



# ANNUAL REPORT

2019|20



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## BOARD OF DIRECTORS



**Front** Edward Johnson, Michael Dowling

**Back** Michael Bell, Andrew Dickson, Andrew Mackenzie, Stephen Naven, Ray Southeren OAM

### OFFICE BEARERS

**Chairman** Michael Dowling

**Deputy Chairman** Edward Johnson

### PATRONS

R G Maher OBE † 13/01/2020

L J Maher OAM

### LIFE MEMBERS

R G Maher OBE †, J J McInerney †, R L Dibben †, N H Adams †, W A Cleary †, A E Davis †, J S Atkins †, S F Gregory OAM †, J T Harpur †, R G Mills †, J A Nagle †, I W Pannowitz †, D B Picton †, R J Allen OAM †, L J Maher OAM, G G Needham, P A Reynolds †, B R Cook †, R P Clark, G A Clark, T O Andrews, E Johnson.

### MANAGEMENT

**Chief Executive Officer** Edward Camilleri

**Chief Operating Officer** Anthony Ryan

**Chief Financial Officer** Paul Boswell

**Executive Manager, People and Performance** Julie Barnes

**Executive Manager, Marketing** Danielle Terry

**Executive Manager, Health Club** Dax Jarrett

**Facilities Manager** Matthew Craig

**Executive Assistant** Jessie Carr

## NOTICE OF GENERAL MEETING

Notice is hereby given that the forty-eighth Annual General Meeting of Central Coast League's Limited ACN 001 036 068 (Club) will be held at:

**Location:** Central Coast Leagues Club, Dane Drive, Gosford NSW 2250  
**Date:** Wednesday 18 November 2020  
**Time:** 7.00pm

### AGENDA

1. Opening.
2. Attendance and quorum.
3. Apologies.
4. To confirm the Minutes of the previous Annual General Meeting.
5. To receive and consider the Financial Report, the Directors' Report and Auditor's Report for the year ended 30 June 2020.
6. Patrons.
7. To consider and, if thought fit, to pass Ordinary Resolution 1 regarding Directors' honorarium.
8. To consider and, if thought fit, to pass Ordinary Resolution 2 regarding Directors' benefits.
9. To consider and, if thought fit, to pass the Special Resolution to amend the Club's Constitution.
10. To notify members of each expression of interest in an amalgamation and unsolicited merger offer that the Club has received from another club within the prior 12 months (if any).
11. To consider and, if thought fit, to pass Resolution regarding Conferring of Life Membership.
12. Election of the Board of Directors. See explanatory note at end of notice.
13. Any other business of which notice has been duly given.

### AGENDA ITEM 6: PATRONS

Earlier this year the Club was saddened by the passing of its founder Ray Maher OBE. Ray was an inspiration to us all and the founding light that lead the Club towards what it is and stands for today. In many ways, Ray was the foundation of the Club.

Without him the Club would not exist. In honor of Ray, the Board has decided to leave the position of Patron vacant for the next 12 months.

### AGENDA ITEM 7: ORDINARY RESOLUTION 1

That pursuant to the *Registered Clubs Act 1976* (NSW):

1. The members hereby approve and agree to the payment of an honorarium at the rate of \$1,000 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 each Director's service on the Board until the next Annual General Meeting. The Chairperson is to receive an additional \$500 per month.
2. The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club.

### Explanatory Notes – Ordinary Resolution 1

1. It should be noted that the Directors are not seeking an increase this year, agreeing to maintain the honorarium at the current level.
2. Under the Registered Clubs Act 1976 (NSW) (Registered Clubs Act), Directors and other members may receive benefits which are not equally available to all Full Members of the Club, if approval is given by the members under that Act by a resolution passed at a general meeting.
3. It is at the discretion of an individual Director as to whether they accept the honorarium.
4. In addition, a compulsory superannuation contribution may be payable.
5. If Ordinary Resolution 1 is passed, the members approve the payment of the honorarium by the Club until the next Annual General Meeting.

### AGENDA ITEM 8: ORDINARY RESOLUTION 2

That pursuant to the *Registered Clubs Act 1976* (NSW):

## NOTICE OF GENERAL MEETING *(continued)*

1. The members hereby approve and agree to the reasonable expenditure by the Club of up to \$80,000 until the next Annual General Meeting in respect of each Director of the Club (including the Chairman) for the following:
  - a. the reasonable cost of clothing for the use of Directors in representing the Club;
  - 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 reasonable cost of meals and beverages 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 by Directors 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 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; and
  - i. Preferential bookings or reservations for Club functions.
2. The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club and those persons who are directly involved in the above activities.

### Explanatory Notes – Ordinary Resolution 2

1. It should be noted that the Directors are not seeking an increase this year, agreeing to maintain the honorarium at the current level.
2. Under the Registered Clubs Act 1976 (NSW) (Registered Clubs Act), Directors and other members may receive benefits which are not equally available to all Full Members of the Club, if approval is given by the members under that Act.
3. 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.
4. If Ordinary Resolution 2 is passed, the members approve reasonable expenditure by the Club until the next Annual General Meeting, in relation to duties performed by the Club's Directors. This expenditure is considered as reasonable and necessary for the Directors to be active in performing their duties and pursuing the Club's long-term viability.

### AGENDA ITEM 9: SPECIAL RESOLUTION

That the Constitution of Central Coast League's Club Limited ACN 001 036 068 (Club) be repealed, and, the Constitution in the form presented to the Annual General Meeting and signed by the Chairperson of the meeting for the purpose of identification be adopted as the Club's new Constitution.

### Explanatory Notes – Special Resolution

1. About the Special Resolution
  - 1.1 The resolution to adopt a new Constitution will be put to members for consideration as a Special Resolution in accordance with the Corporations Act 2001 (Cth) (Corporations Act).
  - 1.2 If this Special Resolution is passed, then the Club's existing Constitution will be entirely replaced by the new Constitution.
  - 1.3 A copy of the proposed new Constitution which will be presented to the members at the Annual General Meeting is available for members from the office of the Chief Executive Officer on request. Members may collect a copy during the Club's normal office hours, or request a copy by post or email.

## NOTICE OF GENERAL MEETING *(continued)*

- 1.4 The main purpose of the new Constitution is to update the Club's rules to reflect current law and best practice applicable to registered clubs and the Club's operations, and to assist with streamlining the Club's operations.
- 1.5 The primary reason for proposing the changes as one new Constitution is to address the many different changes, both substantive and less substantive (such as formatting, typographical errors and more minor corrections) which would otherwise require a number of special resolutions to be considered and passed at the Annual General Meeting, instead of just one special resolution.
- 1.6 The Board encourages members to read the proposed new Constitution carefully and attend the Annual General Meeting to vote on this important resolution for our Club.

### 2. Summary of important matters in new Constitution

Not all changes to the Constitution are set out in this notice as some are of a more administrative nature. However, some significant matters for consideration by members in relation to the new Constitution include the following:

#### 2.1 Administrative changes

The amendments include some updates with reference to current legislation and more modern language to make the Constitution more suitable for members.

For example:

- a. Gender-neutral language has been adopted as all classes of membership are open to any gender.
- b. Additional Registered Clubs Act (RCA) requirements have been inserted into rule 3.5 of the new Constitution to maintain transparency with current Club legislation, including:
  - i. Prohibiting the sale, supply or disposal of liquor on the Club's premises to any person other than a member of the Club subject to any exceptions under the RCA;
  - ii. Prohibiting the sale, supply or disposal of liquor to persons below the age of 18; and
  - iii. Prohibiting the use or operation of gaming machines on Club's premises by any person below the age of 18.

#### 2.2 Objects

There is no change to the Club's objects which are set out in rule 3.1 of the new Constitution.

#### 2.3 Guarantee amount

There is no change to the members' guarantee amount of \$5 (which would only be payable if the Club is ever wound up). Members are referred to rule 5.2 of the new Constitution.

#### 2.4 Membership classes

- a. There will be a change to the current membership classes of the Club to better reflect the requirements set out in the RCA. Members are referred to rule 6.2 of the new Constitution which divides the Club's membership into five categories: Ordinary members, Life members, Honorary members, Provisional members and Temporary members. These are the five categories of membership required by the RCA.
- b. This was mainly required due to some confusing terminology of "ordinary members" of the Club, which under the existing Constitution, had a different meaning to "ordinary members" under the RCA.
- c. All current Honorary members, Provisional members, Temporary members and Life members will retain their class of membership under the new Constitution.
- d. Ordinary membership of the Club will be divided into three classes: Club members, Special members and Junior members. Further information about these classes is set out below:
  - i. Club members
    - A. Club members will consist of all members who, before the conclusion of this Annual General Meeting, were listed in the Club's Register of Members as an "Ordinary member" pursuant to rule 6.4 of the current Constitution. Club members will also consist of any person who has been elected as a Club member from the conclusion of this Annual General Meeting.
    - B. There is one change to the wording of the rights of "Ordinary members" as defined in rule 6.4 of the current Constitution and those attaching to Club members under rule 6.4 of the new Constitution, being the express reference to the right to stand for election as Chair or Deputy Chair. As those positions are elected by the Board, we have changed the wording to avoid any confusion that may arise in the clause being interpreted as requiring the direct election of those positions by the members. There is no actual change to the Ordinary members' rights in this regard.

## NOTICE OF GENERAL MEETING *(continued)*

- C. There is no substantive change to the eligibility of this class of membership. A person (who has obtained the age of 18) will be eligible for admission as a Club member if they are of good character/repute, apply and are elected as a Club member and pay any applicable entrance fees. Members are referred to rule 6.4 of the new Constitution.
  - ii. Special members
    - A. Current Special members of the Club will remain in their existing class of membership.
    - B. A person (who has obtained the age of 75) will be eligible for admission as a Special member if the person is a current Club member and has been a member of the Club for at least 12 consecutive years as at the date of their application for transfer of membership of the Club to the Special member class. A Club member will need to apply to transfer their membership to the Special member class which the Board may approve. Members are referred to rule 6.5 of the new Constitution.
  - iii. Junior members
    - A. Current Junior members of the Club will remain in their existing class of membership.
    - B. Members are referred to rule 6.7(a) of the new Constitution for the eligibility requirements for Junior membership.
  - e. Current Life members of the Club will remain in their existing class of membership. We have also clarified the right of Life members to be elected to the positions of Chair and Deputy Chair. As those positions are elected by the Board, we have changed the wording to avoid any confusion that may arise in the clause being interpreted as requiring the direct election of those positions by the members. There is no actual change to the Life members' rights in this regard.
  - f. There is no change to the rights attaching to Special members, Junior members, Honorary members, Provisional members and Temporary members. Members are referred to the table in rule 6.12 of the new Constitution which sets out the rights of all members.
  - g. New membership applications must still be approved by the Board or an election committee under the new Constitution.
- #### 2.5 Transfer of membership
- Rule 7.5 of the new Constitution permits the Board to transfer an Ordinary member to another class of Ordinary membership on the written request of the member. There may be fee and subscription implications resulting from a transfer of membership.
- #### 2.6 Conduct of members
- Rule 9 of the existing Constitution has been removed and some of the more detailed matters which are in the existing Constitution will be inserted into the Club's By-laws to help streamline the Constitution. All members of the Club must still comply with these requirements.
- #### 2.7 Disciplining of members
- a. Rule 9 of the new Constitution sets out the process by which the Board may discipline members, which has been simplified.
  - b. Members will receive a notice of charge at least 14 days before the meeting of the Board at which the charge is to be heard. Members are entitled to attend the meeting to answer the charge or may choose to answer the charge in writing. Members in attendance of the meeting may wish to call witnesses.
  - c. As set out under rule 9.2 of the new Constitution, the conduct of the disciplinary process will vary depending on whether the accused member chooses to attend the meeting at which the charge is to be heard.
  - d. Any member who is found guilty of the charge of which they are accused will be given an opportunity to address the Board in relation to the penalty appropriate to the charge before the Board determines the penalty to be imposed.
- #### 2.8 CEO's power to immediately suspend
- The rules relating to the CEO's power to suspend a member has been simplified under the new Constitution. Specifically, rule 9.3 of the new Constitution permits the CEO (or the Senior Employee of the Club in the CEO's absence) to suspend any member if the CEO or Senior Employee considers that a charge should be laid against a member.
- #### 2.9 Exclusion from the Club's Premises

## NOTICE OF GENERAL MEETING *(continued)*

- a. Rule 9.4 of the new Constitution sets out the circumstances in which members can be refused entry to, or be required to leave, the Club's premises. These circumstances are in accordance with the Liquor Act 2007 (NSW). Example: This Rule would apply if a person is intoxicated or disorderly, smokes in a smoke-free area on the Club's premises or uses or possesses a substance suspected of being a prohibited plant or drug while on the Club's premises.
- b. The CEO, Board, Senior Employee or any authorised person may refuse any person access to the premises in accordance with the Club's responsible service of alcohol policy, responsible conduct of gambling policy or self-exclusion policy under rule 9.4(c) of the new Constitution.

### 2.10 Termination of membership

- a. Rules regarding termination of membership have been inserted into the new Constitution, as the current Constitution refers only to membership 'resignations.' The new Constitution therefore contains additional rules regarding the circumstances when a person's membership with the Club will 'cease/terminate' (which includes but is not limited to the resignation of a person's membership).
- b. Under rule 10 of the new Constitution, a person will cease to be a member if they die, they have not paid any funds owing to the Club within 60 days after the due date, they resign in writing, they resign by returning their membership card and giving verbal/written notice of resignation or if they are expelled from membership as a result of any disciplinary proceeding.
- c. A person may also cease to be a member if they make any statement or engage in any act that, in the reasonable opinion of the CEO, Board or disciplinary committee, constitutes an intention by the member to resign.

### 2.11 Patrons

Rule 12 of the new Constitution for patrons, while generally similar, outlines that the appointment of Patrons in a General Meeting will continue until the next Annual General Meeting of the Club unless otherwise resolved by members. The new rule 12 also provides that a person's appointment as a Patron will end upon that person's cessation of membership with the Club.

### 2.12 Guests

Rule 14 of the new Constitution for guests remains substantially similar. An addition has been made to prohibit members from introducing guests if the guest has been expelled or dismissed from membership, has been removed from the Club's premises for misconduct while attending the Club as a guest or Temporary member, has had their application for membership of the Club rejected or is a former Club employee who has been dismissed for misconduct.

### 2.13 Quorum for General Meetings

Rule 16.5 of the new Constitution provides that the quorum for a General Meeting called by the Board is twenty-five (25) members who are present and entitled to vote at the meeting. The quorum for General Meetings convened by the Board on the request of members will be one-hundred (100) members who are present and entitled to vote at the meeting.

### 2.14 Board elections

- a. Rule 25.1 of the new Constitution reflects the RCA such that at least 25% of the Club's full members must have the right to vote at an election of the Board.
- b. There is no change to the rights of members to stand for election to the Board under the new Constitution.
- c. There is no change to the Board election procedure in the new Constitution. Members are referred to rule 25.2 of the new Constitution.
- d. Rule 25.6 of the new Constitution regarding additional appointments to the Board has been slightly modified to reflect the Registered Clubs Regulation 2015 (NSW). Firstly, the adjustment provides that a person appointed under rule 25 must only be appointed for a term of no more than 3 years, and that the person must be an Ordinary member of the Club at the time of, and for the duration of, their appointment. Secondly, a notice containing specific information about the person appointed must be clearly displayed on the Club's premises and website within 21 days of the appointment being made.

### 2.15 Powers of the Board

There is no change to the Board election procedure in the new Constitution. Members are referred to rule 26 of the new Constitution.

### 2.16 Insurance and indemnity of officers

## NOTICE OF GENERAL MEETING *(continued)*

Rule 33 of the new Constitution relating to the insurance and indemnity of officers has been reworded in accordance with current law and best practice.

### 2.17 Accounts and audit

The requirements for the Club to make available its accounting and financial records are set out in rule 38 of the new Constitution. This has been incorporated in accordance with the RCA and Corporations Act.

### 2.18 Executing documents

The Club may execute a document with or without affixing its Seal to a document, or in any other manner as decided by the Board.

### AGENDA ITEM 11: RESOLUTION FOR LIFE MEMBERSHIP

To consider and if thought fit confer Life Membership on Mr Michael Bell.

#### **Explanatory note – Ordinary resolution - Conferring of Life Membership.**

The Board has unanimously resolved to recommend Michael Bell for Life Membership in recognition of his outstanding service to the Club. Mr Bell is currently a Director and satisfies the requirement of the Club's Constitution that he has served as a director for a period or periods in aggregate of not less than 10 years as required by Rule 6.6.

### AGENDA ITEM 12: ELECTION OF DIRECTORS

To elect two Ordinary Directors, in accordance with the Constitution (if elections are required) and to announce the results and declare those persons elected to take office from the conclusion of the meeting. 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.

### GENERAL NOTES FOR MEMBERS

1. To be passed, each Ordinary Resolution must receive votes in its favour from a simple majority of those members who, being eligible to do so, vote on the Ordinary Resolution.
2. To be passed, each Special Resolution must receive votes in its favour from a three quarters majority of those members present and voting, being eligible to do so, vote on the Special Resolution.
3. The Special Resolution must be considered as a whole and the substance of the resolution and the proposed new Constitution cannot be amended by motions from the floor of the meeting.
4. Life Members, financial Ordinary members and financial Special members are entitled to vote on each Ordinary Resolution and the Special Resolution.
5. Members who are employees of the Club are not entitled to vote and proxy voting is prohibited under the Registered Clubs Act.
6. Members will be given a reasonable opportunity to speak and ask questions about each resolution at the Annual General Meeting.
7. A copy of the current Constitution is available to members on request from the Club's office.
8. The Club's Annual Report (including the Financial Report) for the year ended 30 June 2020 can be accessed on the 'Member Reports' page at [www.cclc.com.au](http://www.cclc.com.au).
9. Members are requested to address questions on matters to be considered at the Annual General Meeting to the Chief Executive Officer in writing at least 14 days before the Annual General Meeting, so that they can be addressed and drawn to the attention of the meeting as appropriate.

By order of the Board

#### **Company Secretary and Chief Executive Officer**

Edward Camilleri

GOSFORD

22 September, 2020



## CHAIRMAN'S REPORT

Firstly, on behalf of the Board I would like to express our appreciation to the Executive team under the stewardship of the CEO for their dedication over the last 12 months. There is no doubt that without their dedication we would not be in the position we are in.

In addition, as Chairman I thank the Board Edward Johnson (Deputy Chairman), Andrew Mackenzie, Andrew Dickson, Michael Bell, Steve Naven and Ray Southeren OAM for their agility, devotion to duty and professionalism, particularly over the last 6 months. Through the diverse skill sets of the Directors, your Board has worked tirelessly for the Club and its members to ensure that the road ahead is sound.

In many respects the last twelve months has been one of the most challenging and unprecedented periods in the Club's history. Just over twelve months ago, the Board embarked on an extensive campaign to secure a new CEO for the organisation. That resulted in the engagement of Edward Camilleri. Edward having been the CEO of the successful Revesby Workers Club for several years, brings to the table a wealth of knowledge and experience adding strength to the Club's future.

This past year also saw the passing of the Club's founder Ray Maher OBE. As a result of Ray's drive, determination, and community spirit, he leaves a significant and enduring legacy. Particularly around the support for sporting clubs, those less fortunate and community organisations, many of which would not exist today without Ray. His vision is certainly part of the Board's platform for the future.

Like many other organisations your Club was dealt a savage blow with COVID-19. For the first time since the Club started over 60 years ago, it was forced to close its doors. Certainly an anxious time for the Board, Executive team, and staff. Equally concerning was the impact the closure had on the many community groups supported by the Club. This resulted in the Club being unable to provide well needed ongoing financial and social support to many.

However, they say that at times of adversity, good things often rise to the top. While there is no doubt COVID-19 has had a significant impact on your Club and other organisations, it has also presented us with an unprecedented opportunity. The closure gave us the ability to pause, re-evaluate and reset many of the operational platforms and segments of the Club's operations and charter. This resulted in the Club being able to come out of the other side of the closure with renewed purpose and a firm platform for the future. Subsequently the Club has been able to re-engage with a number of groups much earlier than anticipated at the time of the closure. In fact, August saw the Club distribute over \$138,000 to worth while groups resulting in them being able to continue their important work in the community.

Last year we tabled the Club's development plans following the completion of the Masterplan. Although COVID-19 provided a bump in the road, I am pleased to advise that we are progressing again with the program and hope to communicate further progress shortly. As previously outlined, just as Ray Maher OBE developed the Club for the future as well as the community of the day, it is vital that the Club continues to address and serve the current and future needs of the community and the region overall. The new Club with its planned diverse segments such as hotel and conferencing

facilities, restaurants and commercial will set the platform by considering and providing for future generations just as Ray did all those years ago. COVID-19 presented the Club with the opportunity to reset. The Club of the future and the amenity, within will be quite different, particularly around social distancing and the way we go about business.

There is no doubt that we will all feel the impact of what the world has been experiencing for years to come. However, on the flip side, while it is challenging, it is also presenting new opportunities for the future.

On behalf of the Board and the organisation, we wish good health for you and your family. Stay safe.

**Michael Dowling**  
Chairman

## VALE

### RAY MAHER OBE

*7 July 1922 to 13 January 2020*



Ray Maher founded Central Coast Leagues Club in 1954 and was the longest serving Chairman of any licensed Club in New South Wales, serving 52 years unopposed as the Chairman of Directors from 1954 until his retirement in 2006.

Ray's contribution to the Central Coast Community for over half a century is unparalleled. He will be remembered as an exceptional and passionate leader reaching out and uniting the hearts of so many community groups across the region.

**He leaves behind a legacy.**



## CHIEF EXECUTIVE OFFICER'S REPORT

This year the Club faced many significant and unforeseen events. Bush fires, floods and the unprecedented COVID-19 virus presented challenges which impacted on all our core business operations.

Commencement of the forced lock down in March saw the Club's operations and services cease for the first time in the Club's 66 year history. All departments discontinued trading and management faced the unenviable task of standing down staff while retaining a core group of executive and maintenance team members to ensure the premises were kept safe and secure with plant and machinery decommissioned for a lengthy period of time.

During this shutdown period our management team developed strategic plans for the eventual reopening of Club operations anticipating it would be under strict social distancing conditions. As you would expect we were focused on retaining as many of our valuable staff members as possible and with the implementation of the Federal Government's Job Keeper Payment Scheme we were able to do so.

Club entertainment, social and recreation facilities along with our business tenants were also impacted by the forced closure. This contributed to a significant reduction in the Club's cash reserves throughout the shutdown period.

The Club's partial reopening on June 1st under NSW

### FINANCIAL HIGHLIGHTS

- *Revenues from Ordinary Activities \$23.9m*
- *EBITDA \$1.8m*
- *Profit / (Loss) Before Tax (\$1.0m)*
- *Capital Investment \$2.2m*
- *Cash Reserves \$1.9m*
- *Debt Reduction \$1.0m*
- *Total Members Funds \$29.5m*

State Government guidelines gave us the opportunity to recommence trading in our bar, restaurant and gaming venues while abiding by social distancing regulations. Staff were enthusiastic to be returning to work and the patronage we received from members was reassuring with many members expressing their pleasure in being back within their Club environment.

Revenue throughout the reopening period exceeded all pre COVID-19 trading levels and has contributed to the consolidation of the Club's financial security. The eventual removal of all social distancing requirements in the not too distant future will see the Club return to full operational capacity with enhanced services to members and guests.

With the business being closed for 70 days, this did have a material effect on the financial results and cashflow of the business. There was an operating loss after tax of \$1,016,082 compared to the previous year's profit of \$379,189; a reduction of -\$1,395,271. The Club's EBITDA (earnings before interest depreciation and amortisation) was \$1,869,464 compared to the previous year of \$3,449,015; a reduction of -\$1,579,551.

It must be pointed out that with virtually no trading revenues received during April 20 and May 20, this directly impacted on the business bottom line as there was still necessary operating costs incurred well beyond the government subsidies received during the forced closure.

A key measurement of success is the core operating cash flow derived which the club generated \$1,633,566 compared to the previous year of \$3,158,739; a reduction of -\$1,525,173. Despite this year's deficiency, the Club was still able to

reduce its interest - bearing debt by \$993,453 and invest \$2,218,167 in income producing assets with the majority of this discretionary spend incurred prior to March 2020.

As we speak, the Club is viable and continues to meet its expenses as they fall due and is in now in a stronger financial position to that of both the 30 June 2020 where cash reserves totaled \$1,944,054 and the previous year of \$2,544,809. Now and at time of writing, the business is tracking above \$4.3 million in cash reserves and senior management is confident of maintaining a sustainable business for the future.

The success of the Club during COVID-19 restrictions can be attributed to its dedicated management team and the staff who continually strive to achieve and maintain quality services for members and guests.

I thank Club Chairman Mike Dowling and members of the Board for their continued support and vision for this great Club. We look forward to future years of continual improvement and development ensuring the provision of a variety of services and facilities for members and the community.

**Chief Executive Officer**  
Edward Camilleri

## SUPPORTING THE COMMUNITY

### CLUB GRANTS 2019/2020

Central Coast Leagues Club is pleased to be a significant contributor to the quality of life in the Central Coast community and strives to meet and exceed our obligations under the ClubGRANTS Funding Scheme.

Over the duration of the 2019/2020 ClubGRANTS year, Central Coast Leagues Club provided grants totaling over \$372,000 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 as community groups to assist in reducing administration costs.

A snapshot of groups supported are:

Koori Kids	Ronald McDonald House
The Humour Foundation	Central Coast Rugby 7's Academy
YMCA	Central Allstars
Rotary Club of Gosford North SOKS	Kariong & District Rugby Club
Coast Shelter	Gosford City Soccer Club
Orange Sky Australia Limited	Autism Spectrum
The Top Blokes Foundation	Brisbane Water Cricket Club
Shoebox Revolution	Central Coast Heart
Henry Kendall High School Special Education Unit	Central Coast Myeloma Support Group
Life Line Direct Hunter Central Coast	Central Coast Rugby 7's Academy



## TESTIMONIALS

### TESTIMONIAL FROM GOSFORD NORTH ROTARY - SOKS

As Chairman of SOKS (Save Our Kids from Suicide) and on behalf of our Committee and Gosford North Rotary Club, I would like thank the Central Coast Leagues Club for their ongoing support of SOKS and our partners Lifeline in helping save many lives of young people on the Central Coast from Suicide.

2020 has for everyone been a difficult year, especially in the area of mental health. More and more people are seeking help from Lifeline and other organisations as COVID-19 threatens to destroy many lives. Suicide rates have increased by 25% and calls to Lifeline have increased by 30%.

With the help of the Central Coast Leagues Club generous donation, SOKS can continue to educate and support our community. Since commencing SOKS, over 200 programs have been conducted, over 3,600 people have been trained, \$700,000 raised and donated, and 682 lives of young people on the Central Coast have been saved.

Our sincere thanks to you, and with your help we hope to save more lives in the future.

*Lester Pearson, Chairman SOKS*

### TESTIMONIAL FROM COAST SHELTER

Coast Shelter, for over 28 years, have been supporting those vulnerable in the Central Coast community. The Coast Community Centre is an intricate piece of our tapestry. Here we provide free meals Monday to Friday and support services to help those who are homeless, vulnerable, victims of domestic & family violence, financially disadvantaged and socially isolated. Support services include food hampers, no interest loans, energy vouchers, shower and laundry facilities, gifts of essential items such as clothing and toiletries as well as connections and referrals to other important services.

Central Coast Leagues Club gives back to the Central Coast community in so many ways and Coast Shelter's work to assist those doing it tough wouldn't be made possible without the assurance, generosity and unwavering support of Central Coast Leagues Club.

Coast Shelter and those we support continue to be so grateful to Central Coast Leagues Club for its loyalty, dedicated generosity and kindness.

### TESTIMONIAL FROM SURF LIFE SAVING CENTRAL COAST

Central Coast Leagues Club has supported Surf Life Saving Central Coast (SLSCC) for over 50 years. For the past five seasons the Central Coast Leagues Club has been the major partner of the SLSCC Lifesaving Support Operations Team which has allowed SLSCC to significantly increase the coverage of our Rescue Water Craft Service (rescue jet skis) and Lifesaving Duty Officer services across the Central Coast beaches.

The funding granted to this service from the Central Coast Leagues Club Club Grants program has funded a new Rescue Water Craft for Surf Life Saving Central Coast annually, funded the operational cost of seven rescue jet skis and two rescue vehicles and provided our lifesaving support operations team with essential rescue equipment, uniforms and the training they need to save lives and respond to coastal emergency incidents at Central Coast beaches.

Thanks to the support from the Club Grants Program, The SLSCC Lifesaving Support Operations team has significantly advanced the service level provided to the community, leading to safer beaches, many major rescues made and a reduction to coastal drowning statistics on the Central Coast.

## DIRECTOR'S 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, 2020 in order to comply with the provision of the Corporations Act 2001.

### DIRECTORS

The names and particulars of the Directors in office during the financial year are:

#### Michael Bell

Company CEO and Senior Branch Manager. Member for 31 years. Director since 2010. Graduate Australian Institute of Company Directors.

##### Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (4): Attended 4

#### Andrew Dickson

Managing Director / Architect. Member for 8 years. Director since 2017.

##### Responsibilities:

Board Meetings (12): Attended 12

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (22): Attended 22

#### Michael Dowling

Retired. Member for 8 years. Director since 2017. Graduate Australian Institute of Company Directors. Former Director Coles Myer Limited's Retail Trust.

##### Responsibilities:

Board Meetings (12): Attended 12

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (23): Attended 23

#### Edward Johnson

Retired. Member for 43 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 (2): Attended 1

Various Sub Committee Meetings (11): Attended 10

#### Andrew Mackenzie

Lawyer. Member for 7 years. Director since 2018.

##### Responsibilities:

Board Meetings (12): Attended 12

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (8): Attended 7

#### Stephen Naven

Chief Financial Officer. Member for 1 year. Appointed Director 17 September 2019.

##### Responsibilities:

Board Meetings (10): Attended 9

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (0):

## DIRECTOR'S REPORT *(continued)*

#### Raymond Southeren OAM

Retired. Member for 5 years. Director since 2016.

##### Responsibilities:

Board Meetings (12): Attended 11

Special Board Meeting (2): Attended 2

Various Sub Committee Meetings (30): Attended 27

The above Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### SUB COMMITTEES

**Audit, Risk & Finance Committee:** M Dowling, S Naven

**Central Coast Leagues Fitness:** E Johnson, R Southeren OAM

**Club Grants:** E Johnson, A Mackenzie

**Development Committee:** M Dowling, A Dickson, R Southeren OAM

**Internal Clubs:** E Johnson, M Bell, R Southeren OAM

**Judiciary Committee:** E Johnson, A Mackenzie, R Southeren OAM

**Remuneration and Succession Planning:** M Dowling, E Johnson, M Bell

### 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.

### REVIEW OF OPERATIONS

The Federal Government announced major restrictions on all organisations operating within the Australian economy in mid-March 2020 due to the COVID-19 health emergency impacting the Australian community. These restrictions have had a significant impact on the operations of the company when the Government announced the compulsory closure of all Registered Clubs effective the 23 March 2020. The company has since the 1 June 2020 been allowed to re-open with a number of restrictions in place to protect patrons health.

There have been a range of measures introduced by the Federal and State Governments to support the businesses during the COVID-19 pandemic, of which the Club was eligible for such as Job Keeper and Cash Booster payments. Whilst the company expects the Australian and State Governments to continue to support the Australian economy, the company anticipates that a challenging trading conditions will continue in the short to medium term.

The Directors will continue to monitor on an ongoing basis both the operational and financial impact of the health emergency and make appropriate decisions to ensure the company continues to operate for the benefit of members and the local community.

Other than the matter noted above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or state of affairs of the company in future financial years.

### OPERATING RESULTS

The net consolidated loss of the consolidated entity for the financial year after providing for income tax was \$1,016,082 compared with a profit of \$379,189 in 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 2020 was 53,418 (2019: 56,051).

## DIRECTOR'S REPORT *(continued)*

### OBJECTIVES

To create an innovative environment where Central Coast Leagues Club is 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.

### Short Term

Cementing our mission as *The Heart of the Coast*, in support of the community welfare and local sporting bodies through partnerships and Club Grants. Providing members an up-to-date, multipurpose facility that caters to their needs. Delivering a high standard of customer service as well as increased member rewards and benefits through a loyalty program, promotional offers and competitions.

### Long Term

To be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the community and our members. Ensure that Central Coast Leagues Club has a strong financial future and is the destination of choice for members and guests.

### 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 range of entertainment activities and grow and retain strong membership numbers to sustain a strong financial future.

### 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 2020 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 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$5.00. (2019 \$5.00).

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

On behalf of the Directors

**M Dowling**

Chairman

**E Johnson**

Deputy Chairman

GOSFORD

22 September, 2020

## DIRECTOR'S DECLARATION

The Directors of the Company declare that:

- In the Directors opinion the financial statements and notes set out herein are in accordance with the Corporations Act 2001 and:**
  - comply with Accounting Standards, reduced disclosure requirements and Corporations Regulations 2001; and
  - give a true and fair view of the financial position as at 30 June, 2020 and of the performance for the year ended on that date of the Consolidated Entity.
- 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**

Deputy Chairman

GOSFORD

22 September, 2020

## AUDITOR'S INDEPENDENCE DECLARATION

### 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, 2020 there have been:

- No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

### Fortunity Assurance

**Adrian Thompson**

Partner

155 The Entrance Road Erina NSW 2250

22 September, 2020

## 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 2020, 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 Director's 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 2020 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 2020, 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.

## INDEPENDENT AUDIT REPORT

To the Members of Central Coast Leagues Club Limited (continued)

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

Adrian Thompson

Partner

155 The Entrance Road Erina NSW 2250

22 September, 2020

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2020

	NOTE	CONSOLIDATED	
		2020	2019
<b>CLASSIFICATION OF EXPENSES BY NATURE</b>			
Revenues from Ordinary Activities	2	23,985,708	28,948,625
Cost of Sales	3	(1,601,690)	(2,009,335)
Expenses from Ordinary Activities:			
Poker Machine Duty and Taxes		(3,948,945)	(5,109,872)
Depreciation and Lease Expenses	3	(2,679,664)	(2,755,153)
Wages & Employee Benefits		(8,558,556)	(7,899,444)
Repairs and Maintenance		(1,027,847)	(1,446,676)
Light & Power		(959,545)	(1,180,728)
Entertainment & Promotions		(1,179,308)	(1,369,054)
Other Expenses from Ordinary Activities		(4,834,144)	(6,440,764)
Borrowing cost expense	3	(242,107)	(334,013)
(Loss)/Profit from Ordinary Activities before Income Tax expense		(1,046,098)	403,586
Income Tax Benefit / (Expense)	4	30,016	(24,397)
(Loss)/Profit from after Income Tax expense		(1,016,082)	379,189
Other Comprehensive Income		-	-
Total Comprehensive Income Attributable to Members		(1,016,082)	379,189

The accompanying notes form part of these financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

	NOTE	CONSOLIDATED	
		2020	2019
<b>CURRENT ASSETS</b>			
Cash Assets	5	1,944,054	2,544,809
Receivables	6	452,234	320,979
Inventories	7	98,931	124,323
Other Assets	8	196,949	268,890
<b>Total Current Assets</b>		<b>2,692,168</b>	<b>3,259,001</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant & Equipment	9	37,372,532	37,795,859
Deferred Tax Assets	10	45,812	13,232
Investments	11	104,159	54,159
Intangibles	12	85,000	85,000
<b>Total Non Current Assets</b>		<b>37,607,503</b>	<b>37,948,250</b>
<b>Total Assets</b>		<b>40,299,671</b>	<b>41,207,251</b>
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	13	3,454,090	2,237,437
Interest Bearing Liabilities	14	450,000	850,000
Hire Purchase	14	173,610	465,495
Provision for Employee Entitlements	15	616,271	786,521
Provision for Income Tax	4	2,564	-
<b>Total Current Liabilities</b>		<b>4,696,535</b>	<b>4,339,453</b>
<b>NON CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	14	5,980,000	6,101,750
Hire Purchase Liabilities	14	39,643	219,461
Other Payables	13	65,000	-
Provision for Employee Entitlements	15	31,775	43,787
<b>Total Non Current Liabilities</b>		<b>6,116,418</b>	<b>6,364,998</b>
<b>Total Liabilities</b>		<b>10,812,953</b>	<b>10,704,451</b>
<b>Net Assets</b>		<b>29,486,718</b>	<b>30,502,800</b>
<b>MEMBERS FUND</b>			
Accumulated Profits		29,486,718	30,502,800
<b>Total Members Fund</b>		<b>29,486,718</b>	<b>30,502,800</b>

The accompanying notes form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	NOTE	CONSOLIDATED	
		2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers – net		26,040,471	29,453,732
Payments to Suppliers & Employees		(23,193,708)	(26,482,204)
Interest received		6,209	38,206
Interest Paid & Borrowing costs		(242,107)	(334,013)
Net Cash provided by (used in) Operating Activities	<b>22</b>	<u>2,610,865</u>	<u>2,675,721</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Property Plant and Equipment		27,643	19,200
Purchase of Property Plant and Equipment		(1,734,440)	(1,439,163)
Purchase of Work in Progress		(461,370)	-
Investments		(50,000)	(54,159)
Net Cash provided by (used in) Investing Activities		<u>(2,218,167)</u>	<u>(1,474,122)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of loans		(993,453)	(1,474,152)
Proceeds from loans		-	66,667
Net Cash provided by (used in) Financing Activities		<u>(993,453)</u>	<u>(1,407,485)</u>
Net Increase (Decrease) in Cash held		(600,755)	(205,886)
Cash at Beginning of Year		2,544,809	2,750,695
Cash at End of Year	<b>5</b>	<u>1,944,054</u>	<u>2,544,809</u>

The accompanying notes form part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS FUNDS

For the year ended 30 June 2020

<b>RETAINED EARNINGS</b>	
Balance as at 1 July 2018	30,123,611
Profit for the year	<u>379,189</u>
Balance as at 30 June 2019	30,502,800
(Loss) for the year	<u>(1,016,082)</u>
Balance as at 30 June 2020	<u>29,486,718</u>

The accompanying notes form part of these financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

Central Coast Leagues Club Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) 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.

The financial statements were authorised for issue on 22 September 2020 by the directors of the company.

#### Accounting Policies

##### (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

As discussed in note 1, the liability for employee benefits expected to be settled more than twelve months from the reporting days 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 Limited. Control exists where Club 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 the Club to achieve the objectives of Central Coast Leagues Club Limited. A list of controlled entities is contained in Note 24 to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

<i>Class of Fixed Asset</i>	<i>Useful Life</i>
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 2019 to June 2020 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 members, guests etc. All revenue from the sale of goods is recognised upon the receipt of the goods by customers and members. All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

Revenue from rendering a service is recognised upon the delivery of the service to members, guests etc. All revenue is stated net of the amount of goods and services tax (GST).

#### (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. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (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) 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.

#### (m) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

#### (n) Financial Instruments

##### *Recognition*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

##### *Financial assets*

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

##### *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans and borrowings are classified as non-current.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (o) 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.

#### (p) Customer Loyalty Programs

The company operated a loyalty program where customers accumulate points for dollars spent.

The award points are recognised 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. The amount of the revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

#### (q) New and amended Accounting Standards and Interpretations Adopted

The company has adopted all new or amended Australian 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 yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the Company;

#### AASB15 Revenue for Contracts with Customers

The Company has adopted AASB15 from 1 January 2019. The standards provides a single comprehensive model for revenue recognition. The core principle of the standards is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers i.e. performance obligations, at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

There was no impact from the adoption of AASB15 Revenue from Contracts with Customers on the opening retained earnings.

#### AASB16 Leases

The Company has adopted AASB16 from 1 January 2019. The standard replaces AASB117 'Leases' and for lessees eliminated 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 lease liabilities (included in finance costs). In the earlier period of the lease, the expenses associated with the lease under AASB16 will be higher when compared to leases expenses under AASB117.

However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as operating expense is now replaced by interest expense and depreciation in the profit and loss. For classification within the statement of cash flow, 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 standards does not substantially change how a lessor accounts for leases.

At year end the Club has no lease commitments which would meet the requirements to be accounted for in accordance with AASB16 have been noted and therefore no impact from the adoption of AASB16 Leases have occurred on opening retained earnings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 2. REVENUE

#### Operating Activities

	CONSOLIDATED	
	2020	2019
Trading Revenue	21,305,534	26,872,924
Interest Received	6,209	43,737
Commissions Received	306,508	402,728
Rent Received	332,293	391,530
Members Subscriptions	605,738	709,025
Government Subsidies	1,028,156	-
Other Revenue	313,098	509,481
	<u>23,897,536</u>	<u>28,929,425</u>

#### Non Operating Activities

Proceeds from the Disposal of Property Plant and Equipment	88,172	19,200
<b>Total</b>	<b>23,985,708</b>	<b>28,948,625</b>

### 3. EXPENSES

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

#### Expenses

Cost of sales	<b>1,601,690</b>	<b>2,009,335</b>
Borrowing costs	<b>242,107</b>	<b>334,013</b>
<b>Depreciation and Lease Expenses</b>		
Depreciation of non current assets	2,649,464	2,733,874
Amortisation of non current assets	30,200	21,279
<b>Total</b>	<b>2,679,664</b>	<b>2,755,153</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>4. INCOME TAX EXPENSE</b>		
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
<b>Operating Profit / (Loss) before income tax</b>	<b>(1,046,098)</b>	<b>403,586</b>
Income tax expense calculated at an effective rate of 5.93% of operating profit. The effective tax rate is calculated by applying the non mutual percentage of 21.56% to the income tax rate of 27.5%.	(64,742)	40,265
Add:		
Tax effect of		
- Non allowable members' only expenses	47,527	21,979
- Non mutual expenses	105,887	21,847
- Non allowable expenses @ 27.5%	1,785	-
	90,457	84,091
Less:		
Tax effect of		
- Non assessable members' subscriptions	9,120	2,473
- Non mutual assessable income	89,350	11,333
- Carried forward loss / deductions of subsidiary @ 27.5%	6,769	-
Income tax expense on mutual income	(14,782)	70,285
Adjusted for the effect of non mutual income and expense calculated at 27.5%		
Add / (less) tax effect of permanent differences		
- Non mutual income	414,356	209,108
- Non mutual expenses	(700,157)	(403,107)
- Tax income attributable to subsidiary at 27.5%	20,552	-
Recoupment of prior year tax losses not previously brought to account	(17,988)	(123,714)
Loss carried forward for the Club	(300,583)	-
<b>Income tax expense attributable to the operating profit subsidiary</b>	<b>2,564</b>	<b>-</b>
(b) The income tax benefit / (expense) comprises:		
Current income tax payable	(2,564)	-
Increase / (reduction) in provision for deferred income tax	32,580	(24,397)
<b>Attributable to Operating profit</b>	<b>30,016</b>	<b>(24,397)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>5. CASH ASSETS</b>		
<b>Reconciliation of Cash</b>		
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 at bank and on hand	1,944,054	2,544,809
<b>Total</b>	<b>1,944,054</b>	<b>2,544,809</b>
<b>6. RECEIVABLES</b>		
<b>Current</b>		
Trade debtors	22,216	87,905
Other debtors	430,018	233,074
<b>Total</b>	<b>452,234</b>	<b>320,979</b>
<b>7. INVENTORIES</b>		
Bar stock	62,689	96,405
Catering stock	36,242	27,918
<b>Total</b>	<b>98,931</b>	<b>124,323</b>
<b>8. OTHER ASSETS</b>		
<b>Current</b>		
Other prepayments	196,949	268,890
<b>Total</b>	<b>196,949</b>	<b>268,890</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>9. PROPERTY PLANT &amp; EQUIPMENT</b>		
Land at cost	2,697,887	2,697,887
Buildings and improvements at cost	45,586,274	45,230,043
Less Accumulated depreciation	(17,285,870)	(16,328,069)
	28,300,404	28,901,974
Plant equipment furniture and fittings at cost	14,113,940	13,327,491
Less Accumulated depreciation	(10,164,742)	(9,181,807)
	3,949,198	4,145,684
Leasehold improvements	149,410	149,410
Less Accumulated amortisation	(143,280)	(134,492)
	6,130	14,918
Poker machines and plant	6,249,358	5,847,338
Less Accumulated depreciation	(4,603,347)	(4,123,474)
	1,646,011	1,723,864
Sub Total - Property Plant & Equipment	36,599,630	37,484,327
Capital works in progress	772,902	311,532
<b>Total Property &amp; Plant Equipment</b>	<b>37,372,532</b>	<b>37,795,859</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED							
	2020	2019	2020	2019	2020	2019		
<b>9. PROPERTY PLANT &amp; EQUIPMENT (continued)</b>								
<b>Movements in carrying amounts</b>								
Movement in the carrying amounts for each class of the sub total property, plant and equipment between the beginning and the end of the current financial year. It does have some minor rounding differences in conjunction to that of the consolidated statement of comprehensive income and cash flows.								
			<b>Land</b>	<b>Buildings</b>	<b>Plant &amp; Equipment</b>	<b>Leasehold Improvement</b>	<b>Poker Machines</b>	<b>Total</b>
			<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2019			2,697,887	28,901,974	4,145,684	14,918	1,723,864	37,484,327
Additions			-	344,161	798,520	-	591,765	1,734,446
Disposals (net)			-	-	60,523	-	-	60,523
Transfers			-	12,070	(12,070)	-	-	-
Depreciation/amortisation			-	(957,801)	(1,043,459)	(8,788)	(669,618)	(2,679,666)
<b>Balance at 30 June 2020</b>			<b>2,697,887</b>	<b>28,300,404</b>	<b>3,949,198</b>	<b>6,130</b>	<b>1,646,011</b>	<b>36,599,630</b>
<b>10. DEFERRED TAX ASSETS</b>								
<b>Deferred tax assets</b>								
Future income tax benefit							45,812	13,232
<b>Total</b>							<b>45,812</b>	<b>13,232</b>
<b>11. INVESTMENTS</b>								
<b>Non Current</b>								
Investment in Clubs 4 Fun							104,159	54,159
<b>Total</b>							<b>104,159</b>	<b>54,159</b>
<b>12. INTANGIBLES</b>								
<b>Non Current</b>								
Goodwill - Evolve Yoga							85,000	85,000
<b>Total</b>							<b>85,000</b>	<b>85,000</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>13. TRADE &amp; OTHER PAYABLES</b>		
<b>Current</b>		
Unsecured liabilities:		
Trade creditors & accruals	3,454,090	2,237,437
<b>Total</b>	<b>3,454,090</b>	<b>2,237,437</b>
<b>Non Current</b>		
Unsecured liabilities:		
Other payables	65,000	-
<b>Total</b>	<b>65,000</b>	<b>-</b>

## 14. FINANCIAL LIABILITIES

### Bank Loans

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

- (a) 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.

Bank Bills - Current	450,000	850,000
Bank Bills - Non Current	5,980,000	6,101,750
<b>Total</b>	<b>6,430,000</b>	<b>6,951,750</b>

### Bank Loan Facility

The banking facility of Club is available until 31 October 2022 with interest variable rate determined by the BBSY for a reset period of 1 month plus the banks' lending margin. Monthly payments over the term of the facility relate to interest, fees and principal repayments. Principal reductions have been agreed and are set out in the repayment schedule. The facility is repayable in full on expiry of the finance term.

### Security

The loan facility are secured by a first registered mortgage over the company's freehold land & buildings located at 1 Dane Drive, Gosford NSW 2250.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>14. FINANCIAL LIABILITIES (continued)</b>		
<b>Hire Purchases Facilities</b>		
The Club has various Hire Purchase agreements for the financing of plant and equipment. The leasing facilities mature at different dates and the assets are held as security as per Note 9 leasehold assets. These may be extended by mutual agreement with the bankers of the Club.		
Hire Purchase Commitments - Current	173,610	465,495
Hire Purchase Commitments - Non Current	39,643	219,461
<b>Total</b>	<b>213,253</b>	<b>684,956</b>

## 15. PROVISIONS

Employee Entitlements - Current	616,271	786,521
Employee Entitlements - Non Current	31,775	43,787
<b>Aggregate employee entitlements liability</b>	<b>648,046</b>	<b>830,308</b>

## 16. 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
FireBoard alarm system	31,756	-

### (b) Operating Lease Commitments

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

#### Lease of Gosford City Bowling Club

The Club currently holds a lease with Central Coast Council for the Gosford City Bowling Club located at 20 Dane Drive Gosford. The lease term for this site is now been extended and is due to expire in December 2024.

#### Payable:

Not longer than 1 year	14,497	14,274
Longer than 1 but not longer than 2 years	14,497	7,137
Longer than 2 but not longer than 5 years	35,393	-
Longer than 5 years	-	-
<b>Total</b>	<b>64,387</b>	<b>21,411</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019
<b>16. CAPITAL AND LEASING COMMITMENTS (continued)</b>		
<i>Lease of Plant and Equipment</i>		
<i>Payable:</i>		
Not longer than 1 year	100,579	96,113
Longer than 1 but not longer than 2 years	124,009	93,721
Longer than 2 but not longer than 5 years	75,100	101,531
Longer than 5 years	-	-
<b>Total</b>	<b>299,688</b>	<b>291,365</b>

The Directors have reviewed and assessed that the operating leases held by the Club at year end not to be material, hence these operating leases have not been accounted for under AASB16 Leases (refer to Note 1(q)).

### (c) Hire Purchase Commitments

<i>Payable:</i>		
Not longer than 1 year	173,610	465,495
Longer than 1 but not longer than 2 years	39,643	179,819
Longer than 2 but not longer than 5 years	-	39,642
Longer than 5 years	-	-
<b>Total</b>	<b>213,253</b>	<b>684,956</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

	CONSOLIDATED	
	2020	2019

### 17. 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.

### 18. KEY MANAGEMENT PERSONNEL DETAILS

#### (a) Directors

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

Mr M Bell  
Mr A Dickson  
Mr M Dowling  
Mr E Johnson  
Mr A Mackenzie  
Mr S Naven  
Mr R Southern OAM

#### (b) Other Key Management Personnel

Mr E Camilleri Chief Executive Officer (appointed December 2019)  
Mr P Boswell Chief Financial Officer (appointed January 2020)  
Mr A Ryan Chief Operating Officer  
Mrs J Barnes Executive Manager, People & Performance  
Miss D Terry Executive Manager, Marketing  
Mr M Craig Facilities Manager  
Mr P Blacker Former Chief Executive Officer (resigned August 2019)  
Mr B Clegg Former Interim Chief Executive Officer (July to December 2019)  
Mr P Correy Former Chief Financial Officer (resigned January 2020)

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

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

**1,381,777**      **975,008**

### 19. GUARANTEES

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

### 20. 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.

### 21. 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020 (continued)

### 22. CASH FLOW INFORMATION

#### (a) Reconciliation of cash flow from operations with profit from ordinary activities after income tax.

	CONSOLIDATED	
	2020	2019
Profit from ordinary activities after income tax	(1,016,082)	379,189
<i>Non cash flows in profit from ordinary activities</i>		
Amortisation	30,200	21,279
Depreciation	2,649,465	2,733,875
(Profit)/Loss on sale of property plant and equipment	(88,172)	(19,200)
Equipment on credit	-	(69,847)
Movement in deferred taxes payable	(32,580)	24,397
<i>Changes in assets &amp; liabilities</i>		
(Increase) / decrease in trade & other debtors	(131,255)	(151,880)
(Increase) / decrease in inventories	25,392	(31,848)
(Increase) / decrease in other assets	71,942	20,693
Increase / (decrease) in trade & other payables	1,281,653	(346,120)
Increase / (decrease) in employee entitlements	(182,262)	186,934
Increase / (decrease) in other provisions	2,564	(71,751)
<b>Cash flows from operations</b>	<b>2,610,865</b>	<b>2,675,721</b>
<b>(b) Standby credit arrangements with Banks</b>		
Credit facility	6,680,000	7,339,786
Amount utilised	(6,430,000)	(6,951,750)
<b>Unused credit facility</b>	<b>250,000</b>	<b>388,036</b>
The major facilities are summarised as follows:		
1) Commercial Rate Loan	6,430,000	5,393,587
2) Commercial Rate Loan	-	308,163
3) Commercial Rate Loan	-	800,000
4) Commercial Rate Loan	-	450,000
<b>Total</b>	<b>6,430,000</b>	<b>6,951,750</b>

## NOTES TO THE CONSOLIDATED STATEMENTS

For the year ended 30 June 2020 (continued)

### 23. EVENTS OCCURRING AFTER THE REPORTING DATE

The emergence of Corona virus disease (COVID-19) during the first months of 2020 has had a significant impact on financial markets and assets globally, the broader economic and social disruption now evident and anticipate to continues in the near-term.

Prior to the government announcement, the Club implemented additional practices and safeguards for the customers and staff members and further, reduced and suspense major activities and events on the 23 March 2020.

On 22 March 2020, the government announced forced closure of the registered and licensed clubs, licensed premises in hotels and pubs, entertainment venues and cinemas, casinos and nightclubs, effective from Midday 23 March 2020 until further notice.

While the impact of COVID-19 is yet to be fully determined, we have assessed impact of the financial position and considered potential impacts to be as follows;

- No trading activity until 1 June 2020 and revised trading expectations for the following 6 months;
- Eligible financial assistance benefits to be received by the federal government to facilitate the Public Safety forced closure period; and
- The business continued to pay its debts as and when they fall due and payable.

Given the nature of the services provided, management will continue to monitor the economic impact of this situation on the assets held and business as a whole.

Other than the item noted above, in the interval between the end of the financial year and the date of this report, no transactions or event of material and unusual nature has arisen to significantly affect the operation of the Club, the results of those operations, or the state of affairs of the Club in the future financial years.

### 24. INTEREST IN SUBSIDIARIES

Subsidiary	Place of Business	Percentage Owned (%)	Percentage Owned (%)
		2020	2019
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.

## PRIVACY POLICY *(continued)*

### 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](http://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*



**DANE DRIVE GOSFORD**  
[www.cclc.com.au](http://www.cclc.com.au)