



ANNUAL REPORT

2018 | 19



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CCLC MISSION STATEMENT

To provide a sustainable multifaceted venue providing first class services to meet the current and evolving needs of members, guests and the broader community.

CCLC VISION STATEMENT

We will create an innovative environment and are committed to: offering a welcoming, caring and exciting leisure experience for our guests; providing an inspired, learning-oriented and customer-driven workplace; and making a lasting positive contribution to our community.

BOARD OF DIRECTORS



FRONT Edward Johnson (Deputy Chairman), Michael Dowling (Chairman)
BACK Michael Bell, Andrew Dickson, Andrew Mackenzie, Stephen Naven, Ray Southernen OAM

OFFICE BEARERS

PATRONS R G Maher OBE, L J Maher OAM

CHAIRMAN Michael Dowling

DEPUTY CHAIRMAN Edward Johnson

LIFE MEMBERS

R G Maher OBE, J J McInerney (dec'd), R L Dibben (dec'd), N H Adams (dec'd), W A Cleary (dec'd), A E Davis (dec'd), J S Atkins (dec'd), S F Gregory OAM (dec'd), J T Harpur (dec'd), R G Mills (dec'd), J A Nagle (dec'd), I W Pannowitz (dec'd), D B Picton (dec'd), R J Allen OAM (dec'd), L J Maher OAM, G G Needham, P A Reynolds (dec'd), B R Cook (dec'd), R P Clark, G A Clark, T O Andrews, E Johnson.

MANAGEMENT

Bill Clegg - Interim CEO, Peter Correy - Chief Financial Officer, Julie Barnes - Human Resource Manager, Danielle Terry - Marketing Manager, Matthew Craig - Facilities Manager, Anthony Ryan - Gaming & Operations Manager, Philip Brown - Assistant Operations Manager.

NOTICE OF MEETING

Notice is hereby given that the Forty-Seventh Annual General Meeting of Central Coast Leagues Club Limited will be held in the Club's rooms at Dane Drive, Gosford on Wednesday 20 November, 2019 at 7.00 pm.

AGENDA

1 Opening

2 Attendance and quorum

3 Apologies

4 Receipt of the minutes of the previous Annual General Meeting

5 Receipt and consideration of the Club's Financial Report, the Directors' Report and the Auditor's Report, for the year ended 30 June 2019

6 Ordinary Resolution: Appointment of Patrons

To separately consider and if thought fit, pass each of the following resolutions for appointing patrons of the club.

That R G Maher OBE be re-appointed as a patron of the Club.

That L J Maher OAM be re-appointed as a patron of the Club.

EXPLANATORY NOTE Ordinary resolution - Appointment of Patrons

The Board unanimously recommends each of the proposed patrons, in accordance with Rule 13.1 of the Club's Constitution.

It is the intention that each appointment will be effective until the next AGM. A patron is an Honorary Member for the duration of their appointment as a patron.

7 Ordinary Resolution: Honorarium - Directors

To consider and if thought fit, pass the following ordinary resolution:

That the members approve the payment of an honorarium at the rate of \$1000 per month, payable monthly in arrears and pro-rated on a daily basis for any broken period of less than a calendar month at the start or end of their term, to each Director of the Club in respect of their service on the Board until the next Annual General Meeting. The Chairperson is to receive an additional \$500 per month.

EXPLANATORY NOTE Ordinary Resolution - Honorarium – Directors

An honorarium may only be paid where approved by a resolution passed at a general meeting. Under section 10(6)(a) of the Registered Clubs Act, the only members entitled to vote on this resolution are the members who are entitled to vote at the annual election of the Board. Honoraria have not increased since being introduced in 2014. The amount of the proposed honorarium has been independently benchmarked against similar-sized clubs and is appropriate considering the additional workload of Directors with the proposed masterplan redevelopment. It is at the discretion of an individual Director as to whether they accept the honorarium. In addition, a compulsory superannuation contribution may be payable. The present Board unanimously recommends the proposed resolution.

8 Elections

To elect three Ordinary Directors, in accordance with the Constitution (if elections are required).

EXPLANATORY NOTE Elections

In accordance with Rule 19 of the Club's Constitution, there are two vacancies to be filled on the Board. Those two vacancies arise under Rule 19 in the usual course. The successful candidates who fill those vacancies will have three year terms of office. There is also one additional casual vacancy to be filled following the resignation of Peter James as a Director. The Board appointed Stephen Naven to fill that casual

vacancy up to the date of the AGM. The successful candidate who fills this vacancy will have a one year term of office. If elections are necessary, the election for the three year vacancies will be conducted first. All of the retiring directors including S Naven, M Bell and R Southeren are eligible to stand for election.

9 Ordinary Resolution: Benefits for Directors including the Chairman

To consider and if thought fit, pass the following ordinary resolution: That, pursuant to section 10(6A) of the Registered Clubs Act 1976, the members authorise (and declare to be reasonable) the payment or reimbursement by the Club for, or the provision by the Club at the Club's expense of, the following in respect of each of the Directors including the Chairman, up to an aggregate amount not exceeding \$80,000 until the next AGM:

- (a) the reasonable cost of clothing indicative of their position as a Director
- (b) the reasonable cost of attendance at trade shows, industry conferences and meetings, conferences and training in relation to their role and responsibilities as a Director
- (c) the cost of reasonable food and refreshments before, during and at the conclusion of Board and committee meetings
- (d) the payment of the premium for Directors' and Officers' insurance cover
- (e) reasonable out-of-pocket expenses incurred when carrying out their duties in relation to the Club including (without limitation) the reasonable costs of the entertainment of special guests of the Club and participation in Club promotional activities (whether at the Club's premises or elsewhere), and attending study tours of other clubs and similar venues to inspect those venues and their operations, provided that all such out-of-pocket expenses are approved by a current resolution of the Board
- (f) the reasonable cost of attending, at Club premises or elsewhere, as representatives of the Club such sporting, community, charity, special functions or occasions as the Board from time to time authorises and determines to be reasonably incurred in the course of their respective duties in relation to the Club
- (g) the reasonable cost of providing functions to recognise service and support to the Club or to promote the Club or otherwise further the objectives of the Club
- (h) the reasonable cost of attendance at national and international gaming, entertainment, leisure and recreation venues, provided that the attendance of Directors at such venues will, in the opinion of the Board, produce significant benefits to the planning and development of the Club, and provided also that the expenditure is assessed and approved in advance by the Board as being reasonable
- (i) preferential bookings or reservations for Club functions.

EXPLANATORY NOTE Ordinary Resolution: Benefits for Directors including the Chairman

It is necessary and appropriate for the Directors to be active in performing their duties and pursuing the Club's success. To the extent that the proposed expenses involve the provision of benefits not in the form of money or a cheque being provided to a specific class of member, that is permissible with a current authorisation from a general meeting under section 10(6A) of the Registered Clubs Act.

Directors' out-of-pocket expenses reasonably incurred in the course of carrying out their duties, are able to be authorised by the Board under section 10(6)(d) of the Registered Clubs Act. However, in the interests of transparency the proposed resolution makes disclosure of some of the types of expenses likely to be incurred. To the extent that the resolution involves the payment of certain specific out of pocket expenses, the resolution acknowledges that expenses of the types proposed are reasonable and there is or will be a current resolution of the Board authorising the payment of expenses of the kind listed. The present Board unanimously recommends the proposed resolution.

10 Special Resolution:

That the Constitution of Central Coast Leagues Club Limited be amended as follows:

By deleting from Rule 3.5(f) the words “section 41O of the RCA” and inserting instead the words “clause 5 of the Code”.

By deleting from Rule 26.1(a) the word “noticeboard” and insert instead the words “notice board”.

By deleting Rules 26.5 (a) and (b) in their entirety and inserting in lieu thereof the following new Rules 26.5(a) and (b):

- (a) The Board may exercise any power conferred by the RCA to appoint additional persons as members of the Board, in addition to the number of directors elected in accordance with Rule 18 (Composition of the Board) provided that the number of persons who are members of the Board does not exceed nine (9).
- (b) A person may not be appointed under this provision if they are prohibited or disqualified by Rules 21(a), 21(c) or 21(d) of this Constitution from being or continuing as a director. For the avoidance of doubt, Rules 21(b), 21(e) and 22 do not apply to an appointment under this Rule 26.5.

By inserting the following new Rule 26.5 (i):

- (i) An appointment under this provision is not to be regarded as an appointment to a casual vacancy under Rules 26.3 or 26.4.

By deleting from Rule 27.3(d) the word “noticeboard” and insert instead the words “notice board”.

By inserting the following new Rule 28.1 (f):

- (f) Clause 8 of the Code also applies if a director discloses that they have:
 - (i) a material personal interest in a matter that relates to the affairs of the Club;
 - (ii) any personal or financial interest in a contract relating to the procurement of goods or services or any major capital works of the Club;
 - (iii) any financial interest in a hotel situated within 40 kilometres of the Club’s premises; or
 - (iv) received any gift valued at \$1,000 or more, or any remuneration of an amount of \$1,000 or more, from an affiliated body of the Club or from a person or body that has entered into a contract with the Club,

By deleting Rule 28.2 in its entirety and inserting in lieu thereof the following new Rule 28.2:

28.2 What are some of the other accountability and transparency obligations in connection with the Club?

- (a) A director must within 21 days after the relevant facts have come to the director’s knowledge and in accordance with clause 8 of the Code
 - (i) disclose the relevant facts to the Secretary of the Club;
 - (ii) declare the relevant facts and nature of the interest at a meeting of the Board; and
 - (iii) in respect of any facts or interest referred to in Rules 28.1(a) and 28.1(f) comply with Rule 28.1(d).
- (b) The Club must not enter into a contract with a director or with an executive, except to the extent permissible under clause 4 of the Code.
- (c) The Club must not enter into a contract with the CEO, any approved premises manager, or any close relative of any such person or any company or other body in which any such person has a controlling interest, contrary to clause 4 of the Code.
- (d) The Club must not enter into a contract for the remuneration by the Club of an employee who falls within the definition of a “top executive” under the RCA, unless the proposed contract has first been approved by the Board.
- (e) The Club must monitor the circumstances of its senior employees and keep aware of whenever an employee becomes a “top executive” within that definition. When that happens then the Club must as

soon as practicable, give written notice to that person informing them that he or she is a top executive and has responsibilities under the Code.

- (f) The Club must not lend money to a director. The Club also must not lend money to any employee except in conformity with clause 6 of the Code.
- (g) The Club must not directly or indirectly participate in any offer of inducement for the purpose or provision of goods or services to the Club, in a manner contrary to the RCA (including section 43A) and no director, executive or other employee of the Club may be involved in any conduct in connection with anything that is or would if permitted be a breach of those provisions.
- (h) The Club must not enter into any management contract, that is regulated by clause 5 of the Code, except in strict compliance with the requirements of the Code.

By deleting from Rule 34(b) the words “in conformity with section 41K of the RCA”.

By deleting from Rule 36.2 the word “noticeboard” and insert instead the words “notice board”.

By deleting Rule 39 in its entirety and inserting in lieu thereof the following new Rule 39:

39. Notice

- (a) The Club may give any notice required under or in connection with this Constitution, to a member in the same way as prescribed in the Corporations Act for the giving of a notice of meeting (see section 249)).
- (b) A notice to any member, including a notice of general meeting and Annual General Meeting of the Club may be given by the Club:
 - (i) by displaying a notice on the Club notice board;
 - (ii) by displaying a notice on the Club’s website;
 - (iii) personally;
 - (iv) by sending the notice by post to the address of the member recorded for that member in the Register of members kept pursuant to this Constitution;
 - (v) by sending it to the electronic address (if any) nominated by the member; or
 - (vi) by sending a notification to the electronic address (if any) nominated by the member advising the member that the notice of meeting is available and how the member can access the notice of meeting.
- (c) The non-receipt of notice of a meeting by any person entitled to receive notice does not invalidate any general meeting.
- (d) If any member has provided an address that is outside Australia, the Club may place a notice to that member (or to members generally) on the Club notice board of the Club and that notice will be taken to be effective notice to that member and taken to be given one day after it is put up on the Club notice board.
- (e) A notice of meeting sent by post is taken to be given one day after it is posted. A notice of meeting given by fax, or other electronic means, is also taken to be given one day after it is sent.
- (f) A notice given by displaying the notice on the Club notice board or by displaying a notice on the Club’s website, is taken to have been given on the day on which it was displayed.

42.1 Definitions add;

Code means the Registered Clubs Accountability Code contained in Schedule 2 to the Registered Clubs Regulation 2015.

By making such other amendments necessary to ensure the cross referencing of Rules, paragraph numbers and other matters are properly formatted to give full force and effect to the matters addressed in this Special Resolution.

Explanatory Message to Members regarding the proposed Special Resolution

The Board of the Club instructed Eastern Commercial Lawyers to review the Club's current Constitution having regard to the changes to the law over recent years.

Eastern Commercial Lawyers reviewed the current Constitution and recommended a number of amendments in order to reflect the requirements and changes to the Corporations Act 2001, Registered Clubs Act 1976 and Registered Clubs Regulation 2015.

Eastern Commercial Lawyers recommended the adoption of a number of new Rules and the amendment to a number of existing Rules within the Constitution to address various updates to the law over the last few years and to reflect what is generally regarded as industry best practice for licensed clubs.

The amendments to Rules 3.5(f), 28.1(f), 28.2, 34(b) and 42.1 are proposed as a result of the introduction of the Registered Clubs Accountability Code into the Registered Clubs Regulation 2015. These amendments are intended to reflect the requirements of the Code.

The amendments to Rules 26.1(a), 27.3(d) and 36.2 are proposed to reflect consistent language with the term "Club notice board" as defined in Rule 36.2, which mirrors the requirements of the Registered Clubs Act 1976.

The amendments to Rule 39 are proposed to allow the Club to give notice to members in certain ways, which, if contained in the Club's Constitution, are permitted under section 249J of the Corporations Act 2001.

Copies of the full text of the proposed Constitution, should the Special Resolution be adopted, are available on the Club's website at <https://www.cclc.com.au> or can be inspected at the Club's reception on request.

IMPORTANT NOTE: This Explanatory Message to Members is not to be taken in any way as affecting the wording of the proposed amendments to the Constitution, but is provided to inform members of what is proposed and to draw attention to the reasons behind the proposed amendments.

11 Management

A reasonable opportunity will be provided for members to ask questions about or make comments on the management of the Club.

12 Auditor

If the Club's Auditor or his representative is at the meeting, a reasonable opportunity will be provided for members to ask the Auditor or his representative, questions relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

BY ORDER OF THE BOARD

B Clegg OAM Interim Chief Executive Officer

17 September 2019

NOTES**Notice of questions or requests for details**

Members who wish to raise any queries or seek any information, including questions in relation to the accounts or reports or specific legislative or financial matters, are asked to provide written notice of the question to the office of the Chief Executive Officer at least 14 days prior to the meeting, so that answers may be researched, if required.

Eligibility

Only Financial Ordinary and Special Members, and Life Members, have the right to attend and vote at the meeting. Employee members are not entitled to vote at the meeting. Under the Registered Clubs Act 1976, proxies are not permitted. Notice of the meeting is being given to the Club's Auditor, who is entitled to attend.

Voting

An ordinary resolution must receive votes in favour from a simple majority (50% + one) of eligible members who cast a valid vote in person at the meeting.

For a special resolution to pass at least 75% of the votes cast must be in favour.

Resolutions

The Corporations Act 2001 requires that only the business contained in this notice of meeting is able to be dealt with at the meeting. No business, including any resolution, may be proposed at the meeting that is not already listed in the notice of meeting.

Annual report

The Club's annual report (including the financial report) for the year ended 30 June 2019 can be accessed on the Member Reports page at www.cclc.com.au from no later than 21 days before the date of the meeting.



CHAIRMAN'S REPORT

While the last year has been challenging it has also been very rewarding. The refurbished ground floor with its wide variety of offers has continued to be well patronised by members and visitors. Central Coast Leagues Club is unique. Unique by the fact that it doesn't have as the name might suggest, a football team associated with the Club. Instead, it is a league of clubs. A collection of internal clubs facing outwards, connecting with the community in several ways.

The Club has commenced a program to not only maintain the strong community focus through its internal clubs, but to also look to the future ensuring that connectivity is not only maintained but expanded upon. Just as the face of the Central Coast has changed over the years, so to has the needs of our members and the community. It is important that your club is prepared and meets those changing and evolving needs. The next year will see an expansion of this important element through the introduction of additional internal clubs tailored to meet the demands of the youth of today.

Our Club grants program has continued to support several worthy Central Coast recipients with over \$400,000 being distributed over the twelve months.

Central Coast Leagues Fitness continues to grow from strength to strength with over 900 members, and in line with the Club's commitment to ensuring our patrons

have the best experience, the Club is undertaking a review of all equipment to ensure the very latest in facilities.

The next few months will see some alterations to the Snooker, Darts and Carpet Bowls area. Although not major by comparison to the recently completed refurbishment of the ground floor, once finished it will greatly improve the overall amenity for the players.

Since its inception, Central Coast Leagues Club has been considered an iconic part of the region's development, not only for its strong community ties but also as a major provider and venue for businesses and tourism.

Over the last twelve months your board and senior management have worked tirelessly on the long-term strategic roadmap for the Club. Out of that came the need to ensure that the Club continues to meet the evolving needs of our maturing region with regards to what the Club has to offer. A need to ensure long term and continued growth of the Club and its facilities. Just as Ray Maher's vision all those years ago gave the Club its connection with the community and direction, so too is the board now setting the foundation for future generations through the re-development and the Club's long-term vision.

The masterplan includes a new and exciting club, various restaurants and cafes, expanded areas to cater for diversification of internal clubs, outdoor alfresco areas, a hotel and conference facilities, two mixed use towers, improved parking and a sky bar overlooking our beautiful waterway. A venue that will attract strong tourism revenue to the region as well as meeting the ongoing needs of our current and future generations.

As I mentioned and as I am sure you can appreciate, none of this comes without an extraordinary amount of dedication and hard work. I must pay tribute to the board and the executive team for their efforts over the last twelve months in finalising the vision and future direction and in doing so, ensuring our venue will be here for many generations to come.

To our loyal members, thank you for patronage over the last twelve months and helping to make the club into what it is. I can assure you of your boards commitment to ensuring the club has a solid and rewarding future.

Exciting times ahead.

Michael Dowling
CHAIRMAN



THE FUTURE

EXISTING



Bill Clegg OAM
INTERIM CHIEF EXECUTIVE OFFICER

FINANCIAL REPORT

Financial Commentary TRADING

With the Club's renovation behind us, the focus has been on enhancing our member's overall Club experience through the improvement of our products and services.

Archie's Brasserie has now had a full year of trade and through our Chef's ever evolving menu, quality of produce and outstanding service, the Club generated \$2.0m in sales whilst turning a modest profit.

In December, we opened The Terrace Bar on the 2nd floor to provide an open-air alternative for those summer nights. It has proved a success particularly with the 'millennials', with a range of exotic cocktails, casual atmosphere and live music. It's success, aided by strategically placed heating, continued through the winter months and will continue to provide the best the Club can offer through planned upgrades in the coming months.

The Club continues to offer alternate eateries including Peking Gardens and Star Buffet, along with Archie's

FINANCIAL HIGHLIGHTS

- *Operating revenue \$31.0m*
- *EBITDA \$3.5m*
- *Profit before tax \$0.4m*
- *Cash reserves \$2.5m*
- *Bank debt reduction \$1.5m*
- *Total member's funds \$30.5m*



Peter Correy
CHIEF FINANCIAL OFFICER

Brasserie. Monkey Mania and Clip n Climb continue to attract families and school groups to the Club and the flow on to our eateries or simply a coffee and cake adds value to our bottom line.

The Club's gymnasium, Central Coast Fitness, continues to grow its membership base and through its affiliation with Fitness Passport generated income in excess of \$1.1m with a \$0.1m contribution to the Club's net profit.

Entertainment has again played a major role in bringing members and guests to the Club, whether it be the Sunday afternoon jazz sessions, Monday night trivia or high-profile comedians like Jimeoin and Arj Barker.

The Club's major contributor to operating revenue was gaming income of \$22.9m. The Club's marketing and promotions teams continue to focus on engaging members and their guests with a variety of promotional activities to further enhance their experience at the Club. While the Club's ancillary services performed well, net takings from gaming were \$0.4m down on prior year. This was reflective of the decline in gaming revenue experienced by all clubs across the Central Coast and NSW.

The Club's Directors and Senior Management continue to focus on cost control whilst ensuring building infrastructure and customer service don't suffer. During the year, the Club brought its Facilities Management and Security operations in-house as well as negotiating new contracts for out-sourced services. This has resulted in

cost savings and importantly continued adherence to all regulatory building and liquor and gaming requirements.

The Club continues to support the community through the Club's Grant Scheme with \$0.475m distributed to worthy organisations through the year, including our newest beneficiary – Save our Kids.

Financial Commentary FINANCIAL POSITION

Cash Reserves – There was a small \$0.2m decrease in cash reserves during the year despite reducing the Club's external debt by \$1.5m. No new bank debt was incurred during the year.

Fixed Assets – During the year the Club conducted a thorough review of its registered fixed assets. It was determined that the recorded book value exceeded the actual value by \$0.6m across all asset groups and that this amount be adjusted against the prior year accumulated Member's Funds.

The Club's financial position remains strong with Member's Funds totalling \$30.5m.

Thank you to all Members, Board of Directors and all staff for their efforts and support during the year. A strong financial platform has been set for the upcoming 12 months and beyond.

CENTRAL COAST LEAGUES

Master Plan

Central Coast Leagues has been at the heart of life on the Coast for more than 60 years. A familiar, much loved gathering place, built by locals for locals. It's rich history comes with some challenges and our challenge is a facility that no longer reflects the quality and diversity of experiences we want to offer members like you.

Every journey starts with a single step, and this masterplan is the Club's first on a journey towards a truly modern, welcoming and fun feature at Central Coast Leagues Club. It demonstrates the quality of amenities and experiences we want to provide our members and guests while securing our position as a major employer and contributor to the local economy and community. We've developed a new master plan to show how our Club can be modernised and transformed as the city of Gosford ever evolves.

Exciting new features include a vibrant alfresco dining precinct, improved pedestrian connections to Gosford City and the waterfront, hotel accommodation plus state-of-the-art facilities for members to enjoy. A bold and aspirational plan.

Whilst we are still a way off from commencing works, we will keep you, our members informed along the way.



CENTRAL COAST LEAGUES FITNESS

Central Coast Leagues Fitness is Gosford's, and the Coasts, "one stop shop" for all things health, fitness and wellness. Boasting 2000m² of open space fitness equipment and 4 individual fitness studios – CCLF is now the only full service health club in the area.

72 classes, 5 different yoga offerings, pilates, sauna, creche, café and state of the art fitness equipment are just some of the inclusions of the gym membership. Not to mention those nice little extras like undercover parking and free Wi-Fi. At the centre of it all though, is a warm and friendly "everyday people" vibe amongst the staff and members. CCLF welcomes the community to "come as you are". It's fitness, exercise and wellness – but all of this is interwoven with a family centric vibe. With something to suit just about all ages (youngest member is 12 years and our oldest member is 92 years!) we aim to provide a safe and welcoming – we exist to make a lasting impact to the quality of life for our community through improved health and wellness. We hope to see you soon!.



COMMUNITY DONATIONS

Community groups supported during 2018/2019

Central Coast Leagues Club provided Grants totalling over \$400,000 to Central Coast charities, welfare groups, disability support organisations, emergency services, sporting associations and teams, special interest groups and many others.

As part of our commitment to the community the Club also provides complimentary meeting and conference rooms to many such community groups to assist in reducing administration costs.

A snapshot of groups supported are:

- | | |
|--|--|
| Coast Shelter | Coast Opera Australia |
| Gosford Kariong Rugby Union Club | Central Coast Kids In Need |
| Central Coast Surf Life Saving | Autism Spectrum |
| Gosford City Football Club | Central Coast Cricket Association |
| Rotary Club of Gosford North (SOKS) | Ronald McDonald House |
| 5 Lands Walk | YMCA |
| Central Coast Heart Netball Club | Coast Community Care |
| East Gosford Football Club | Country Women's Association |
| Central Coast Rugby 7's Academy | Special Olympics Central Coast |



TESTIMONIALS

Testimonial from Central Coast Heart

Central Coast Heart, the region's elite netball team, is proud to partner with Central Coast Leagues to promote the sport of netball across the coast.

Central Coast Heart was the 2018 Netball NSW Premier League Open champion and also the 2018 Sport Central Coast Team of the Year.

This success would not have been possible without the support of Central Coast Leagues which came on board as a foundation partner in 2016 and continues to make a positive contribution to the region's netball community.

Thank you Central Coast Leagues for being part of the Heart and *"The Heart of the Coast"*.

Testimonial from Gosford North Rotary - SOKS

With the increased awareness of mental health and suicide on the Central Coast, SOKS (Save Our Kids from Suicide) is proud to have the Central Coast Leagues Club come on board to support us. Whilst the club has supported us for a couple of years now, they announced a \$90,000 grant to the Gosford North Rotary SOKS project over a 3 year period to help reduce the rate of Suicide of our young adults on the Central Coast.

This money has helped vastly increase the numbers of programs conducted by our partners Lifeline, in training caregivers in the skills to identify and approach a young person who is contemplating suicide. As a result of the interventions by these people, 596 young lives have been saved since we commenced the program. These are the ones we know about.

Again our thanks to the Board of the Club for their trust and insight to help save our youth.



CENTRAL COAST LEAGUES INTERNAL CLUBS

Central Coast Leagues Club supports 17 internal Clubs:

- CCLC Ballroom Dancing Club
- CCLC Barbershop Chorus (Soundwaves)
- CCLC Billiards, Pool & Snooker Club
- Gosford City Bowling Club
- Gosford City Women's Bowling Club
- CCLC Indoor Bowls Club
- CCLC Social Bowling Club
- CCLC Bridge Club
- CCLC Camera Club

- CCLC Chess Club
- CCLC Darts Club
- CCLC Jazz League
- CCLC Social Golf Club
- CCLC Seniors Snooker Club
- CCLC Tour Club
- CCLC Vintage Drivers Club
- CCLC Wine Appreciation Club

Central Coast Leagues Clubs Internal Clubs offer a variety of sporting and special interest activities.

The 17 Clubs come under the auspices of Central Coast Leagues Club, each club appointing their own committees to run the individual Clubs needs. Many of the CCLC internal clubs participate in competitions around the Central Coast, some even extending to state level competitions.

Information on the CCLC Internal Clubs can be found on the Club's website www.cclc.com.au

You can also pick up an Internal Clubs information brochure from the CCLC Reception desk.



CENTRAL COAST LEAGUES

Internal Clubs

NEW INTERESTS NEW FRIENDS

With 17 Internal Clubs on offer . . . isn't it time to try something new



VISIT THE CCLC WEBSITE FOR INTERNAL CLUBS CONTACT INFO

DIRECTORS' REPORT

The Directors of Central Coast Leagues Club Limited and its controlled entity submit herewith the annual financial report for the financial year ended 30 June, 2019. In order to comply with the provision of the Corporations Act 2001, the directors' report as follows:

DIRECTORS

Michael Bell - Manager. Member for 30 years. Director since 2010.

Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (5): Attended 5

Andrew Dickson - Managing Director/Principal. Member for 7 years. Director since 2017.

Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (18): Attended 16

Michael Dowling - Retired. Member for 7 years. Director since 2017. Graduate Australian Institute of Company Directors. Former Director Coles Myer Limited's Retail Trust.

Appointed Chairman 16 April 2019

Responsibilities:

Board Meetings (12): Attended 9

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (18): Attended 16

Peter James – OAM - Retired. Member for 22 years. Previously Director 1996-1999. Reappointed as Director 2012. Past President and Life Member Wamberal SLSC. Life Member, Director and Past President Surf Life Saving Central Coast.

Resigned as Chairman 16 April 2019

Resigned as Director 21 May 2019

Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (16): Attended 16

CEO / Chairman Strategy Meetings: Attended 25

Edward Johnson - Retired. Member for 42 years. Director since 2005. Life Member Gosford/Kariong RLFC. Life Member Central Coast Leagues Club. Past President Central Coast Division Junior Rugby League. Patron of Central Coast Rugby League.

Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (16): Attended 14

Mardi Love - Manager, Office of Sport, Central Coast. Member for 6 years. Director since 2011. Board Member Terrigal SLSC. Member SLS Central Coast. Surf Lifesaver, Instructor and Examiner Terrigal SLSC.

Resigned 21 August 2018

Responsibilities:

Board Meetings (2): Attended 0

Special Board Meeting (0):

Various Sub Committee Meetings (1): Attended 1

Raymond Southeren - OAM - Retired. Member for 4 years. Director since 2016.

Responsibilities:

Board Meetings (12): Attended 9

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (20): Attended 13

Andrew Mackenzie - Lawyer. Member for 6 years.

Appointed Director 30 August 2018

Responsibilities:

Board Meetings (8): Attended 8

Special Board Meeting (3): Attended 3

Various Sub Committee Meetings (6): Attended 6

SUB COMMITTEES

Audit, Risk, Executive Remuneration and Succession Planning: M Dowling, M Bell, E Johnson

Central Coast Leagues Fitness: E Johnson, R Southeren, M Dowling

Club Grants: E Johnson, A Mackenzie

Internal Clubs: M Bell, E Johnson, R Southeren

Judiciary Committee: E Johnson, R Southeren, A Mackenzie

Master Planning Committee: M Dowling, A Dickson, R Southeren

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity were the operation of a licensed club, provision of facilities for sport and recreation and the rental of property. There was no change in the principal activities during the financial year.

OPERATING RESULTS

The net consolidated profit of the consolidated entity for the financial year after providing for income tax was \$379,189 compared with \$491,490 for the prior year.

MEMBERSHIP

The company is a company limited by guarantee and is without share capital.

The number of members as at 30 June 2019 was 56,051 (2018 53,418).

CCLC MISSION STATEMENT

To provide a sustainable multifaceted venue providing first class services to meet the current and evolving needs of members, guests and the broader community.

CCLC VISION STATEMENT

We will create an innovative environment and are committed to: offering a welcoming, caring and exciting leisure experience for our guests; providing an inspired, learning-oriented and customer-driven workplace; and making a lasting positive contribution to our community.

Strategy for Achieving the Objectives

Strive to attract and retain quality staff and business partners who are committed to the vision and mission of the Club. Provide members with a variety of venues.

PERFORMANCE MEASUREMENT

The Club engages external consultants to assist it in measuring its performance against other similar clubs and the industry as a whole. Indicators such as EBITDA, Club membership and growth, comparison of actual performance to forecast performance and others are used to facilitate this process.

AUDITOR'S INDEPENDENCE DECLARATION

The lead Auditor's Independence Declaration as required under s307c of the Corporations Act 2001 for the year ended 30 June 2019 has been received and is set out herein.

LIABILITY OF MEMBERS WINDING UP

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$5.00 each towards meeting any outstanding obligations of the entity at 30 June 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$5.00. (2018 \$5.00).

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

M Dowling
CHAIRMAN

E Johnson
DIRECTOR

GOSFORD
17 September 2019

DIRECTORS' DECLARATION

The Directors of the Company declare that :

- 1 In the Directors opinion the financial statements and notes set out herein are in accordance with the Corporations Act 2001 and :**
 - (a) comply with Accounting Standards, reduced disclosure requirements and Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June, 2019 and of the performance for the year ended on that date of the Consolidated Entity.
- 2 In the Directors' opinion there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.**

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

M Dowling
CHAIRMAN

E Johnson
DIRECTOR

GOSFORD
17 September 2019

Auditor's independence declaration under section 307c of the corporations act 2001 to the Directors of Central Coast Leagues Club Limited

I declare that to the best of my knowledge and belief, during the year ended 30 June, 2019 there have been:

- (1) no contraventions of the auditor independence requirements as set out in 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.

Fortunity Assurance
T R Davidson
PARTNER

155 The Entrance Road Erina NSW 2250
17 September 2019

INDEPENDENT AUDIT REPORT

To the members of Central Coast Leagues Club limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the consolidated financial report of Central Coast Leagues Club Ltd and Controlled entity, which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income, Statement of Changes in Members' Funds and Statement of Cash Flows for the year ended on that date including a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

In our opinion, the accompanying financial report of Central Coast Leagues 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 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis of 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 auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board 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 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 Central Coast Leagues Club Limited, 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.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, 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, 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 misstatements, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 have 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Fortunity Assurance

T R Davidson
PARTNER

155 The Entrance Road Erina NSW 2250
17 September 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	NOTE	CONSOLIDATED 2019	CONSOLIDATED 2018
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues from Ordinary Activities	2	31,017,985	30,776,166
Cost of Sales	3	2,009,335	1,886,069
Expenses from Ordinary Activities:			
Poker Machine Duty and Taxes		7,179,232	7,299,974
Depreciation and Lease Expenses	3	2,755,153	2,987,722
Wages & Employee Benefits		7,899,444	6,919,152
Repairs and Maintenance		1,446,676	2,159,621
Light & Power		1,180,728	972,896
Entertainment & Promotions		1,369,054	1,329,515
Other Expenses from Ordinary Activities		6,440,764	6,375,874
Borrowing cost expense	3	334,013	338,551
Profit resulting from Ordinary Activities before Income Tax expense		403,586	506,792
Income Tax expense relating to Ordinary Activities	4	24,397	15,302
Profit resulting from Ordinary Activities after Income Tax expense		379,189	491,490
Other Comprehensive Income		-	-
Total Comprehensive Income Attributable to Members		379,189	491,490

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2019

	NOTE	CONSOLIDATED 2019	CONSOLIDATED 2018 RESTATED
CURRENT ASSETS			
Cash Assets	6	2,544,809	2,750,695
Receivables	7	320,979	297,340
Inventories	8	124,323	92,475
Other	9	268,890	253,623
TOTAL CURRENT ASSETS		3,259,001	3,394,133
NON CURRENT ASSETS			
Property, Plant & Equipment	10	37,795,859	39,042,001
Deferred Tax Assets	11	13,232	37,629
Investments	12	139,159	-
TOTAL NON CURRENT ASSETS		37,948,250	39,079,630
TOTAL ASSETS		41,207,251	42,473,763
CURRENT LIABILITIES			
Trade & Other Payables	13	2,237,437	2,601,940
Interest Bearing Liabilities	14	850,000	900,000
Hire Purchase Liabilities	15	465,495	537,430
Provisions	16	786,521	583,564
TOTAL CURRENT LIABILITIES		4,339,453	4,622,934
NON CURRENT LIABILITIES			
Interest Bearing Liabilities	14	6,101,750	6,951,750
Hire Purchase Liabilities	15	219,461	721,678
Provisions	16	43,787	53,790
TOTAL NON CURRENT LIABILITIES		6,364,998	7,727,218
TOTAL LIABILITIES		10,704,451	12,350,152
NET ASSETS		30,502,800	30,123,611
MEMBERS FUNDS			
Accumulated Profits	17	30,502,800	30,123,611
TOTAL MEMBERS FUNDS		30,502,800	30,123,611

Refer to Note 17 for details of Restated 2018 Statement of Financial Position.
The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2019

	NOTE	CONSOLIDATED 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		31,523,092	37,943,914
Payments to Suppliers & Employees		(28,551,564)	(35,072,738)
Interest received		38,206	41,381
Interest Paid & Borrowing costs		(334,013)	(338,551)
Net Cash provided by Operating Activities	25	2,675,721	2,574,006
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property Plant and Equipment		19,200	6,364
Purchase of Property Plant and Equipment		(1,439,163)	(6,973,926)
Investments		(54,159)	-
Net Cash used in Investing Activities		(1,474,122)	(6,967,562)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans		(1,474,152)	(2,093,336)
Proceeds from loans		66,667	6,216,250
Net Cash provided by (used in) Financing Activities		(1,407,485)	4,122,914
Net decrease in cash held		(205,886)	(270,642)
Cash at Beginning of Year		2,750,695	3,021,337
Cash at End of Year	6	2,544,809	2,750,695

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS FUNDS

For the year ended 30 June 2019

STATEMENT OF CHANGES IN MEMBERS FUNDS FOR THE YEAR ENDED 30 JUNE 2019

RETAINED EARNINGS

Balance as at 1 July 2017	30,249,733
Correction of prior year error	(617,612)
Profit for the year ended 30 June 2018	491,490
Balance as at 30 June 2018	30,123,611
Profit for the year ended 30 June 2019	379,189
Balance as at 30 June 2019	30,502,800

Refer to Note 17 for details of Restated 30 June 2018 Members Fund balance
The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Critical accounting judgements, estimates and assumptions

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

Estimation of useful lives of assets

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

Employee benefits provision

The liability for employee benefits expected to be settled more than twelve months from the reporting date are recognised and measured at present value of the estimated future cash flows to be made in respect of 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.

(b) Principles of Consolidation

A controlled entity is an entity controlled by Central Coast Leagues Club Ltd. Control exists where Central Coast Leagues Club Ltd has the capacity to dominate the decision making in relation to the financial and operational policies of another entity so that the other entity operates with Central Coast Leagues Club Ltd to achieve the objectives of Central Coast Leagues Club Ltd. A list of controlled entities is contained in note 26 to the financial statements.

All inter-company balance and transactions between entities in the economic entity including unrealised profits or losses have been eliminated upon consolidation.

(c) Income Tax

The Company adopts the balance sheet approach under which temporary differences are identified for each asset and liability rather than the effect of timing and permanent differences between income and accounting profit.

The charge for current income tax is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or substantially enacted by the balance date and adjusted to take into account the principle of mutuality. Revenue in the form of receipts from members represents mutual income and is not subject to income tax. Such expenses associated with mutual activities are non-deductible for income tax purposes. All other receipts and payments of the Economic Entity are classified for income tax purposes in accordance with income tax legislation.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based upon the assumption that no adverse change will occur in Income Tax Legislation and the anticipation that the company will derive future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(e) Property, Plant and Equipment

Property, plant and equipment are carried at cost or at independent or Directors' valuation, less where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The cost of fixed assets constructed within the Entity includes the cost of materials, labour and borrowing costs. Subsequent costs are included in the assets 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 entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement 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, are depreciated on a straight line basis over their useful lives to the Entity, commencing from the time the asset is held ready for use as follows:

Class of Fixed Asset	Useful Life
Buildings	3 to 100 years
Plant and Equipment	3 to 50 years
Leasehold Improvements	3 to 60 years
Poker Machines	2 to 7 years

The assets residual values and useful lives are reviewed, and adjusted if applicable at each balance sheet date. An asset carrying amount is written down immediately to its recoverable amount if the asset carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

(f) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy the vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Company to an award based superannuation fund for all employees. All contributions are charged as expenses as they occur. The Company has no legal obligation to cover any shortfall in the Funds' obligations to provide benefits to employees on retirement.

(g) Members' Subscriptions

Amounts received from members in respect of subscriptions for the period July 2018 to June 2019 and beyond are included in the Statement of Comprehensive Income as income.

(h) Limitation of Members Liability

In accordance with the Memorandum of Association the liability of members in the event of the company being wound up would not exceed \$5 per member.

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers or provision of a service. Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. All revenue is stated net of goods and services tax (GST) with the exception of poker machine revenue, which is stated inclusive of GST, with the associated GST expense recorded separately.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(l) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operation leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

(m) Impairment of Assets

At the end of each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash flows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash generating unit to which the class of asset belongs.

(n) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year. Refer to Note 17 for details of the restatement of prior year error.

(o) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date the entity commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at 'fair value through profit and loss' in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities are measured at amortised cost.

(p) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

	CONSOLIDATED	
	2019	2018
2. REVENUE		
Operating Activities		
Trading Revenue	28,942,284	29,305,711
Interest Received	43,737	41,381
Commissions Received	402,728	374,828
Rent Received	391,530	337,085
Members Subscriptions	709,025	172,222
Other Revenue	509,481	538,575
	30,998,785	30,769,802
Non Operating Activities		
Net profit on disposal of non current assets	19,200	6,634
Total Revenue	31,017,985	30,776,166

3. EXPENSES

Profit from Ordinary Activities before Income Tax has been determined after:

Expenses		
Cost of sales	2,009,335	1,886,069
Borrowing costs	334,013	338,551
Depreciation of non current assets	2,733,874	2,199,610
Amortisation of non current assets	21,279	8,789
Rental expense on operating leases	-	779,323

4. INCOME TAX EXPENSE

(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	CONSOLIDATED	CONSOLIDATED
	2019	2018
Operating Profit before income tax	403,586	506,792
Income tax expense calculated at an effective rate of 1.6% (2018:5.90%) of operating profit. The effective tax rate is calculated by applying the non mutual percentage of 5.4% (2018:19.7%) to the income tax rate of 30%.	40,265	58,963
ADD:		
Tax effect of		
- Non allowable members' only expenses	21,979	82,348
- Non mutual expenses	21,847	60,809
	84,091	202,120
LESS:		
Tax effect of		
- Non assessable members' subscriptions	2,473	10,168
- Non mutual income	11,333	43,344
Income tax expense on mutual income	70,285	148,608
Adjusted for the effect of non mutual income and expense calculated at 30%		
Add/(less) tax effect of permanent differences		
- Non mutual income	209,108	220,244
- Non mutual expenses	(403,107)	(308,991)
Recoupment of prior year tax losses not previously brought to account / (increase in carry forward tax losses)	(123,714)	59,861
Adjustment to future income tax benefit and provision for deferred income tax for change in company tax rate and mutual rate	-	-
Income tax expense/(benefit) attributable to the operating profit	-	-
(b) The income tax expense comprises:		
Current income tax payable	-	-
Reduction in provision for deferred income tax attributable to operating profit	(24,397)	(15,302)

	CONSOLIDATED	
	2019	2018
5. BAD AND DOUBTFUL DEBTS		
Bad and doubtful debts written off to the Statement of Comprehensive Income		
Trade debtors	-	-
6. CASH		
Cash at bank and on hand	2,544,809	2,750,695
<u>Reconciliation of Cash</u>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash	2,544,809	2,750,695
Bank overdraft	-	-
	<u>2,544,809</u>	<u>2,750,695</u>
7. RECEIVABLES		
Current		
Trade debtors	87,905	230,673
Other debtors	233,074	66,667
	<u>320,979</u>	<u>297,340</u>
8. INVENTORIES		
Bar stock	96,405	65,457
Catering stock	27,918	27,018
	<u>124,323</u>	<u>92,475</u>
9. OTHER ASSETS		
Current		
Prepayments	268,890	253,623
	<u>268,890</u>	<u>253,623</u>

	CONSOLIDATED	
	2019	2018
10. PROPERTY PLANT & EQUIPMENT		
Land at cost		
	<u>2,697,887</u>	<u>2,697,887</u>
Buildings and improvements at cost	45,230,043	45,174,423
Less Accumulated depreciation	(16,328,069)	(15,399,240)
	<u>28,901,974</u>	<u>29,775,183</u>
Plant equipment furniture and fittings at cost	13,327,491	22,165,105
Less Accumulated depreciation	(9,181,807)	(18,241,173)
	<u>4,145,684</u>	<u>3,923,932</u>
Leasehold improvements	149,410	154,041
Less Accumulated amortisation	(134,492)	(130,334)
	<u>14,918</u>	<u>23,707</u>
Poker machines and plant	5,847,338	7,581,716
Less Accumulated depreciation	(4,123,474)	(4,960,424)
	<u>1,723,864</u>	<u>2,621,292</u>
Sub Total - Property Plant and Equipment	37,484,327	39,042,001
Capital works in progress	311,532	-
TOTAL PROPERTY PLANT & EQUIPMENT	<u>37,795,859</u>	<u>39,042,001</u>

MOVEMENTS IN CARRYING AMOUNTS

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	LAND \$	BUILDINGS \$	PLANT, EQUIPMENT, FURNITURE & FITTINGS \$	LEASEHOLD IMPROVEMENTS \$	POKER MACHINES \$	TOTAL \$
Balance at 1 July 2018	2,697,887	29,775,183	3,923,932	23,707	2,621,292	39,042,001
Additions	-	96,807	693,846	-	406,826	1,197,479
Transfers	-	(39,578)	517,684	-	(478,106)	-
Depreciation/amortisation	-	(930,438)	(989,778)	(8,789)	(826,148)	(2,755,153)
Balance at 30 June 2019	2,697,887	28,901,974	4,145,684	14,918	1,723,864	37,484,327

Refer to Note 17 for details of Restated 2018 Statement of Financial Position

11. DEFERRED TAX ASSETS

Future income tax benefit	13,232	37,629
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12. INVESTMENTS

Non Current		
Investment in Clubs 4 Fun	54,159	-
Investment in Evolve Yoga	85,000	-
Investments	139,159	-

13. TRADE & OTHER PAYABLES

Current		
Unsecured liabilities:		
Trade creditors & accruals	2,237,437	2,601,940

**CONSOLIDATED
2019 2018****14. INTEREST BEARING LIABILITIES****Bank Loans**

Bank loans have been drawn as a source of long term finance for Club infrastructure projects.

(a) Current loans mature within periods of less than one year and are subject to variable interest rates.

(b) The bills payable are secured by first registered mortgage over certain properties of the Entity.

(a) Current		
Bank Loans	850,000	900,000
(b) Non current		
Bank Loans	6,101,750	6,951,750

15. HIRE PURCHASE LIABILITIES

The Club has various Hire Purchase agreements for the financing of equipment.

Current		
Hire Purchase commitments	465,495	537,430
Non Current		
Hire Purchase commitments	219,461	721,678

CONSOLIDATED**2019 2018**

	13,232	37,629
--	--------	--------

	54,159	-
	85,000	-

	139,159	-
--	---------	---

	2,237,437	2,601,940
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	CONSOLIDATED	
	2019	2018
16. PROVISIONS		
Current		
Employee entitlements	786,521	583,564
Non current		
Employee entitlements	43,787	53,790
Aggregate employee entitlements liability	<u>830,308</u>	<u>637,354</u>

17. ACCUMULATED PROFITS, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

(a) Accumulated profits

Movements in accumulated profits were as follows:

Balance at beginning of year (from previous year's audited accounts)	30,123,611	30,249,733
Correction of prior year error	-	(617,612)
Net operating result for the year	379,189	491,490
Balance at end of year	<u>30,502,800</u>	<u>30,123,611</u>

(b) Correction of error relating to prior year

During the current year, Central Coast Leagues Club determined that the Club's asset register contained many assets that had long since been disposed of and although in the vast majority of cases the written down value of the assets were \$Nil, the register did not accurately reflect the assets currently owned and operational by the Club.

The financial impact of this error was to write down the asset value for the following asset classes:

• Bulidings and improvements	\$163,588
• Plant, equipment, furniture and fittings	\$406,901
• Poker machines and plant	\$ 47,123

These errors have been corrected in the prior year in accordance with Australian Accounting Standard AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, through adjusting accumulated profits and the relevant asset value.

18. CAPITAL AND LEASING COMMITMENTS

(a) Capital commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment		
Car park lift upgrade	249,900	-

(b) Operating lease commitments

Non cancellable operating leases contracted for but not capitalised in the financial statements

Lease of Gosford City Bowling Club

Payable :		
Not longer than 1 year	14,274	15,112
Longer than 1 but not longer than 2 years	7,137	15,112
Longer than 2 but not longer than 5 years	-	15,112
Longer than 5 years	-	-
	<u>21,411</u>	<u>45,336</u>

Lease of Plant and Equipment

Payable :		
Not longer than 1 year	96,113	96,113
Longer than 1 but not longer than 2 years	93,721	96,113
Longer than 2 but not longer than 5 years	101,531	197,644
Longer than 5 years	-	-
	<u>291,365</u>	<u>389,870</u>

(c) Hire Purchase Commitments

Payable :		
Not longer than 1 year	465,495	537,430
Longer than 1 but not longer than 2 years	179,819	498,240
Longer than 2 but not longer than 5 years	39,642	223,438
Longer than 5 years	-	-
	<u>684,956</u>	<u>1,259,108</u>

19. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

CONSOLIDATED

2019 2018

20. KEY MANAGEMENT PERSONNEL DETAILS**(a) Directors**

The names of the directors who have held office during the financial year are:

Mr M Dowling (appointed Chairman 16 April 2019)

Mr M Bell

Mr A Dickson

Mr P James (resigned as Chairman 16 April) (resigned as Director 21 May))

Mr E Johnson

Ms M Love (resigned 21 August 2018)

Mr A Mackenzie (appointed 30 August 2018)

Mr R Southeren

Mr S Naven

(b) Other Key Management Personnel

Mr P Blacker Chief Executive Officer (resigned August 2019)

Mr B Clegg Interim Chief Executive Officer (appointed July 2019)

Mrs J Barnes HR Manager

Mr P Correy Chief Financial Officer

Mr M Craig Facilities Manager

Mr A Ryan Gaming & Operations Manager

Miss D Terry Marketing Manager

Mrs A Sanders Corporate Services Manager (resigned September 2018)

(c) Directors and Key Management Personnel Compensation

Benefits and payments to Directors and Other Key Management Personnel named above

	2019	2018
	1,047,075	975,008

21. GUARANTEES

The Bank of Queensland has provided a Bank Guarantee in respect of the TAB Agency of \$5,000.

22. FINANCIAL REPORTING BY SEGMENTS

The entity operates in predominantly one industry. The principle activity of the Entity is that of a licensed club registered under the Registered Clubs' Act 1976. The Entity operates in one geographical area, being Gosford, New South Wales.

23. CONTINGENCIES AND OTHER ASSETS NOT REPORTED

The Directors are not aware of any significant contingent liabilities or contingent assets affecting the entity at reporting date.

24. EVENTS OCCURRING AFTER THE REPORTING DATE

The Directors are not aware of any significant events since the end of the reporting period.

**CONSOLIDATED
2019 2018****25. CASH FLOW INFORMATION****(a) Reconciliation of cash flow from operations with profit from ordinary activities after income tax.**

Profit from ordinary activities after income tax	379,189	491,490
Non cash flows in profit from ordinary activities		
Amortisation	21,279	8,789
Depreciation	2,733,875	2,199,611
(Profit)Loss on sale of property plant and equipment	(19,200)	22,286
Equipment on credit	(69,847)	-
Charges to provisions	-	(268,147)
Movement in deferred taxes payable	24,397	15,302
Changes in assets & liabilities		
(Increase) / decrease in trade & other debtors	(151,880)	113,530
(Increase) / decrease in inventories	(31,848)	24,210
Decrease in other assets	20,693	131,323
(Decrease) / increase in trade & other payables	(346,120)	(164,388)
Increase in employee entitlements	186,934	-
Decrease in other provisions	(71,751)	-
Cash flows from operations	<u>2,675,721</u>	<u>2,574,006</u>

(b) Standby credit arrangements with Banks

Credit facility	7,339,786	13,485,000
Amount utilised	6,951,750	9,391,168
Unused credit facility	<u>388,036</u>	<u>4,093,832</u>

The balance of loan facilities at 30 June 2019 are summarised as follows:

1. Commercial Rate Loan	5,393,587	3,139,418
2. Commercial Rate Loan	308,163	6,251,750
3. Commercial Rate Loan	800,000	-
4. Commercial Rate Loan	450,000	-

26. INTEREST IN SUBSIDIARIES

SUBSIDIARY	PLACE OF BUSINESS	PERCENTAGE OWNED (%) 2019	PERCENTAGE OWNED (%) 2018
Central Coast Leagues Fitness Pty Ltd	NSW	100	100

PRIVACY POLICY

The Central Coast Leagues Club Limited, ABN 83 001 036 068 and its related entities have a commitment to privacy and the safeguarding of member, visitor and staff personal information.

The Club complies with the provision of the Privacy Act 1988. The following policy provides a clear and concise outline of how and when personal information is collated, stored and disclosed by the Central Coast Leagues Club Limited.

THE INFORMATION THE CLUB COLLECTS

The Club will collect general information about a patron such as name, address, occupation, date of birth, contact details and email address. Information will also be collected as a result of a membership card being placed in a gaming machine or other Club machines linked to a members' loyalty system (not ATM's). The Club may collect personal information as a consequence of a patron's involvement in Club activities providing benefits or services to patrons. In the interest of safety and security the Club operates surveillance cameras and may collect personal information in the course of investigating complaints or pursuing disciplinary proceedings.

Where practicable, the purpose for which we collect personal information will be made clear at the time of collection and when appropriate consent for its use is obtained. The Club will not collect any personal information about visitors to the website except when they knowingly provide it.

DISCLOSURE

The Club does not disclose personal information to any other organisation or person unless there is:

- a legal requirement to do so;
- a threat to an individual's life, health or safety, or public health or safety;
- a suspicion that unlawful activity has been, is being or may be engaged in;
- a patron benefit in doing so.

HOW WE USE PERSONAL INFORMATION

The Club will use personal information for the purpose disclosed at the time of collection or as otherwise set out in the Privacy Policy. Generally, the Club will use the information collected for the following purposes:

- To process membership applications.
- To meet statutory requirements under the Registered Club's Act and other relevant legislation.
- To comply with the Club's constitution.
- To complete a transaction or answer an enquiry.
- To register patrons for events, promotions and competitions.
- To register details for electronic mail purposes.
- As an aid to third parties that provide products or services under contract to the Club.
- For direct marketing purposes. However, if we contact patrons this way without prior consent, an opportunity to elect the discontinuance of any further marketing communication will be provided.

QUALITY OF PERSONAL INFORMATION

Central Coast Leagues Club's goal is to ensure personal information is accurate, complete and up to date. To assist in achieving this goal, any changes to personal details should be directed to the Club's Privacy Officer. The Club relies on information provided by its patrons to be accurate and current. If information is not accurate, contact the Club's Privacy Officer and all reasonable effort will be made to correct the information. No fee will apply to correct personal information.

ACCESS TO PERSONAL INFORMATION

Individuals may access personal information held on them by the Club by contacting the Club's Privacy Officer.

The Club may refuse a request to access, amend or delete personal information in certain circumstances. If a request is refused, a reason for that decision will be provided.

SECURITY

The Club takes all reasonable steps to protect any personal information held from misuse and loss and from unauthorised access, modification or disclosure.

The Club takes all reasonable steps to destroy and/or de-identify personal information when no longer needed.

Personal information is stored in a secure server or secure files. The Club notes the internet is not a secure method of transmitting information. Accordingly, the Club will not accept responsibility for the security of information sent over the internet or for any unauthorised access or use of that information.

CHANGES TO THE POLICY

The Club may amend this policy. The amended version will be posted on the Club's website at www.cclc.com.au

To keep in touch with changes regular visits to the Club's web site is advised.

FURTHER INFORMATION

For any additional details or enquiries relating to the Club's Privacy Policy please contact our Privacy Officer as follows:

Attention the Privacy Officer
Central Coast Leagues Club
Locked Bag 10
GOSFORD 2250

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