,619	517,711
	<hr/>	<hr/>
<b>Capital Works in Progress</b>		
Carrying amount at beginning of year	463,895	313,502
Additions	95,107	1,399,423
Transfer to Buildings	(154,842)	-
Transfer to Plant and Equipment	(167,264)	(1,249,030)
	<hr/>	<hr/>
Carrying amount at end of year	236,896	463,895
	<hr/>	<hr/>

#### Core Properties

The following are core properties:

**Moorebank Sports - club site**  
230 Heathcote Road  
Hammondville NSW 2170

There are no non-core properties.

### 10 Intangible Assets

Poker machine entitlement		
<i>At cost</i>	1,868,361	1,868,361
<i>Accumulated amortisation</i>	-	-
	<hr/>	<hr/>
Net carrying value	1,868,361	1,868,361
	<hr/>	<hr/>
<b>Movement</b>		
Opening net book amount	1,868,361	1,528,339
Additions	-	340,022
	<hr/>	<hr/>
Closing carrying value	1,868,361	1,868,361
	<hr/>	<hr/>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 10 Intangible Assets (continued)

#### Poker Machine Entitlements

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The company uses the daily net income earned (excluding GST) per machine per day and multiplies by the number of poker machine entitlements it has paid for. The value in use recoverable amount for each entitlement is calculated by dividing the total value of the entitlements with the actual number of entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the poker machine entitlements

- a. 4.35% (2014: 4.86%) pre-tax discount rate;
- b. 3% (2014: 3.00%) per annum projected revenue growth rate;
- c. 5% (2014: 2.50%) per annum increase in operating costs and overheads.

#### Sensitivity

As disclosed in Note 1, the directors have made judgements and estimates with respect to impairment testing of poker entitlements. Should these judgements and estimates not occur, the resulting poker entitlements may vary in the carrying amount. The sensitivities are as follows:

- a. Revenue would need to decrease by more than 50% for the gaming division before poker entitlements would need to be impaired, with all other assumptions remaining constant.
- b. The discount rate would be required to increase by 221% for the gaming division before poker entitlements would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of gaming division's poker entitlements is based would not cause the cash-generating units' carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of poker entitlements is based, this would result in a further impairment of gaming divisions' poker entitlements.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
<b>11 Trade and Other Payables</b>			
Trade payables		515,357	753,191
Goods and Services Tax (GST) payable		124,547	73,629
Other payables and accrued expenses		376,711	468,866
		<hr/>	<hr/>
		1,016,615	1,295,686
		<hr/>	<hr/>
<b>12 Financial Liabilities</b>			
<b>Current</b>			
<b>Secured</b>			
Hire purchase liabilities	16	158,946	251,794
<b>Non-Current</b>			
<b>Secured</b>			
Hire purchase liabilities	16	41,865	200,811
Commercial bill facility		500,000	1,300,000
		<hr/>	<hr/>
		541,865	1,500,811
		<hr/>	<hr/>
<b>Financing Arrangements</b>			
The company has access to the following lines of credit:			
Total facilities available:			
Commercial bill facility		1,300,000	1,300,000
Credit card facility		15,000	15,000
		<hr/>	<hr/>
		1,315,000	1,315,000
		<hr/>	<hr/>
Facilities utilised at reporting date:			
Commercial bill facility		500,000	1,300,000
Credit card facility		4,482	5,399
		<hr/>	<hr/>
		504,482	1,305,399
		<hr/>	<hr/>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 12 Financial Liabilities (continued)

#### Financing Arrangements

##### Commercial Bill Facility

The non-current commercial bill facility balance represents the portion of the company's commercial bill facility not due within one year.

The facility is based on a variable interest rate which at year end was 4.345%. The facility repayment terms are interest only until 30 December 2016.

##### Security

The commercial bill facility is secured by:

- First registered mortgage over non-residential property located at Lot 1 Heathcote Road, Hammondville NSW 2170.
- First registered company charge over the whole of its assets and undertakings including uncalled capital.

	2015 \$	2014 \$
13 Employee Benefits		
Current	316,512	313,528
Non-current	71,269	59,612

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

Inflation rate	1.30%	1.27%
Discount rate	3.01%	3.54%
Settlement term (years)	7.79yrs	8.15yrs

#### Superannuation Plans

##### Contributions

The company is under a legal obligation to contribute 9.5% of each employee's base salary to a superannuation fund.

### 14 Other Liabilities

#### Current

Income received in advance	51,809	40,093
Non-Current		
Income received in advance	93,628	58,702

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>15 Retained Profits</b>		
Retained profits at the beginning of the year	13,887,081	12,223,869
Net profit for the year	1,931,079	1,663,212
	<hr/>	<hr/>
Retained profits at the end of the year	15,818,160	13,887,081
	<hr/>	<hr/>
<b>16 Commitments</b>		
<b>Capital Expenditure Commitments</b>		
Buildings, plant and equipment	-	836,384
	<hr/>	<hr/>
<b>Non Cancellable Operating Lease Expense Commitments</b>		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	-	9,780
One year or later and no later than five years	-	-
	<hr/>	<hr/>
	-	9,780
	<hr/>	<hr/>
<b>Hire Purchase Commitments</b>		
Hire purchase instalment commitments are payable:		
Within one year	158,946	251,794
One year or later and no later than five years	41,865	200,811
	<hr/>	<hr/>
Minimum hire purchase payments	200,811	452,605
	<hr/>	<hr/>

The company leases poker machines under hire purchase agreements expiring in 3 years. The hire purchase facility is secured against the assets purchased under this facility as disclosed in Note 9.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>17 Contingent Liabilities</b>		
Bank Guarantees		
The company has given the following bank guarantees:		
TAB Limited	5,000	5,000

## 18 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 club or association, eg. Poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

## 19 Key Management Personnel Details

### (a) Directors

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

Robert Fleeton  
 Stephen Keegan  
 Philip Sampson  
 Dennis Errington  
 Fred Schuyt  
 John Sibbald  
 Peter Wilkie

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 19 Key Management Personnel Details (continued)

#### (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
Tracey Lentell	General Manager
Jeff Gibbs	Assistant General Manager
Troy Crisp	Finance Manager

#### (c) Key Management Personnel Compensation

	2015 \$	2014 \$
Benefits and payments made to the Directors and Other Key Management Personnel named in (b) above	508,305	449,889

#### 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.

A Director, Mr Fred Schuyt, is also the company owner of M Serve Signs and Maintenance. During the previous year Moorebank Sports Club Limited engaged M Serve Signs and Maintenance for various repairs and maintenance services. All dealings with this firm were based on normal commercial terms and conditions.

The aggregate amounts of each of the above types of transactions with directors and their Director-related entities were as follows:

Repairs and maintenance works	-	242
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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.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2015

### 20 Related Parties

#### Key Management Personnel

Disclosures relating to key management personnel are set out in Note 19.

#### Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

### 21 Company Details

The Club 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 \$20 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.

At 30 June 2015 there were 15,103 Ordinary Members, 18 Life Members and 42 Perpetual Members (2014: 12,341 Ordinary Members, 18 Life Members and 36 Perpetual Members).

The registered office of the company is:

230 Heathcote Road  
HAMMONDVILLE NSW 2170

### 22 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.

# PRESIDENT'S REPORT

## MOOREBANK SPORTS SOCCER CLUB INC. - SEASON 2015

Moorebank Sports Soccer Club enjoyed another very successful year in season 2015. The sport of soccer continues to increase in popularity and this has been evident at our club where our player numbers have swelled to well over 900 this year. We fielded 74 teams, an increase from 69 on the previous season and a record for our club. I am proud to say that we continue to be the largest soccer club within the Southern Districts Soccer Football Association which encompasses the Fairfield and Liverpool local government areas.

We had three teams crowned Minor Premiers: the Under 14 Division 2, All Age Men Division 3 and All Age Division 11. From our 33 competitive teams 27 made it to the semi-finals with eight teams going through to their respective Grand Final. Of these, five were crowned Premiers: the Under 16 Division 2, Under 16 Division 3, Under 17 Division 1, All Age Men Division 10 and All Age Ladies Division 2 (Blue).

In the Knock Out competitions four teams made it through to the Grand Finals with three teams being successful: the Ladies 16 Division 2, Under 16 Division 2 and the All Age Men Division 5 who won the Kevin Morris Shield.

Our club again employed the services of an external coaching academy which proved to be both effective in improving player and team performances and also received positive feedback from those that participated in the sessions. Additionally, we continued to support all our coaches by facilitating coaching accreditation which we see as a positive investment in our club's ongoing success.

Thanks go to all our volunteer coaches and managers who dedicate many hours of hard work for their teams, to the parents and supporters who worked tirelessly in the canteen and on the BBQ and helped us in our fundraising efforts. Our club again hosted the Association Grand Finals in August and this was only possible with the assistance we received from these dedicated volunteers.

On behalf of our members, I would also like to thank all of our sponsors for their ongoing support, particularly 'Sporties' whose continued generosity is very much appreciated. The assistance we receive contributes in a large way towards the delivery of accredited coaching as well as player and team support which in turn maintains our reputation as a successful club.

Of course, our committee has again worked diligently throughout the year to make it all happen. To them I would personally like to express my sincere gratitude to you all for your support in my first year as President of this magnificent club.

Yours in Sport,

### David Roots

President

Moorebank Sports Soccer Club Inc.

# PRESIDENT'S REPORT

## MOOREBANK RAMS JRLFC - SEASON 2015

Moorebank Rams had 29 teams ranging from Under 5's to Open's 2nd Grade in 2015. We have continued to grow our membership over the last couple of seasons. There was a change to the competition this year with the removal of the 3rd division from U9's to U12's and only one competition in the U 13's. This saw a lot of teams playing in division 1 against harder teams. For most of the teams it was a bit of a slow start but by mid-season the teams were settling in well. By the end of the season all the teams had develop and were playing great footy. Come finals time we had 10 of our 18 eligible teams still competing, which is a great effort. Three of these side went on to play in the grand final. The 10 Division 1 team took out the Plate grand final in extra time. The 13 Division 1 Blue team came runners up in the Plate grand final, coming from third position. The 15 Division 1 team won their grand final, in the process becoming the best U15 team in Sydney Combined Competition. It was certain great achievement by all these teams. Our non-competitive sides , 5's to 8's, also did well this year with lots of smiles and fun all the way to the end.

I would like to thank all the coaches, managers and trainers who volunteered their time this year. Coaching and organising a team isn't always the easiest task but it can be very rewarding. Our club continues to have some challenges to help improve the assistance we give in this area but with the positive feedback we have received, we now know the areas to target and hope to continue making improvements that will benefit coaches, managers and players.

I would like to thank all the parents who have supported their teams and the club in a positive manner this year. From my point of view, it is pleasing to hear feedback from parents regarding the club as it shows that our community is strong and willing to support those that support their children's sport. We continue to encourage all parents to get involved with helping out at training, helping on game days and doing ground duty, as this builds our great club into a stronger community.

The club is privileged to have some great support by the wider community through our sponsors. Moorebank Sports Club continues to support us well and in turn we show our gratitude by holding some of our game presentations, our sportsmanship lunch and some of our grand final and end of year team celebrations within their facilities. I would also like thank our platinum sponsors, Coldwell Banker, Hammondville Quality Meats and NSW Tiling Services, who are great partners of ours. To all our sponsors, thank you. Your continued support is very much appreciated. I would encourage all our members to engage with these great people when every possible.

We received funding this year from Liverpool council, as part of their ongoing programs. With these funds we will be updating our goal post pads. We continue to work closely with the council to provide, what I think, are the best junior rugby league facilities in Sydney. Future projects in planning are extra lighting for the back fields and new storage facilities to replace the shipping containers, which is a long term project.

It goes without saying, that a club of our size doesn't run itself. It takes a large group of committed people to get everything in place so that the every player and parent can enjoy this great game. Without the hard work of the committee, the simple things wouldn't get done and it is these little things that most people don't see, that count the most. I know how much time you put into the club and I thank you for this.

Hope everyone has enjoyed their season and returns next year to enjoy the greatest game of all.

Regards

**David Hine**



# PRESIDENT'S REPORT

## MOOREBANK CRICKET CLUB - SEASON 2015

The 2014/15 season has once again been very successful for the Moorebank Cricket Club. I'd like to begin by thanking all of our members for the privilege of being President for the first time. I have thoroughly enjoyed my time as President of our great club and being part of a team that has once again facilitated growth of cricket in our community. I'd also like to acknowledge and thank the committee for their efforts this year, in particular welcoming those who have been part of our committee for the first time. We have a large club that can be difficult to administer and it is through your constant work that it operates so effectively.

On-field our club has again experienced growth in our junior participation, while our seniors maintained numbers; both of these are above current down trends in participation across the state. We once again witnessed a high participation rate within the minis program. Over the past few seasons we have prided ourselves on introducing the youth of our community to cricket and this season we continued this with great success. For the first time we implemented the Cricket Australia T-20 Blast as our minis program, breaking from the traditional minis program of the FLCA. This program was based on a school's program that Cricket Australia has successfully implemented over a number of years which has experienced extensive success in attracting young participants to cricket and helping to increase retention. In implementing it on a club level, we found that as many of our minis already had one to two years playing experience, whilst this program consolidated their knowledge and skills, it didn't provide them with opportunities to further develop. Consequently, while as a club we try to extensively support the programs of Cricket Australia, consideration needs to be given before continuing the program, rather than returning to our traditional minis program.

Our club had some great results for both teams and individuals in junior and senior cricket this season. In juniors, seven of our ten participating teams qualified for the semi-finals with three of them achieving a minor premiership. Ultimately, out of the four teams that qualified for their respective finals both of our under 10 teams became premiers in their respective division. This is an outstanding result for our youngest junior cricketers and will clearly hold our club in great stead for future success. While we celebrate those teams with successful results, the real success for our club is once again that we have the highest participation of any club in the Fairfield-Liverpool Cricket Association (FLCA), which means that cricket is very healthy within the youth of our community. We once again participated in the Milo T-20 competition with all of our participating teams progressing passed the district stage and our U14 team qualifying for the metro final. This competition is always enjoyed by our junior members and gives them a great opportunity to play on turf. We have a great history of performing well in this competition and this year we continued this. Individually there were also some great performances, but none better than an opening partnership in our U16 team which saw a record partnership score of 256 runs with both players scoring a century. This is an outstanding feat and a record that is likely to stand for quite some time.

In seniors, we had some great results too. Again, our participation rate increased against the state participation trends and we had the highest participation rate in the FLCA. Of our eight teams, six of them qualified for semi finals, with four of those making it to the final and our 3rd and 6th grade winning their respective premierships. Two notable achievements were our 6th grade team who were both Minor Premiers and Premiers and our 1st grade team who achieved the minor premiership for the fourth consecutive season. We once again had a successful Pink Stumps Day with our second grade. Thank you to that team and their families for supporting this very worthwhile cause.

The Moorebank Cricket Academy was again a great success with an increase in participants. This year academy was headed by former Australian spinner Jason Krejsa and on behalf of our committee and members; I'd once again thank Jason for his time, effort and contribution to our club through the academy. It has been an excellent opportunity for our young cricketers to improve their skills and learn from one of Australia's most experienced players and coaches. We hope to continue the academy in future years following its success over the past couple of years.

Off the field it has been a landmark season too. For the first time in a number of years we participated only on the FLCA competitions which definitely gave our committee much more time to focus on programs and improving our club for the benefit of all members. All of our committee have worked tirelessly to improve our club and the experience we provide for all members and the success of our club is certainly a testament to their dedication. We also look forward to next season where we are excited to implement some revolutionary changes for the administration of our club. The most important of these is the implementation of an online registration system, which will make it easier for participants to register this and in future years. Administratively, this will help our committee in facilitating and tracking registrations, participants and teams throughout the season and allow us to focus attention in improving other areas of our club. We are also pursuing some new and exciting fundraising opportunities to raise much needed funds to help us improve our club, facilities and the experience for all members. We hope that you will all support these events and program initiatives in the coming season.

# PRESIDENT'S REPORT

## MOOREBANK CRICKET CLUB - SEASON 2015

Finally, I'd like to acknowledge the dedication and efforts of all of our committee, coaches, managers and others who support our club, teams and participants. The success of our club is a testament to all of the efforts of these people. Our club prides itself on our culture and the experience and opportunity we provide to our members and this is due to the large contribution that all of these people make. I'd like to thank all of you for this contribution over the past season; it would not have been as successful without you.

I look forward to another great season in 2016/16 and working towards a bigger and better Moorebank Cricket Club.

### Julian Di Martino

President

Moorebank Cricket Club Inc.

# THE MOOREBANK SPORTS FISHING CLUB

## END OF SEASON REPORT 2014 – 2015

Activities of the Fish Club included

- A weekend away trip from February 27th to March 1st earlier this year to Greenwell Point, near Nowra. Twelve (12) members participated and were accommodated at the Coral Tree Lodge. Six (6) members trailered their own small boats there and fished the Shoalhaven River with some more adventurous skippers venturing off shore with some success.

Sunday all twelve went off shore on a commercial charter vessel and fished encountering high swells and windy conditions, with moderate success. The cost of the weekend was \$1,350.00 for accommodation and \$1,200.00 for charter boat hire. Meal and other expenses were met by members.

- A second weekend away was On June 26th – 28th again to Greenwell Point with accommodation at the Greenwell Point Hotel, to keep costs down. Eight (8) local Moorebank Fishing Club members attended plus three (3) new members, two (2) who reside in Wagga Wagga and another from Moruya. Members and new members had eight (8) small boats and fished areas similar to the February trip.

Sunday another charter with all attending in much better weather conditions and much successful fishing resulted. The cost of this weekend were \$1,050.00 for accommodation plus \$1,200.00 for the off shore charter. Again all costs, including meals etc, were paid but members.

The annual Moorebank Sports Club grant of \$700.00 assisted in meeting the costs of both the February and June off shore fishing charters.

- Throughout the year members have organised numerous “Small Boat” single day fishing trips in Botany Bay, the Hawkesbury and Port Hacking Rivers. Some members have also organised trips with less numbers to freshwater lakes for trout and bass fishing trips, again at their own cost.

The Fishing Club's AGM was held in February 2015 and all existing Committee Members were re-elected unopposed.

Members meet regularly at the Moorebank Sports Club for social purposes.

### Bob Berg

Secretary

Moorebank Sports Fishing Club