



# 2020 ANNUAL REPORT

# ABOUT US

Today the Clubs objectives remain to encourage, foster and promote sport with the function of the board management and staff to serve in the best interests of creating a legacy of strong local sport in the area. As the business has evolved the vision statement has expanded beyond the sporting doctrine to encompass all forms of leisure and to create a unique experience of high quality for all members and guests.

On any given day you will see mum's and bubs meeting for coffee, families meeting for meals, locals enjoying our free entertainment on Friday and Saturday nights and children having fun in our Manta Ray kids room or on our outdoor play equipment.

We hope you can come down to Sporties and experience our award winning hospitality.

## OUR VISION

Sporties is dedicated to enriching the community.

## OUR MISSION

Exceeding expectations by creating a destination of good times and great memories through our people, product and presentation



## INTEGRITY

We choose courage over comfort.  
Our word is our bond.

## INNOVATION

We embrace change.  
We challenge the norm.

## EMPATHY

We understand the  
experience of members.  
We understand our staff  
and all our people.

# OUR VALUES

## TEAMWORK

We are stronger together.  
We work towards a  
common goal.

## ACCOUNTABILITY

We own our actions.  
We align our actions to  
organisational goals.

## ABOVE & BEYOND

We show initiative.  
We create magical  
moments that exceed  
expectations



# PRESIDENTS

## Report



It gives me great pleasure to present the Annual Report for Moorebank Sports Club for the year ending 30 June 2020.

It was a challenging but also rewarding year for Sporties. We sold the Kareela venue to Cronulla Sharks for \$4.6M in addition to transferring over \$1.3M in assets to other venues in the group. Despite the challenges of Coronavirus, the year finished with a total revenue of \$14,555,221 and net profit of \$1,292,040 at Moorebank. The loss on disposal from the Kareela sale resulted in a \$799,387 net loss for the group. Our EBITDA result was very positive with an EBITDA of \$3,575,052, the highest EBITDA in over four years.

The impact of Coronavirus was significant with our clubs shut for ten weeks. During this time we continued to provide services to the community with take away sales in food and beverage. Once the club reopened we continued to provide a venue that was safe and clean for the community. Thank you to all members during this time.

With the sale of Kareela and the injection of cash that provided we are continuing to look into additional revenue streams for the group. This includes opportunities at Hammondville Park and Gregory Hills. We are continuing to assess all possibilities and will keep the members informed as these opportunities are realised.

This upcoming financial year we have continued to support the community with over \$235,096 in funding and support. This includes \$149,798 to local sporting codes, such as soccer, rugby league, cricket, netball, baseball, and golf. The club was founded to encourage and foster junior sport in the local area. We are proud that we can provide this funding and continue this tradition.

In addition to this we also sponsor community programs with Australian Kookaburra Kids, Autism Advisory and Support Service, Learning Links, Miracle Babies, Liverpool Neighbourhood Connections and Youth Insearch Foundation. In total we will spend \$85,298 funding these programs. These programs provide essentials service to the community and we are honoured to be able to assist in the provision of these programs.

I'd like to thank my fellow directors for the support they have given me and the Club throughout the year. I am very proud of what we have built and the opportunities we have created for the future. To the management and staff I give my sincere gratitude, it was a tough year, with a lot of hard work and determination to make Sporties the safest venue in the community and I thank them for achieving that.

Lastly I extend my gratitude to the members. Your support throughout the year has been greatly appreciated. I thank you for your loyalty and patronage throughout the year and look forward to seeing you at the club.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Fleeton'.

Robert Fleeton  
President  
Moorebank Sports Club



# CHIEF EXECUTIVE OFFICER'S

## Report



Dear Members,

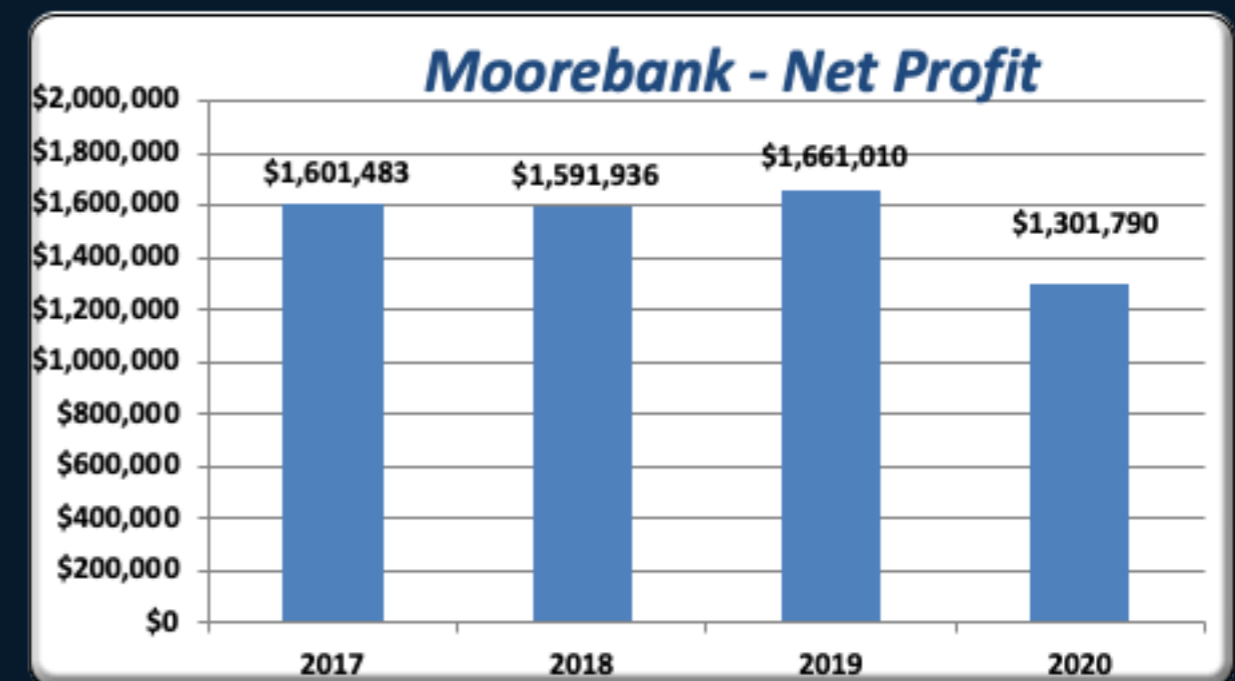
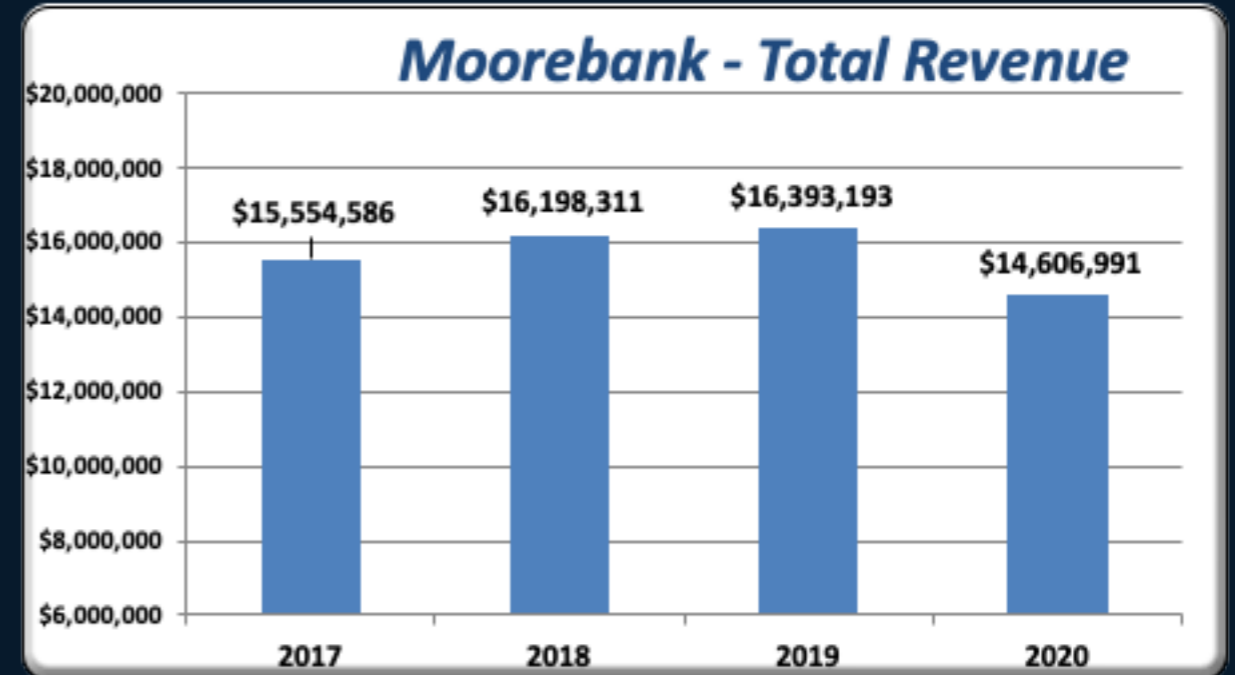
It is with great pleasure that I present the Chief Executive Officer's report for the financial year ending 30th June 2020.

There were significant challenges this year with our clubs closed for ten weeks due to Coronavirus. Despite this closure the club is in a strong financial position with the sale of Kareela and multiple possibilities for the future of Sporties.

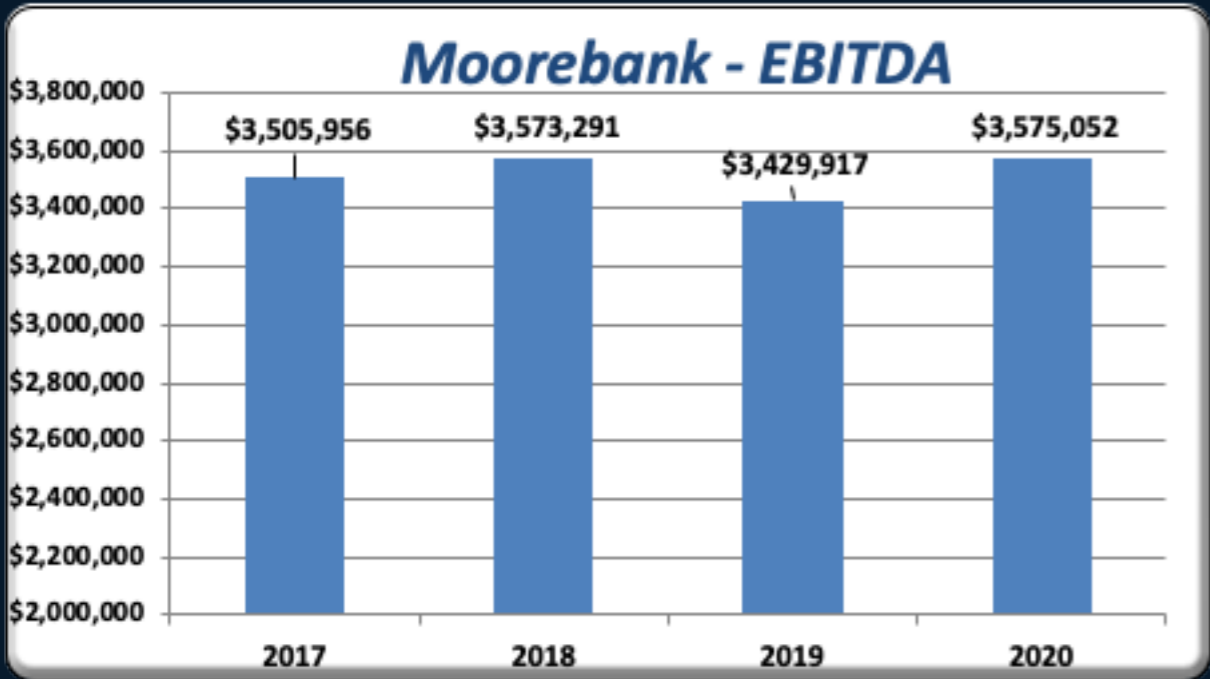
### Moorebank

The shutdown for ten weeks significantly impacted the financial performance of the group. I can confirm prior to shutdown we were experiencing significant growth. Our February year-to-date results had an increase of 11% in revenue and 34% in net profit.

The results on the next page show the end of financial year results for Moorebank;



However, it is with great pride I can say that despite the club closing for ten weeks our EBITDA result was higher than previous years, with an EBITDA of \$3,575,052. As a measurement of cash flow this shows the enormous potential of our Hammondville home and provides the capital to build for our future.



With these positive results we have many exciting opportunities on the horizon at Moorebank and I look forward to discussing these developments with members as they begin to take form.

## Kareela

It was a busy year with the negotiation and de-amalgamation of our Kareela venue to Cronulla Sharks. This opportunity presented many synergies for Sporties, Kareela and Sharks.

As approved by the members at meetings in January 2020 the process of de-amalgamation involved the assets of Kareela moving into the company TCL, which was formed solely for the purpose of the de-amalgamation. The assets transferred into TCL on 29th June 2020. The financial report will show the consequences of that movement with a loss on disposal of \$1,248,184. The transfer of cash from TCL to Sporties occurred in early July 2020 and therefore the cash flow report will not show the benefit of the de-amalgamation to the Sporties Group. That will appear in next year’s financial statements.

At that time, the benefit you will see is that we sold the venue to Cronulla Sharks for \$4.6M (minus some adjustment costs). This injection of cash enabled the club to pay out all debt in July 2020. In addition to this we also transferred over \$1.3 million in assets to the group.

Looking at the venue throughout the entire 2.5 years of ownership shows the success we achieved. In December 2017 we achieved a gain on amalgamation of \$4.8M. Looking at our performance throughout our time at Kareela we can show a \$2.2M net gain from our investment at Kareela. A very positive result from our commitment to that venue.

KAREELA HISTORY	2017/18	2018/19	2019/20	TOTAL
Net Profit / (Loss)	-\$112,820	-\$406,561	-\$843,243	-\$1,362,624
Gain on Amalgamation - 1 December 2017	\$4,834,678	\$ -	\$ -	\$4,834,678
Loss on Sale - 29 June 2020	\$ -	\$ -	-\$1,248,184	-\$1,248,184
Net Gain from Kareela Investment	\$4,721,858	-\$406,561	-\$2,091,427	\$2,223,870

The net loss result from this financial year at Kareela is disappointing. This was a result of the costs associated with the sale to Sharks, flood damage in February, shutting the venue for ten weeks due to Coronavirus and then keeping the venue shut for a further four weeks to expedite a construction project. This project, an insurance claim from the flooding in February, saw the club’s furnishings, carpet, roof and ceiling completely rebuilt and updated.

During the year we changed the structure of golf course maintenance. Feedback from members is that the course has never looked better. With this change and the construction of the clubhouse, Kareela is a fantastic venue and I am confident that the club will have a long and successful legacy in the hands of Cronulla Sharks. We wish them the best for the future.

## Gregory Hills

Throughout this year I have had many questions about Gregory Hills. In February 2019 we received approval of our license. Since that time we have begun the process of analysing the potential of a new club in this area. Completing this exercise became more complicated with the Coronavirus outbreak as it has drastically changed the industry and the economy. We are continuing to conduct our analysis of this potential and will keep members informed once a decision has been made.

## Sporties Group

In 2020 membership grew by 6% with 34,557 members. This also includes approximately 5,000 members from Kareela that have now become members of Cronulla Sharks and therefore over time this membership number will decline.



To the staff of Sporties thank you for your dedication and hard work. The ten week shutdown was a challenging time and shows the determination of our staff to endure anything in the face of adversity. When we reopened the club our staff worked hard to ensure Sporties was one of the safest venues in Sydney and I thank everyone for achieving this. I would like to thank the Board of Directors for their support throughout this difficult time and for their guidance and direction in the management of the club throughout the year.

To the Members, thank you for your loyalty and support. We exist as a community organisation here to serve the membership. Without your support we would not be the club we are today.

Kind Regards,



**Jeff Gibbs**  
CEO  
Sporties Group



# COMMUNITY

## Grants

Over the past 50 years, Sporties has become a hub for the community. Welcoming over 28,000 members through its front doors since 1970. It has become a place for members to enjoy each other's company over a good meal and few drinks, for sporting teams to celebrate a win and for our elderly to relax amongst friends with a game of bingo. Sporties is its community and without it Sporties wouldn't be the venue that it is today.

We are always looking for ways to give back to that community, to make a real and lasting difference to the people who need it the most.

We have proudly supported a range of community groups and charities over the years through the ClubGRANTS scheme, including organisations such as Wheelchair Sports NSW, Autism & Advisory Support NSW, Learning Links and much more.

**"Community is much more than belonging to something; it's about doing something together that makes belonging matter."**





# MIRACLE BABIES

*Foundation*

Miracle Babies Foundation is Australia's leading organisation supporting premature and sick newborns, their families and the hospitals that care for them.

Every year in Australia around 48,000 newborn babies require the help of a Neonatal Intensive Care Unit (NICU) or Special Care Nursery (SCN). 27,000 of these babies are born premature and up to 1,000 babies lose their fight for life.

For families, the experience of having a baby come into the world not as expected or planned is life changing. Without support, this overwhelming and traumatic experience can have lifelong effects on the emotional wellbeing of these miracle families. It affects the entire family unit.

Since 2005, Miracle Babies Foundation has been passionate in developing and providing vital programs and resources to support and enhance a family's experience from a threatened pregnancy, hospital journey with a premature or sick newborn, the transition to home and beyond.

Australia is home to 23 state of the art intensive care units designed to meet the unique and critical needs of our earliest and sickest babies. Working with health professionals on the joint agenda of better outcomes for families, Miracle Babies provides informative education and insight on a family's experience and funding for equipment, resources and research.

## PROJECT: NurtureTime at Liverpool Hospital for families in the NICU with a baby born premature or sick

Miracle Babies will continue NurtureTime in Liverpool Hospital's NICU to support local families with premature and sick newborn babies.

The NICU is a place of machines, alarms, medical terms, strict hygiene, procedures and what can be frightening and/or confusing conversations between parents and the medical staff.

NurtureTime is in-hospital support, facilitated by caring parents who themselves have experienced the birth of premature or sick newborn. They visit the hospital weekly to offer support, guidance and hope to families. Parents, family and friends can ask questions, share their thoughts and feelings, knowing the volunteer/staff member has a shared experience and can validate their feelings. NurtureTime is a vital link between parents' experience in hospital, transitioning effectively to home with their newborn, and accessing ongoing support within the community.

Miracle Babies Foundation will also celebrate parents and babies who are in the NICU on special days. Parents will receive a gift on Mother's Day and Father's Day and babies will receive a gift on Christmas Day. These are such huge "firsts" in a baby's life and being in the NICU is probably not where families expected to be to celebrate them.

**"Better, healthier outcomes for newborns and their families challenged by prematurity and sickness."**

**FUNDING GRANTED:  
\$26,300**





# YOUTH INSEARCH

## Foundation

Youth Insearch runs one of the most successful youth intervention programs in the country. It works with at risk youth aged 14 to 20 supporting them to turn their disadvantages into their advantages, enabling them to reach their full potential. The program has a peer focus, on young people helping young people.

Since 1985 the program has helped almost 32,000 young people rebuild their lives, and assists around 1,000 young people per year across NSW, VIC and QLD.

### PROJECT: NSWRL 'Changing Rooms' – Liverpool LGA

The NSWRL "Changing Rooms" project is a peer support group tied to Junior Rugby League (JRL) training that de-stigmatises mental health, empowering young players to seek support from their teams, coaches and community supports.

The project is designed to educate and provide support to our JRL community (14-20yrs) in coping with life challenges off the field when they aren't dealing with their situations in a positive manner.

The project will be facilitated by NSWRL in partnership with Youth Insearch in the changing rooms of JRL sporting clubs.

The project will be an ongoing offering to all JRL clubs in the Liverpool LGA to support young players dealing with mental health, illness, injury, social inclusion, disabilities and other hardships. This project is currently being piloted in Greater Western Sydney with much interest.

The project provides a space for the young players to talk openly about their well-being, seek support from their peers and set goals.

**"To empower young people to take control of their lives, and play a positive role in society."**



FUNDING GRANTED:  
**\$10,250**

# LIVERPOOL NEIGHBOURHOOD *Connections*

Liverpool Neighbourhood Connections is a grassroots organisation which provides both direct relief from poverty and the tools to create bright futures.

An Inclusive, Safe Space!

The centres are a place for our diverse community to gather, forge new connections and engage in a diverse mix of programs.

The LNC operate from Warwick Farm Community Hub to Moorebank, Heckenberg, Cecil Hills, Lurnea and Casula.

## PROJECT: Fun and Fitness with Boys

'Try Time' is a 10 week program run with LNC, Warwick Farm Primary school and Liverpool Police for year 6 boys. The program is aimed at teaching the boys confidence, leadership skills, anti-bullying techniques, anger management skills and healthy lifestyles through sport and fitness. The program prepares them for high school and to join the LNC Thrive program aimed at High school boys.

This program require sporting equipment to run sports activities with the boys and the final week will celebrate their achievements by offering them to go on an excursion to Tree Tops adventure park Western Sydney.

"Together, we're strong. Everyone in our city should thrive"

FUNDING GRANTED:

**\$1,278**





# LEARNING *Links*

Learning Links works in collaboration with schools, early childhood settings and parents to help children with learning disabilities and difficulties.

These include conditions such as ADHD, high functioning Autism, Dyslexia, Dyscalculia, fine and gross motor delays and speech and language delays. The children are often anxious, have trouble communicating and interacting with others, and many have behavioural issues. In the later years they are often challenged in literacy, numeracy and impacting on their ability to complete education and participate in the community.

Early intervention for young children who experience developmental delays is critical to mitigate the risk of poor educational outcomes later in life. Learning Links is recognised as a pioneer in the area of inclusive early childhood education. At our inclusive preschool, children of all abilities learn side by side, maximising their learning abilities and wellbeing as they progress to primary school.

## **PROJECT: Helping Socio-Economically Disadvantaged Children with Learning Difficulties in Liverpool**

This grant will provide socio-economically disadvantaged children with difficulties learning in Liverpool with free critical intervention services they need to develop and learn, despite their families' inability to afford them.

The impact of the Covid-19 outbreak will have on children's education is likely to be devastating for children with learning disabilities and difficulties. While school closures seem to present a logical solution to enforcing social distancing within communities, prolonged closure will have a disproportionately negative impact on these most vulnerable students who need support. Without the help and support they need they risk falling further and further behind with devastating long-lasting effects.

Learning Links highly skilled professionals will deliver multi-disciplinary services to support these children and families most in need depending on the disadvantaged child's needs, support could be for:

- Diagnostic assessments to identify issues and develop interventions.
- Educational supports—specialist literacy and numeracy using games and play-based methods.
- Speech and language therapy.
- Occupational therapy.
- Psychological assessments, counselling and group.

**"Supporting a community where difficulties learning is no longer a barrier to a fulfilling life"**

**FUNDING GRANTED:  
\$10,000**





# KOOKABURRA *Kids*

The Australian Kookaburra Kids Foundation supports children aged 8-18 years, living in families affected by mental illness. The program provides free evidence-based, age appropriate prevention and early intervention mental health services, embedded within a peer-based social and activity-based format.

## **PROJECT: Mental health early intervention for young people from Liverpool living in families affected by mental illness**

Children aged 8-18 who are living in families affected by mental illness will receive vital mental health early intervention, delivered within a recreational weekend camp. The camp they attend will be age -specific, not only to facilitate friendship -making, but also to ensure tailored psycho -education sessions which build resilience, self-awareness, living skills as means to prevent mental illness in the young person.

The camp facilitates friendships among children who share common experiences, showing them, they are not alone. They participate in fun recreational, creative, social and wellbeing activities together (eg. high ropes, archery, canoeing, quad bikes, craft, art, yoga, board games, movie night). They receive education about mental illness to reduce stigma, blame and de bunk myths, acquiring knowledge to facilitate conversations about mental illness at home, fostering stronger relationships with their families.

They build effective coping skills to bounce back from challenges and adversity, building their resilience, receive counselling, triage of needs and referral to appropriate ongoing supports, where needed.

This funding makes possible the continuation of our engagement with the cohort of 15 kids begun in 2019.

**"Empowering young people to grow beyond the impacts of familial mental illness"**

**FUNDING GRANTED:  
\$14,415**





# AUTISM ADVISORY AND SUPPORT *Service*

AASS provides the only 24 hour Autism Hotline in the world. You can call and discuss any concerns or questions you may have whether you are a carer, professional, front line worker or individual affected by autism.


For parents and carers waiting for a formal assessment and diagnosis, looking for the right intervention and joining the long waiting lists can be extremely overwhelming, confusing and frustrating. AASS will help with unbiased advice, encouragement, guidance and support.

## **PROJECT: AASS 24 Hour Autism Hotline – COVID-19 Crisis help**

The AASS 24 hour Autism Hotline service is available to anyone nationally and internationally. The hotline is manned by volunteers who are parents of children with Autism. Anyone can call the hotline for free, any time, day or night to discuss concerns and questions they may have around Autism. We would like to further develop our hotline and ensure its continuity, and to do that we need to train our volunteers as the calls are increasingly complex.

Due to the Covid -19 Crisis, we have experienced a doubling of calls to our hotline and we anticipate this will continue for the foreseeable future.

**"To empower children and adults with Autism and their families through knowledge and support. To positively impact and influence children and young adults with Autism in their social and emotional development."**



**FUNDING GRANTED:**  
**\$18,655**



# LEARNING *Links*

Learning Links was established in 1972 by parents concerned about the lack of appropriate education and support services to meet their children's needs.

Learning Links works in collaboration with schools, early childhood settings and parents to help children with learning disabilities and difficulties.

These include conditions such as ADHD, high functioning Autism, Dyslexia, Dyscalculia, fine and gross motor delays and speech and language delays. The children are often anxious, have trouble communicating and interacting with others, and many have behavioural issues. In the later years they are often challenged in literacy, numeracy and impacting on their ability to complete education and participate in the community.

Early intervention for young children who experience developmental delays is critical to mitigate the risk of poor educational outcomes later in life. Learning Links is recognised as a pioneer in the area of inclusive early childhood education. At our inclusive preschool, children of all abilities learn side by side, maximising their learning abilities and wellbeing as they progress to primary school.

## **PROJECT: Reading for Life – Supporting disadvantaged children with their Literacy**

Reading for Life is an evidence based program\* designed by a psychologist, teacher and speech pathologist to provide one-on-one support to primary school children with reading disorders, including dyslexia.

A program supporting ten children, will be delivered at Nuwarra Public School. The program will be delivered to children at their school by volunteer "reading buddies". The volunteers will be trained in the nature of learning difficulties and in the delivery of the program with the aim of improving children's reading, self-esteem and confidence.

Reading for Life is a semi-structured program which contains a variety of fun activities and games to encourage children's engagement and interest while building their literacy skills. It also encompasses activities to build children's self-esteem. It ensures children are given individual attention to address their reading difficulties.

Reading for Life targets children who have not responded to any attempts to break through the barriers that prevent them from learning to read.

**"Addressing learning and literacy is important if we want children to have the best chance of success."**

**FUNDING GRANTED:**  
**\$4,400**



# SPORTING *Codes*

Moorebank Sports Club is primarily a club whose vision is to foster amateur sport in the local Hammondville area.

Annually the club donates directly to local sporting codes.

Without this support the codes wouldn't be able to provide essential sporting equipment, maintain the grounds and develop the young local residents who play in the teams.

**"The power of a sports team in a community, it's almost indescribable."  
- Wendell Pierce**



# RUGBY LEAGUE

*Rams*

What a year 2020 has been with COVID shutting down community sports, a season that started with us having two weekends of trials and looking forward to the start and then to be shut down and not knowing if the season would start back up.

Fortunately, the season started back up and all our kids got back to playing footy, the rugby league fielded 29 teams after the shut down which was still an increase from last year. Before the shut down we were looking at fielding 32 teams but unfortunately, we lost three teams which due to the circumstances wasn't too bad considering clubs lost a lot more and some clubs not fielding any teams.

The rugby league fielded teams from u/5's through opens with 2 girls and women's open league tag teams and Sydney shield in the major competition. The club had 4 teams make Grand Finals this year, which was a great effort, we had u/9div1 & both girls and open women's league tag teams making it through to the Grand Final with the u9div1 winning.

Our funding was spent on Junior and Senior presentations, trophies, yearbook, new automatic hand sanitisers, field maintenance & new training equipment.

The club had just over 400 boys and girls registered this year with most participants coming from Holsworthy, Wattle Grove, Moorebank, Hammondville and Chipping Norton. More players came from Campbelltown, Revesby & St George district. The largest enrolments were from the 7's, 8's and 9's with 3 teams in each age group.

The club was fortunate to have 2 Junior players play first grade this year with Tommy Talau playing for the west tigers and Jake Averillo playing at the Bulldogs. Hopefully Moorebank Rugby League will have more Juniors playing first grade in the years to come.

Lastly, thanks to the Sports Club for their ongoing support to the Moorebank Rugby League Club.

## PLAYERS FROM:

HOLSWORTHY | WATTLE GROVE  
MOOREBANK | HAMMONDVILLE  
CHIPPING NORTON

## LARGEST AGE GROUPS

7'S | 8'S | 9'S



# 400 PLAYERS

# 4 GRAND FINALIST

# MOOREBANK

## Soccer Club

With the year beginning with so much uncertainty, finally by July, the 2020 football season began with much enthusiasm. It was great to see all our members enjoying their football again.

This year we participated in the district's Premier League. It is hoped that the establishment of these senior teams will inspire our younger players to continue playing this great game at our club. Of our other 30 competitive teams, 17 reached the semi-finals, 8 were grand finalists.

This year the grand final games will be held on the October long weekend and the following week, where Hammondville Park, along with other clubs will host a variety of games across various age groups. We hope to see a number of Moorebank Soccer Club teams playing in these grand finals and wish everyone well.

This year saw rules and restrictions change the normal activities around the grounds. However we were still able to host grass roots and skills training for approximately 45 coaches, continuing our commitment to supporting our volunteers. The club held two school holiday clinics in July and September where at least 70 children of all ages eagerly participated. With the uncertainties of this year, the club was very pleased to have been able to hold these events.

A number of new sponsors were welcomed into the club from a range of local businesses and we hope that their contributions continue into the future. Money raised by the club through sponsorship was used to improve the grounds and facilities and for the purchase of new player equipment. A major improvement to our grounds was the installation of lights on fields 1, 3 and 4 which players enjoyed during training this year.

A large number of people and organisations must be thanked for the continuing success of the club. The ongoing support from Sporties ensures that our players and coaches have access to the equipment and training they need to continue to develop their skills and enjoy playing our game. We thank all our long term and new sponsors for their contribution to our soccer community as well as all our volunteer coaches, managers and parents who give up their time for the success of our club.

A special thank you to our wonderful committee members who work tirelessly to ensure the club remains organised and runs successfully. Their time and energy is essential to the running of the club and their efforts are to be commended after facing many new challenges this year.

Yours in sport,

**Daniel Flego**  
President MSSC

**LARGEST  
AGE GROUPS  
U5'S | U16'S**

**873  
PLAYERS**



**MINOR PREMIERS  
3 TEAMS**

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Moorebank Sports Club Limited and its Controlled Entity

ABN 21 002 081 905

Annual Financial Report  
30 June 2020

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# Moorebank Sports Club Limited and its Controlled Entity

## Directors' Report

The directors present their report together with the financial statements of Moorebank Sports Club Limited (the company) and its controlled entity ('the consolidated entity'), for the year ended 30 June 2020.

### 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 (s)
Robert Fleeton	President	Appointed 7 December 1990	Retired
Laurence Willoughby	Vice President	Appointed 27 February 2017	Semi-Retired
Francis Griffin	Treasurer	Appointed 30 October 2016	Retired
Philip Sampson	Director	Appointed 30 October 2011	Company Director, General Manager Dip. FMBM.
Dennis Errington	Director	Appointed 30 October 2011	Industrial Sales
Monica Stephens-Saliba	Director	Appointed 30 March 2020	Banking Professional
Brenton Taylor	Director	Appointed 30 October 2016	Chief Executive Officer MPPA, Dip Law (LPAB), GDLP, GCAM, GAICD, Legal Practitioner
Stephen Keegan	Resigned	Resigned 17 November 2019	Semi-Retired

### 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	20	20
Laurence Willoughby	19	20
Francis Griffin	19	20
Dennis Errington	18	20
Philip Sampson	17	20
Monica Stephens-Saliba	4	4
Brenton Taylor	18	20
Stephen Keegan	10	10

\* 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 2020 and the comparison with last year is as follows:

	2020	2019
Ordinary	33,953	31,833
Life	19	18
Perpetual	57	56
Golf	528	503
	<hr/>	<hr/>
	34,557	32,410
	<hr/>	<hr/>

# Moorebank Sports Club Limited and its Controlled Entity

## 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. The total amount that the members of the company are liable to contribute if the company is wound up is \$691,140 (2019: \$648,200).

### Operating result

The net profit before tax from continuing operations for the year amounted to \$1,297,326 compared with profit of \$1,729,214 for the prior year. This resulted after receiving \$644,000 in government grants (JobKeeper stimulus) (2019: nil) and charging \$2,273,078 (2019: \$1,763,795) for depreciation/amortisation. The net loss for the year was \$799,387 (2019: profit of \$1,251,788) after charging \$2,091,427 for losses on discontinued operations (2019: loss of \$474,001) and charging \$5,286 (2019: \$3,425) for income tax.

### Objectives

#### Short term

In the short term the Company's 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.

# Moorebank Sports Club Limited and its Controlled Entity

## 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 (from continuing operations)

	2020	2019
<b>Bar</b>		
Gross profit percentage	56.32%	56.40%
Wages to sales percentage	21.09%	24.69%
<b>Wages and salaries - percentage of total revenue</b>	<b>22.30%</b>	<b>27.41%</b>
<b>EBITDA - percentage of revenue</b>	<b>24.73%</b>	<b>21.50%</b>

# Moorebank Sports Club Limited and its Controlled Entity 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 2020.

A handwritten signature in black ink, appearing to read 'R. Fleeton', followed by a horizontal line.

**Robert Fleeton**  
President

## DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF MOOREBANK SPORTS CLUB LIMITED

As lead auditor of Moorebank Sports Club Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect to Moorebank Sports Club Limited and the entity it controlled during the period.



Clayton Eveleigh  
Director

**BDO Audit Pty Ltd**

Sydney, 28 September 2020

## INDEPENDENT AUDITOR'S REPORT

To the members of Moorebank Sports Club Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Moorebank Sports Club Limited (the Company) and its Subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of members' funds and the consolidated statement of cash flows for the year then ended, and consolidated notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the directors 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.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit Pty Ltd**



Clayton Eveleigh  
Director

Sydney, 28 September 2020

# Moorebank Sports Club Limited and its Controlled Entity

## Directors' 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 35, 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 2020 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 2020.

A handwritten signature in black ink, appearing to read 'R Fleeton', with a small horizontal line at the end.

**Robert Fleeton**  
President

Moorebank Sports Club Limited and its Controlled Entity  
Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
<b>Continuing operations</b>			
<b>Revenue and other income</b>			
Sale of goods revenue		2,975,536	4,103,472
Rendering of services revenue		11,287,942	11,869,616
Other income		291,743	427,724
		<hr/>	<hr/>
Total revenue and other income	1	14,555,221	16,400,812
		<hr/>	<hr/>
<b>Expenses</b>			
Raw material and consumables used		(1,342,304)	(1,858,772)
Depreciation and amortisation expenses	2	(2,273,078)	(1,763,795)
Employee benefits expense		(3,240,152)	(4,495,368)
Entertainment, marketing and promotional costs		(1,821,587)	(1,737,778)
Poker machine licences and taxes		(2,691,528)	(2,793,901)
Finance costs	2	(23,220)	(32,347)
Occupancy expenses		(1,013,647)	(1,108,798)
Donations and grants paid		(133,756)	(117,724)
Other expenses		(718,624)	(763,115)
		<hr/>	<hr/>
Total expenses		(13,257,896)	(14,671,598)
		<hr/>	<hr/>
<b>Profit before income tax</b>		1,297,325	1,729,214
Income tax expense	3(a)	(5,285)	(3,425)
		<hr/>	<hr/>
<b>Net profit/(loss) after income tax expense from continuing operations attributable to members</b>		1,292,040	1,725,789
		<hr/>	<hr/>
<b>Discontinued operations</b>			
Profit/(loss) after tax from discontinued operations	4	(2,091,427)	(474,001)
		<hr/>	<hr/>
<b>Profit/(loss) for the year</b>		(799,387)	1,251,788
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		(799,387)	1,251,788
		<hr/>	<hr/>

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 35.

Moorebank Sports Club Limited and its Controlled Entity  
Consolidated Statement of Financial Position  
As at 30 June 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	3,645,336	2,045,824
Trade and other receivables	6	5,062,775	123,674
Inventories		133,546	204,726
Prepayments		216,988	138,864
Current tax assets	3(b)	-	491
Assets held for sale	4	126,891	-
<b>Total Current Assets</b>		<b>9,185,536</b>	<b>2,513,579</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	22,232,034	27,557,120
Intangible assets	8	3,632,105	4,588,912
Deferred tax assets	3(c)	23,425	28,710
<b>Total Non-Current Assets</b>		<b>25,887,564</b>	<b>32,174,742</b>
<b>Total Assets</b>		<b>35,073,100</b>	<b>34,688,321</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	2,501,379	1,822,159
Employee benefits	11	227,598	270,689
Lease liabilities	12	319,368	195,338
Income received in advance		129,602	204,691
Liabilities held for sale	4	126,890	-
<b>Total Current Liabilities</b>		<b>3,304,837</b>	<b>2,492,877</b>
<b>Non-Current Liabilities</b>			
Financial liabilities	10	4,500,000	4,500,000
Employee benefits	11	152,005	218,903
Lease liabilities	12	430,335	1,802
Income received in advance		207,467	196,896
<b>Total Non-Current Liabilities</b>		<b>5,289,807</b>	<b>4,917,601</b>
<b>Total Liabilities</b>		<b>8,594,644</b>	<b>7,410,478</b>
<b>Net Assets</b>		<b>26,478,456</b>	<b>27,277,843</b>
<b>Members' Funds</b>			
Retained profits		21,643,778	22,443,165
Reserves	13	4,834,678	4,834,678
<b>Total Members' Funds</b>		<b>26,478,456</b>	<b>27,277,843</b>

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 35.

Moorebank Sports Club Limited and its Controlled Entity  
Consolidated Statement of Changes in Members' Funds  
For the Year Ended 30 June 2020

	Reserve \$	Retained Earnings \$	Total Members' Funds \$
<b>Balance at 1 July 2018</b>	4,834,678	21,191,377	26,026,055
Net profit for the year	-	1,251,788	1,251,788
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,251,788	1,251,788
<b>Balance at 30 June 2019</b>	4,834,678	22,443,165	27,277,843
Net loss for the year	-	(799,387)	(799,387)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(799,387)	(799,387)
<b>Balance at 30 June 2020</b>	4,834,678	21,643,778	26,478,456

The Consolidated Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 13 to 35.

Moorebank Sports Club Limited and its Controlled Entity

**Consolidated Statement of Cash Flows**

**For the Year Ended 30 June 2020**

	<b>Note</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Cash Flows From Operating Activities</b>			
Receipts from customers (including GST)		14,866,452	23,687,990
Payments to suppliers and employees (including GST)		(11,109,052)	(20,931,842)
Interest received		4,788	11,185
Rent received		286,955	681,892
Finance costs paid	2	(23,220)	(32,347)
Income tax paid	3(b)	-	1,877
Government grants - JobKeeper		644,000	-
		<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>		<b>4,669,923</b>	<b>3,418,755</b>
		<hr/>	<hr/>
<b>Cash Flows From Investing Activities</b>			
Proceeds from sale of property, plant and equipment		114,954	88,474
Payment for property, plant and equipment		(1,841,667)	(3,863,786)
Increase in cash and cash equivalents - held for sale		53,786	-
Payment for intangible assets		(1,122,227)	(1,283,239)
		<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>		<b>(2,795,154)</b>	<b>(5,058,551)</b>
		<hr/>	<hr/>
<b>Cash Flows From Financing Activities</b>			
Repayment of lease liabilities		(275,257)	(200,623)
		<hr/>	<hr/>
<b>Net cash outflow from financing activities</b>		<b>(275,257)</b>	<b>(200,623)</b>
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		<b>1,599,512</b>	<b>(1,840,419)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>2,045,824</b>	<b>3,886,243</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>	5	<b>3,645,336</b>	<b>2,045,824</b>
		<hr/>	<hr/>

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 35.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements For the Year Ended 30 June 2020

### About this report

Moorebank Sports Club Limited is a company limited by guarantee, incorporated and domiciled in Australia. The financial statements are for Moorebank Sports Club Limited as a standalone legal entity.

The financial statements were approved for issue by the Directors on 28<sup>th</sup> September 2020. The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the Corporations Act 2001 and Australia Accounting Standards - Reduced Disclosure Requirements of the Australia Accounting Standards Board;
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

### **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

### *AASB 16 Leases*

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

### *Impact of adoption*

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. There was no significant difference from the adoption of AASB 16 on the company disclosed in applying AASB 117 at the end of the annual reporting period 30 June 2020 after having discounted the commitments using the incremental borrowing rate at 1 July 2019.

### *AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities*

AASB 15 is applicable to annual reporting periods beginning on or after 1 January 2019. However, per AASB 1058 application has been deferred by one year for not-for-profit entities. This standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### *AASB 1058 Income of Not-for-Profit Entities*

The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

#### Impact of adoption

AASB 15 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. The adoption did not have a material impact on the financial performance or position of the Company as at 30 June 2020 or on opening retained earnings as at 1 July 2019.

#### **Critical Accounting Judgements, Estimates and Assumptions**

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Impairment of non-financial assets	Note 7
Estimation of useful lives of assets	Note 7
Intangible Assets	Note 8
Long service leave liability	Note 11

Moorebank Sports Club Limited and its Controlled Entity

Notes to the Financial Statements

For the Year Ended 30 June 2020

	2020 \$	2019 \$
<b>1 Revenue And Other Income</b>		
<b>Sale of Goods Revenue</b>		
Bar Sales	2,975,536	3,468,000
Catering Sales - Cafe	-	635,472
	<hr/>	<hr/>
	2,975,536	4,103,472
	<hr/>	<hr/>
<b>Rendering of Services Revenue</b>		
Poker Machines - Net Clearances	10,918,938	11,412,933
Members' Subscriptions	99,616	96,390
Commission Received	205,045	279,583
Sundry Income	64,343	80,710
	<hr/>	<hr/>
	11,287,942	11,869,616
	<hr/>	<hr/>
<b>Other Income</b>		
Interest received	4,788	11,089
Rent received	286,955	383,754
Gain on Disposal - Property, Plant and Equipment	-	32,881
	<hr/>	<hr/>
Total Other Income	291,743	427,724
	<hr/>	<hr/>
<b>Total Revenue</b>	<hr/> <b>14,555,221</b> <hr/>	<hr/> <b>16,400,812</b> <hr/>

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 1 Revenue and Other Income (continued)

#### **Recognition and Measurement**

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. Transfer 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 of revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied that is on delivery of goods to the customer.

#### **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 at a point in time 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.

#### **Rental Revenue**

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

#### **Government Grants**

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Where the grant relates to an expense item, it will be recognised over the periods that the related costs are expensed. The company has chosen to present cash grants relating to JobKeeper net against payroll costs.

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020

	2020 \$	2019 \$
<b>2 Expenses</b>		
Profit before income tax includes the following specific expenses:		
<b>Finance costs</b>		
Other borrowing costs	23,220	32,347
<b>Total Finance costs</b>	23,220	32,347
<b>Depreciation</b>		
Buildings	537,839	487,184
Plant and equipment	716,253	458,070
Poker machines	872,839	818,541
<b>Amortisation</b>		
Leased assets	146,147	-
<b>Total Depreciation and Amortisation</b>	2,273,078	1,763,795
<b>Movements in provision for employee benefits</b>	277,374	267,781
<b>Defined contribution superannuation expense</b>	366,886	461,997
<b>Loss on Disposal - Property, Plant and Equipment</b>	24,191	-

## Recognition and Measurement

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.

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020

### 3 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.

	2020 \$	2019 \$
The amount set aside for income tax in the statement of financial performance has been calculated as follows:		
Net income subject to tax	-	-
Current income tax applicable to above at rate of 27.5% (2019: 27.5%)	-	-
Movement in deferred tax asset	5,285	3,425
Income tax expense	5,285	3,425

#### (b) Current Tax Asset

Movements during the year:		
Balance at beginning of year	(491)	(2,368)
Income tax paid	-	1,877
Current year's income tax expense on profit	-	-
Over provision last year	491	-
	-	(491)

#### (c) Deferred Tax Assets

The balance comprises temporary differences attributable to:

<i>Amounts recognised in profit or loss</i>		
Employee benefits	23,425	28,710
Tax losses	-	-
Net deferred tax assets	23,425	28,710
Movements:		
Opening balance at 1 July	28,710	32,135
Credited to the Statement of Profit or Loss and Other Comprehensive Income	(5,285)	(3,425)
Closing balance at 30 June	23,425	28,710

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 3 Income Tax (continued)

##### Tax matters

The company is currently undertaking a consultation process with the ATO in relation to taxation on the sale of Sporties @ Kareela and the associated cost base to determine any capital gain or loss on the sale. At the date of this report, the company estimates no capital gain will arise from the sale however this is dependent on a final outcome being determined by the ATO. The income tax provision noted above does not include any provision for a capital gain.

##### 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 association. 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 associations continue not to be taxed on receipts from contributions and payments received from members.

##### Recognition and Measurement

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 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:

Deferred tax assets are recognised for deductible temporary differences and 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 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.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020 (continued)

#### 4 Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, arising from employee benefits and financial assets.

The Group is actively seeking to dispose of Kareela Golf Course Operations Pty Ltd. Finalisation of this disposal is expected within the next 12 months. As a result, financial activities associated with this business unit have been classified as Assets and Liabilities Held for Sale in the Statement of Financial Position and as Discontinued Operations in the Statement of Comprehensive Income.

Also, on 29 June 2020, Sporties @ Kareela was disposed which is reported in the current period as a discontinued operation. The financials results of this business unit will also be classified as Discontinued Operations in the Statement of Profit or Loss and Other Comprehensive Income.

The Group has reclassified both current and prior year financial performance of the business units for disposal as discontinued operation. This comprises the following amounts:

	2020 \$	2019 \$
Sale of goods revenue	2,723,013	3,500,092
Rendering of services revenue	1,459,011	2,054,161
Other income	186,724	236,244
Raw material and consumables used	(682,686)	(1,072,324)
Depreciation and amortisation expenses	(549,007)	(675,713)
Employee benefits expense	(1,227,287)	(2,199,469)
Entertainment, marketing and promotional costs	(578,634)	(586,742)
Poker machine licences and taxes	(319,627)	(429,207)
Finance costs	(11,553)	(14,991)
Occupancy expenses	(805,489)	(814,743)
Donations and grants paid	(66,345)	(109,008)
Other expenses	(971,363)	(362,301)
Loss on disposal of discontinued operations	(1,248,184)	-
<b>Loss for the year from discontinued operations</b>	<b>(2,091,427)</b>	<b>(474,001)</b>

The Group has reclassified all assets and related liabilities intended to be disposed as follows:

	2020 \$	2019 \$
Assets held for sale	126,891	-
Liabilities held for sale	126,890	-
<b>Net assets directly associated with disposal group</b>	<b>1</b>	<b>-</b>

Net cash outflows from operating activities of the discontinued operation was \$774,295 for the year-ended 30 June 2020.

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020 (continued)

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:

	2020 \$	2019 \$
Cash and cash equivalents	1,433,496	1,763,103
Short term deposits	2,211,840	282,721
	<hr/>	<hr/>
	3,645,336	2,045,824
	<hr/>	<hr/>

Recognition and Measurement

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.

6 Trade and Other Receivables

	2020 \$	2019 \$
Accrued income	306,000	21,000
Sundry debtors	4,756,775	102,674
	<hr/>	<hr/>
	5,062,775	123,674
	<hr/>	<hr/>

Sundry debtors includes the balance receivable for the sale of Sporties @ Kareela.

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020

	2020 \$	2019 \$
<b>7 Property, Plant and Equipment</b>		
Freehold Land <i>At Cost</i>	5,860,445	6,860,445
Buildings <i>At Cost</i> <i>Accumulated Depreciation</i>	14,534,802 (4,491,114)	17,237,259 (4,098,078)
	10,043,688	13,139,181
Total Land and Buildings	15,904,133	19,999,626
Plant and equipment <i>At cost</i> <i>Accumulated depreciation</i>	6,927,016 (4,368,662)	8,209,685 (4,414,374)
	2,558,354	3,795,311
Poker Machines <i>At cost</i> <i>Accumulated depreciation</i>	5,192,566 (3,858,076)	6,372,432 (4,122,791)
	1,334,490	2,249,641
Leased Assets <i>At capitalised cost</i> <i>Accumulated depreciation</i>	1,154,244 (472,572)	569,196 (569,196)
	681,672	-
Capital Works in Progress <i>At cost</i>	1,753,385	1,512,542
Total property, plant and equipment net book value	22,232,034	27,557,120

Refer to Note 10 for details of security over property, plant and equipment.

Moorebank Sports Club Limited and its Controlled Entity

Notes to the Financial Statements

For the Year Ended 30 June 2020

7 Property, Plant and Equipment (continued)

Valuation

The independent valuation of the company's land and buildings was carried out as at 30 June 2020 by Nicholas Brady Valuations (Registered API Member 68548) on the basis of open market value for existing use resulted in a valuation of land at \$10,550,000 and buildings at \$13,450,000.

	2020 \$	2019 \$
Reconciliations		
<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>Land</b>		
Carrying amount at beginning of year	6,860,445	6,860,445
Disposal - discontinued operations	(1,000,000)	-
	<hr/>	<hr/>
Carrying amount at end of year	5,860,445	6,860,445
	<hr/>	<hr/>
<b>Buildings</b>		
Carrying amount at beginning of year	13,139,181	13,199,200
Additions	28,852	521,664
Disposal	-	(175,060)
Disposal - discontinued operations	(2,731,309)	-
Depreciation expense	(537,839)	(487,184)
Disposal depreciation	144,803	80,561
	<hr/>	<hr/>
Carrying amount at end of year	10,043,688	13,139,181
	<hr/>	<hr/>
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	3,795,311	2,257,831
Additions	498,944	2,266,183
Disposals	(175,304)	(747,824)
Disposal - discontinued operations	(1,282,552)	-
Depreciation expense	(716,253)	(458,070)
Disposal depreciation	438,208	477,191
	<hr/>	<hr/>
Carrying amount at end of year	2,558,354	3,795,311
	<hr/>	<hr/>

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020

7 Property, Plant and Equipment (continued)

	2020 \$	2019 \$
<b>Poker Machines</b>		
Carrying amount at beginning of year	2,249,641	2,516,882
Additions	245,208	728,104
Disposals	(971,244)	(424,078)
Disposals - discontinued operations	(72,989)	-
Depreciation expense	(872,839)	(818,541)
Disposal depreciation	756,713	247,274
Carrying amount at end of year	1,334,490	2,249,641
<b>Leased Assets</b>		
Carrying amount at beginning of year	-	569,196
Additions	827,820	-
Disposals	(242,772)	-
Amortisation expense	(146,148)	(569,196)
Amortisation on disposal	242,772	-
Carrying amount at end of year	681,672	-
<b>Capital Works in Progress</b>		
Carrying amount at beginning of year	1,512,542	1,164,707
Additions	240,843	347,835
Carrying amount at end of year	1,753,385	1,512,542

**Capitalisation of borrowing costs**

The Company's property, plant and equipment include borrowing costs arising from bank loans borrowed specifically for the purpose of the purchase of land. During the financial year, the borrowing costs capitalised as cost of property, plant and equipment amounted to \$167,335 (2019: \$214,227). The rate used to determine the amount of borrowing costs eligible for capitalisation was 2.32%. (2019: 3.17%), which is the effective interest rate of the specific borrowing.

**Core Property**

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

**Non-Core Property**

Lot 1000 in Deposited Plan 1214963 at Gregory Hills

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

## 7 Property, Plant and Equipment (continued)

### Recognition and Measurement

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. 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.

### 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.

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.

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 depreciated when completed and ready for use.

### Right-of-use asset

The Company leases plant and equipment under agreements between 2 to 5 years. There are no options to extend under these lease agreements.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

## 7 Property, Plant and Equipment (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### 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.

### Key estimate and Judgement: Estimated useful lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. 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.

## 8 Intangible Assets

	2020 \$	2019 \$
Poker machine entitlements		
<i>At cost</i>	3,632,105	4,588,912
<i>Accumulated amortisation</i>	-	-
	<hr/>	<hr/>
Net carrying value	3,632,105	4,588,912
	<hr/>	<hr/>

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Poker machine entitlements</b>		
Opening net book amount	4,588,912	3,305,673
Disposals - discontinued operations	(2,079,034)	-
Additions	1,122,227	1,283,239
	<hr/>	<hr/>
Carrying amount at end of year	3,632,105	4,588,912
	<hr/>	<hr/>

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 8 Intangible Assets (continued)

##### Recognition and Measurement

###### 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 and are carried at cost less accumulated impairment losses. Poker machine entitlements are not considered to have an active market; hence the fair value is calculated using the value in use method based on management's five year forecasts.

As discussed above, 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.

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. 2.05% (2019: 3.17%) pre-tax discount rate
- b. 3.00% (2019: 3.00%) per annum projected revenue growth rate
- c. 5.00% (2019: 5.00%) 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 80% 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 15 times 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.

Moorebank Sports Club Limited and its Controlled Entity  
Notes to the Financial Statements  
For the Year Ended 30 June 2020

	2020 \$	2019 \$
<b>9 Trade and Other Payables</b>		
Trade payables	386,265	855,850
Goods and Services Tax (GST) payable	616,974	206,638
Other payables and accrued expenses	1,498,140	759,671
	<hr/>	<hr/>
	2,501,379	1,822,159
	<hr/>	<hr/>

**Recognition and Measurement**

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.

	2020 \$	2019 \$
<b>10 Financial Liabilities</b>		
<b>Non-Current Secured</b>		
Market Rate Loan	4,500,000	4,500,000
	<hr/>	<hr/>
	4,500,000	4,500,000
	<hr/>	<hr/>

**Financing Arrangements**

The company has access to the following lines of credit:

Total facilities available:		
Market Rate Loan	6,000,000	6,000,000
Credit card facility	30,000	30,000
	<hr/>	<hr/>
	6,030,000	6,030,000
	<hr/>	<hr/>
Facilities utilised at reporting date:		
Market Rate Loan	4,500,000	4,500,000
	<hr/>	<hr/>
	4,500,000	4,500,000
	<hr/>	<hr/>

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

## 10 Financial Liabilities (continued)

### Financing Arrangements

#### Market Rate Loan

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

#### Repayable

The facility is based on a variable interest rate which at year end was 2.05%. The facility repayment terms are interest only until repayable in full at maturity date on 26 June 2023.

#### Security

The market rate loan 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.

#### Loan Covenant

During the year there was a breach in covenants due to reduced number of poker machines in operation due to social distancing restrictions. A waiver was obtained as at 30 June 2020.

#### Recognition and Measurement

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.

Moorebank Sports Club Limited and its Controlled Entity

Notes to the Financial Statements

For the Year Ended 30 June 2020

	2020 \$	2019 \$
<b>11 Employee Benefits</b>		
Current	227,598	270,689
Non-current	152,005	218,903

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	1.19%	1.30%
Discount rate	2.35%	2.68%
Settlement term (years)	6.50yrs	6.34yrs

### Superannuation Plans

#### Contributions

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

### Recognition and Measurement

#### Wages, Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual 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.

#### 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

#### Key estimate and judgement

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.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

For the Year Ended 30 June 2020

	2020 \$	2019 \$
12 Lease Liabilities		
Current Lease liabilities	319,368	195,338
Non-current Lease liabilities	430,335	1,802

### Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate (2.05%). Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Lease liabilities are secured over the rights to the hire purchase assets recognised in the statement of financial position which will revert to the lessor if the company defaults.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

	2020 \$	2019 \$
13 Reserves		
Amalgamation reserve	4,834,678	4,834,678
	4,834,678	4,834,678

#### Reserves

The reserve is used to recognised the net gain on amalgamation, arising from the acquisition of Sporties @ Kareela and Kareela Golf Course Operations Pty Ltd in 2018.

## 14 Contingent Liabilities

### Bank Guarantees

The company has given the following bank guarantees:

TAB Limited	5,000	5,000
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# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 15 Key Management Personnel Details

##### (a) Directors

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

Robert Fleeton  
 Laurence Willoughby  
 Francis Griffin  
 Philip Sampson  
 Dennis Errington  
 Monica Stephens-Saliba (appointed 30 March 2020)  
 Brenton Taylor  
 Stephen Keegan (resigned 17 November 2019)

##### (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:

<b>Name</b>	<b>Position</b>
Jeff Gibbs	Chief Executive Officer
Troy Crisp	Chief Financial Officer
Matthew Cavanagh	Chief Operating Officer
Alison Hester	People & Culture Manager (Commenced 6 April 2020)
Ashley Lambert	Beverage & Operations Manager
Melinda McIlwaine	Marketing Manager
John Baresic	Facilities Manager (Resigned 22 January 2020)

##### (c) Key Management Personnel Compensation

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Benefits and payments made to the Directors and Other Key Management Personnel named in (b) above	913,562	949,164

##### (d) 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.

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.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 16 Related Parties

##### (a) Key Management Personnel

Disclosures relating to key management personnel are set out in Note 15.

##### (b) 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.

##### (c) Director Related Employees

The Company employs a relative of a current director of the club. The terms of employment for the individual is in accordance with a normal employee relationship with the Company. The individual received no conditions more favourable than those which are reasonable to expect that they would have received if there had been no relationship with a Director.

#### 17 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 2020 there were 33,953 Ordinary Members, 19 Life Members, 57 Perpetual Members and 528 Golf Members (2019: 31,833 Ordinary Members, 18 Life Members, 56 Perpetual Members and 503 Golf Members).

The registered office of the company is:

230 Heathcote Road  
HAMMONDVILLE NSW 2170

#### 18 Events Subsequent to Reporting Date

The Company repaid the Market Loan in full subsequent to the year end.

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

## 19 Controlled Entity

The controlled entity of Moorebank Sports Club Limited is:

- Kareela Golf Course Operations Pty Ltd

The controlled entity is incorporated in Australia.

	<b>Consolidated percentage interest</b>	
	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Kareela Golf Course Operations Pty Ltd *	100%	100%

\*Currently classified as held for sale

## 20 Parent Entity Information

The following information relates to the parent entity, Moorebank Sports Club Limited. The information presented has been prepared using accounting policies that are consistent to the consolidated entity.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Current assets	9,058,649	2,385,569
Non-current assets	25,892,851	31,933,044
<b>Total assets</b>	<b>34,951,500</b>	<b>34,318,613</b>
Current liabilities	3,177,947	2,321,182
Non-current liabilities	5,289,807	4,850,372
<b>Total liabilities</b>	<b>8,467,754</b>	<b>7,171,554</b>
<b>Net assets</b>	<b>26,483,746</b>	<b>27,147,059</b>
Retained earnings	21,649,068	22,312,381
Reserve	4,834,678	4,834,678
<b>Total members' funds</b>	<b>26,483,746</b>	<b>27,147,059</b>
Profit for the year	663,313	1,128,422
<b>Total comprehensive income for the year</b>	<b>663,313</b>	<b>1,128,422</b>

# Moorebank Sports Club Limited and its Controlled Entity

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

## 20 Parent Entity Information (continued)

### Contingent Liabilities

Contingent liabilities are disclosed in Note 14.

### Operating Lease Commitments

There are no operating lease commitments (2019: Nil).

## 21 Summary of Other 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) 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.

### (b) Comparatives

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

### (c) 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.