



Griffith Leagues

2020  
ANNUAL REPORT

WE ARE PROUD OF OUR CONTRIBUTION TO

# LOCAL SPORT



Referees



Golf



Swimming



Soccer



Fishing



Harness  
Racing



Pony Club



Netball



Squash



Horse Racing



Rugby League



Darts

# **FINANCIAL REPORT**

FOR THE YEAR ENDED  
31 DECEMBER 2020

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REGISTERED OFFICE: Farm 877 Bridge Road Griffith NSW 2680

### **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 48th ANNUAL GENERAL MEETING of Griffith Leagues Club Limited will be held at the Southside Griffith Leagues Club on Tuesday 27 April 2021 commencing at 8:00pm.

Only financial members on the day of the meeting may attend the meeting and vote.

In accordance with the Registered Clubs Act, an employee of the Club cannot vote at any meeting of the Club or for the election of the Board or be a Director of the Club.

Entrance to the meeting will be by production of current Membership Card or receipt indicating payment of membership fees.

### **AGENDA**

1. Apologies
2. Confirmation of the minutes of the forty- seventh Annual General Meeting held on 28 July 2020
3. To receive, consider and adopt the financial report of the company for the year ending 31st December 2020, the report by the Directors and Auditors thereon.
4. Confirmation of PinnacleHPC Pty Ltd as Auditors for 2021
5. To elect officers in accordance with the requirements of the constitution of the company
  - a. President
  - b. Eight (8) directors

*Note:* At least five (5) officers' positions shall be Football Directors and up to four (4) officers' positions may be Floor Directors
6. To consider and, if thought fit, pass the Ordinary Resolutions set out below;

### **ORDINARY RESOLUTION NO 1:**

That pursuant to Section 10 of the *Registered Clubs Act 1976*:

- a. The Members hereby approve and agree to the following expenditure by the Board of Directors during the twelve (12) month period preceding the 2021 Annual General Meeting:
  - i. A reasonable supper and refreshments to be associated with each Board meeting of the Club;
  - ii. The provision of a suit, shirt, tie and other official clothing to be worn by a director whilst representing the Club
  - iii. The reasonable cost of Directors attending the Registered Clubs Association Annual General Meeting;
  - iv. The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time;
  - v. The reasonable cost of Directors attending functions when representing the Club and at the Annual Directors/Life Members dinner;

- vi. The reasonable cost of Directors attending other registered clubs for the purpose of viewing and assessing their facilities and the method of operation provided such attendances are approved by the Board as being necessary for the benefit of the Club
- b. The Members acknowledge that the benefits referred to in (a) above are not available to all Members generally, but only those who are Directors of the Club.

**ORDINARY RESOLUTION NO 2:**

That pursuant to the *Registered Clubs Act 1976*, the members hereby approve and agree to the following honoraria being provided to the executive positions on the Board of Directors for the twelve (12) months preceding the 2020 Annual General Meeting as follows:

- a. President \$5,000

Such honoraria to be paid monthly by equal instalments to the President.

7. General Business: To transact any business that may be lawfully brought forward.

Nominations for Office Bearers will close at the Club's office at 8pm on Tuesday 13 April 2021. A special request is made to members who have any enquiries in relation to the financial report, to provide this in writing and sent to the Club's office no later than Tuesday 20 April 2021 so that the necessary research can be undertaken to accurately answer all questions.

By authority of the Board



**Anthony Lico**  
**Secretary Manager**

**PRESIDENT'S REPORT**

2020 has certainly seen a year of turmoil for the hospitality industry due to the impact of Covid 19, however it is very pleasing to report a net profit for your club of \$1,737,820 up \$ 377,294 on 2019 given gross revenue for the year was down by \$2,081,530 on the previous year. Another pleasing item of note is our significant debt reduction with bank loans reduced from \$1,325,406 to \$159,000.



As members would be well aware clubs were forced to close the doors for over 2 months from late March to beginning of June due to Covid restrictions with most staff taking up Jobkeeper and Jobseeker government options during the lockdown. It was pleasing to have a number of staff making themselves available to work behind closed doors keeping the administration duties flowing and ensuring the properties remained ever ready for reopening. With the reopening in June your club still faced a period of patron entry number restrictions together with social distancing limits applied. With the restrictions in place for hospitality venues your club was a leader locally in following the strict Covid regulations imposed and sadly club and member's functions were a victim of the Government rules. Social distancing also seriously impacted the dining areas of the club.

On a brighter note during lockdown your board decided to take advantage of the situation and commenced a full renovation and extension to the bistro kitchen. This involved completely gutting the existing kitchen which has operated since 1996 unchanged and extending into the former function storeroom. With the new layout the kitchen is certainly more user friendly which was well overdue for such a busy club bistro.

Unfortunately Covid 19 impacted all club sporting groups with competitions suspended completely or restricted in some form. This included the planned reunion celebrations for the Black and Whites 100 year centenary. It is pleasing to confirm that the reunion committee has penciled in the 9th-11th July 2021 as the new date for celebrations pending any outbreaks. The reunion committee urges all past and current players, committee and supporters to diarise this date for celebration of this milestone.

Your board continues to look at improved facilities for both Southside and Northside venues with details to be released in 2021 of proposed and updated works. These works will entail improvements to existing facilities allowing for increased member satisfaction and venue approval. As stated earlier Covid 19 seriously affected club operations but I would sincerely thank members for your patience and understanding during 2020 and continuing into 2021. We look forward to your ongoing support and hopefully much improved conditions will apply to our venues. Equally a big thank you to all our loyal staff who showed

dedication to their tasks and particularly after lockdown when such severe restrictions placed immense pressure on them to work with members in applying the ever changing regulations.

A big thank you to General Manager Anthony Lico who continues to lead by example. 2020 has presented many challenges never before experienced and Anthony has responded in a responsible and focused manner. The financial results are a credit to his clear managerial skills and determination to succeed. Well done Anthony!

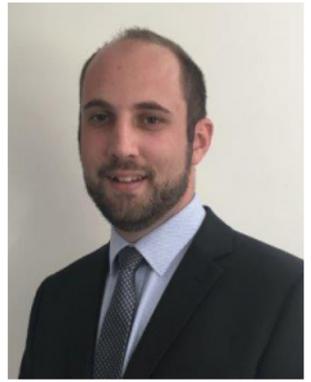
Finally, thank you to my fellow board members who remain dedicated and united despite the challenges presented to us in 2020. The ownership you absorb in you roles is greatly appreciated and I am fortunate to have such great support and friendship in our quest to ensure we achieve our strategic goals.

**GRAEME TREVETT**

President

**GENERAL MANAGERS REPORT**

The presentation of the Annual Report has always been an important opportunity to reflect on the significant events and achievements which have occurred throughout the financial year. As I recap the most tumultuous year in the Clubs 63-year history, I am proud to say that for every challenge, setback and disappointment there have been abundant examples of success, rejuvenation and resilience.



Mid-January 2020, stories pertaining to a new strain of coronavirus (COVID-19) circulating overseas were beginning to be reported by the Australian media. Just weeks later, public interest turned to alarm after the first positive COVID-19 case was recorded in Australia. The sobering reality of the pandemic hit home on 22 March 2020 when Prime Minister Scott Morrison announced the closure of all hospitality venues and other non-essential services by midday 23 March 2020, stating that “Australians should expect these measures to be in place for at least 6 months”.

Having to advise our 90 staff that they were stood down until further notice was undoubtedly the most difficult task of my management career. Equally as confronting was the thought that some of our members may become isolated from the community during the closure. Clubs have always been a home away from home for our members, particularly the elderly, who rely on our venues for their social interaction. For these members, a weekly or monthly visit is vital to their mental health and our staff have always enjoyed engaging with our regulars and sharing a story or a laugh.

Seeking a positive outcome, the Board’s attention turned to a full refurbishment and expansion of the Southside kitchen. The work had been on the agenda for many years but the closure of the kitchen for a lengthy period was considered a major obstacle. The mandatory closure removed this hurdle and we were able to complete the work with limited disruption to members. The new kitchen is impressive and has been fitted out with state-of-the-art equipment which will ensure smoother food services while allowing for future growth.

With the kitchen renovation in full swing, NSW Premier Gladys Berejiklian made the unexpected announcement that hospitality venues were permitted to reopen on 1 June 2020 under strict capacity limits. Over the following months, we often reached capacity which resulted in lengthy ques at the front entrance. Similarly, many patrons elected to dine elsewhere due to the limited seating available in dining room and club generally. I know that this has been frustrating for members at times and I thank you for your patience, understanding and cooperation.

Despite the above-mentioned issues, the Club has managed to bounce back remarkably well, particularly as restrictions have eased. The

2020 net profit of \$1,737,820 demonstrates a robust business model considering we were closed for almost 20% of the year. The financial assistance received from the Federal Government has contributed to the financial result but more importantly, allowed us to return to full service and re-engage all of our 90 staff by subsidising wages through JobKeeper. Had it not been for the government stimulus measures, the road to recovery may have been years not months.

We remain upbeat about achieving our objectives throughout the 2021 year, particularly with the rollout of COVID-19 vaccines. Accordingly, the construction work which was scheduled for 2020 will commence in the coming months; the work entails an expansion of the Noel Gale Lounge including a new café and an extension to the Alpen Terrace with a designated family area overlooking a new children's playground.

I firmly believe that we would not be in a position to undertake the above-mentioned work without the contribution of our outstanding staff who have displayed the highest level of commitment to their workplace by undertaking whatever task necessary to get the Club back on its feet. A special mention for our kitchen staff who assisted by performing various bar and cleaning duties while the kitchen was being refurbished. To our team of Duty Managers, thank you for your perseverance and determination under the most challenging circumstances. Week-in, week-out, you have accepted the operational burden of managing a busy licensed venue through a pandemic and have all thrived under pressure. To all our staff, thank you!

To President Graeme Trevett and the Board of Directors, thank you for your assistance, guidance and trust. Graeme contacted me regularly throughout the mandatory closure to offer his support on both a personal and professional level which was sincerely appreciated. The same level of respect and camaraderie is shared between all directors which has had a significant influence on the Club's financial performance and culture. It has been a pleasure working with you over the past 12 months.

Finally, I wish to thank our members for your support and regular patronage of the Club. The 2020 year has brought about many changes but we remain resolute in our goal to provide our members with first class facilities and service. We look forward to your company throughout 2021.

**ANTHONY LICO**  
General Manager

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Your directors present their report on the company for the financial year ended 31 December 2020.

### DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

Graeme Trevett	Maria Maloni
John McFadzean	Russell McCann
Anthony Catanzariti	Joseph Amato
Craig O'Keeffe	Christos Velis
Ashley Gunn	

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

### INFORMATION ON DIRECTORS

In accordance with Section 300(10) of the *Corporations Act 2001* particulars of the qualifications, experience and special responsibilities of the company's directors are as follows:

DIRECTOR	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITIES
Graeme Trevett	Insurance Broker Director 29 Years	Club President
Joseph Amato	Licensed Agent Director 3 Years	Senior Vice President
Craig O'Keeffe	Service Manager Director 5 Years	Junior Vice President
Anthony Catanzariti	Business Proprietor Director 11 Years	Treasurer
John McFadzean	Retired Director 30 Years	
Ashley Gunn	Accountant Director 5 Years	
Maria Maloni	Retired Bank Officer Director 4 Years	
Russell McCann	Senior Resource Supervisor Director 3 Years	
Christos Velis	Water Analyst Director 1 Year	

No director of the company has or has had an interest in a contract or a proposed contract with the company, which is required to be declared in accordance with the *Corporations Act 2001*, except for those disclosed at Note 16 to the financial statements.

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

MEETINGS OF DIRECTORS	ELIGIBLE	PRESENT	APOLOGY
Graeme Trevett	13	13	0
John McFadzean	13	13	0
Anthony Catanzariti	13	13	0
Craig O'Keeffe	13	13	0
Ashley Gunn	13	12	1
Maria Maloni	13	12	1
Russell McCann	13	11	2
Joseph Amato	13	13	0
Christos Velis	13	12	1

#### PRINCIPAL ACTIVITIES

The principal continuing activities of the Club is the encouragement and promotion of sport activities including rugby league, soccer, touch football, cricket, fishing and a range of other sports and the provision of recreational facilities for its members.

#### OPERATING RESULTS

The net profit of the company for the financial year after providing for income tax amounted to \$1,737,820.

#### REVIEW OF OPERATIONS

A review of the operations of the company during the financial year and the results of those operations are as follows:

INCOME	2020	2019
Bar, bistro and catering trading sales	3,730,565	5,734,436
Gross profit	2,150,933	3,407,012
Poker machine income	5,965,057	6,694,203
Profit on sale of property, plant and equipment	20,572	19,274
Commissions	122,012	154,835
Members subscriptions	59,564	63,004
Other income	<u>1,197,416</u>	<u>482,005</u>
Total Income	<u>9,515,555</u>	<u>10,820,334</u>
Less: expenses	<u>7,777,735</u>	<u>9,459,807</u>
Net profit before income tax	1,737,820	1,360,526
Income tax expense	-	-
Net profit after income tax	<u><u>1,737,820</u></u>	<u><u>1,360,526</u></u>

#### FINANCIAL POSITION

The retained profits of the company have increased by \$1,737,820 from \$13,692,779 at 31 December 2019 to \$15,430,599 at 31 December 2020. This movement is represented by a \$1,737,820 net profit for the year to 31 December 2020. The revaluation reserves were \$3,085,019 at 31 December 2019 and \$3,039,168 at 31 December 2020, bringing the company's Net Assets to \$18,469,767 at 31 December 2020.

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

### **SIGNIFICANT CHANGE IN STATE OF AFFAIRS**

No significant change in the nature of these activities occurred during the financial year.

### **SHORT AND LONG TERM OBJECTIVES**

The Board has established short and long term objectives as outlined in the Club's strategic plan which is reviewed on an annual basis. These objectives are both financial and non financial, and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the registered club industry.

### **STRATEGIES**

To achieve its stated objectives, the company has adopted the following strategies:

The Board and Management will continue to improve the amenities at each venue to ensure that both premises remain relevant with member interests.

Improvements to Solar Mad Stadium are ongoing and the Board endeavours to upgrade this facility as part of the Club's commitment to foster, encourage and promote local sport.

The Club continues to invest in staff training to aid in the day to day operations of the Club and ensure that a high level of customer service is provided to members and guests. Directors regularly attend various seminars and decision making.

### **COVID-19**

The Federal Government directed all registered clubs to cease trading by 12 midday on 23 March 2020 to reduce the spread of coronavirus (COVID-19) in the Australian community. Registered Clubs were permitted to reopen on 1 June 2020 under capacity and social distancing restrictions. Consequently, the Club's revenue has declined in comparison to the previous trading period. The Club's trading revenue has continued to improve month-on-month since reopening and as restrictions ease, the Directors are confident the Club will be able to fulfil its short and long term objectives.

### **KEY PERFORMANCE INDICATORS**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

### **MEMBER GUARANTEE**

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the total amount that the members of the company are liable to contribute if the company is wound up is \$20,306 (2019: \$19,730).

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**AUDITORS INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under Section 370C of the Corporations Act 2001 is attached to this financial report.

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

**Director**



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Graeme Trevett

**Director**



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Anthony Catanzariti

Dated at Griffith this 25th day of February 2021

## DIRECTORS' DECLARATION FOR THE YEAR ENDED 31 DECEMBER 2020

The directors of the Griffith Leagues Club Limited declare that:

1. The financial statements and notes, as set out in pages 11 to 23 are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors

**Director**

  
\_\_\_\_\_  
Graeme Trevett

**Director**

  
\_\_\_\_\_  
Anthony Catanzariti

Dates at Griffith this 25th day of February 2021

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIFFITH LEAGUES CLUB LIMITED

## *Report on the Audit of the Financial Report*

### *Opinion*

I have audited the financial report of Griffith Leagues Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of Griffith Leagues Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

### *Basis for Opinion*

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Company's annual report for the year ended 31 December 2020, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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 and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIFFITH LEAGUES CLUB LIMITED

### *Auditor's Responsibilities for the Audit of the Financial Report*

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 company'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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company 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 appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

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



**John P Keenan CPA**  
**Registered Auditor 156228**  
**PINNACLEHPC PTY LTD**

Dated at Griffith this 25th of February 2021

# YOUR CLUB IN NUMBERS



**9,943**

Club Members



**26**

Community groups supported



**53,623**

Visitors through the door



**8,233**

Social Media Fans  
Facebook & Instagram



**ONLINE MEMBERS**

1st year of processing memberships online via our website.



**\$103,570**

Given away in members points as a thank you for the support during a very challenging year.

## GREAT SOUTHERN NIGHTS



Hosted a free event together with NSW government to stimulate the revival of live music.



## COVID-19

10 Week closure at both venues due to Covid-19 pandemic. first time in the history of the club to close down for an extended period.



## \$3,264,844

Spent on Staff Wages & Benefits



## 37,652

Glasses of Local Wine Sold



## 2,390

Sour Warhead Cocktails Sold



## 33/54

Staff Male to Female Ratio



## \$89,518.93

Was given away using our 10% members Bistro discount & 15% Happy Hour & Coupons



## \$257,589

Spent on electricity & gas



## \$8,042,933

TOTAL ASSETS increased 67% over 6 years



## \$5,180,000

Total Cost of 3 Renovations in 6 Years.



**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001****TO THE DIRECTORS OF  
GRIFFITH LEAGUES CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020 there have been:

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



**John P Keenan CPA**  
**Registered Auditor 156228**  
**PINNACLEHPC PTY LTD**

Dated at Griffith this 25th of February 2021

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
Revenues from ordinary activities	2	11,095,187	13,147,757
Employee benefits expense		(3,264,844)	(3,785,694)
Depreciation and amortisation expense		(947,110)	(877,656)
Finance costs	3	(33,502)	(88,535)
Other expenses		<u>(5,111,911)</u>	<u>(7,035,347)</u>
<b>Profit/(loss) before income tax expense</b>		<b><u>1,737,820</u></b>	<b><u>1,360,526</u></b>
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<b><u>1,737,820</u></b>	<b><u>1,360,526</u></b>
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b><u>1,737,820</u></b>	<b><u>1,360,526</u></b>
Profit attributable to members of the entity		<u>1,737,820</u>	<u>1,360,526</u>
Total comprehensive income attributable to members of the entity		<u>1,737,820</u>	<u>1,360,526</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,717,767	1,327,366
Trade and other receivables	5	35,783	84,055
Inventories	6	195,404	141,946
Investments	7	1,467	1,486
Other current assets	8	6,940	7,154
<b>TOTAL CURRENT ASSETS</b>		<u>1,957,361</u>	<u>1,562,007</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	15,962,824	15,871,753
Intangible assets	10	2,140,000	2,140,000
<b>TOTAL NON-CURRENT ASSETS</b>		<u>18,102,824</u>	<u>18,011,753</u>
<b>TOTAL ASSETS</b>		<u>20,060,185</u>	<u>19,573,760</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	835,485	796,257
Short-term provisions	12	200,666	215,953
Equipment finance liabilities	13	55,296	153,755
Other current liabilities	14	27,179	37,809
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,118,626</u>	<u>1,203,774</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	12	97,613	82,918
Equipment finance liabilities	13	59,130	-
Interest bearing liabilities	13	159,000	1,325,406
Other non-current liabilities	14	156,050	183,865
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>471,793</u>	<u>1,592,188</u>
<b>TOTAL LIABILITIES</b>		<u>1,590,419</u>	<u>2,795,962</u>
<b>NET ASSETS</b>		<u>18,469,767</u>	<u>16,777,798</u>
<b>EQUITY</b>			
Reserves		3,039,168	3,085,019
Retained profits		15,430,599	13,692,779
<b>TOTAL EQUITY</b>		<u>18,469,767</u>	<u>16,777,798</u>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Retained Earnings	Reserves	2020	2019
Balance at beginning of year		13,692,779	3,085,019	16,777,798	15,467,165
Profit attributable to entity		1,737,820	-	1,737,820	1,360,526
Revaluation of shares		-	(19)	(19)	128
Revaluation of land and buildings		-	(45,832)	(45,832)	(50,021)
Revaluation of poker machine entitlements		-	-	-	
<b>Balance at end of year</b>		<b>15,430,599</b>	<b>3,039,168</b>	<b>18,469,767</b>	<b>16,777,798</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		10,253,893	13,125,891
Interest received		257	624
Dividends received	2(a)	-	114
Receipts from government subsidies		828,000	-
Payments to suppliers and employees		(8,389,052)	(10,790,068)
Interest and other costs of finance paid	3	(33,502)	(88,535)
<b>Net cash provided by operating activities</b>		<u>2,659,596</u>	<u>2,248,027</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		39,000	44,182
Payments for property, plant and equipment		(1,102,461)	(900,657)
<b>Net cash used in investing activities</b>		<u>(1,063,461)</u>	<u>(856,475)</u>
<b>Cash flows from financing activities</b>			
Borrowings drawn		99,423	105,272
Repayment of borrowings		(1,305,158)	(1,077,754)
<b>Net cash used in financing activities</b>		<u>(1,205,734)</u>	<u>(972,482)</u>
Net increase/ (decrease) in cash held		390,400	419,070
Cash at beginning of financial year		<u>1,327,366</u>	<u>908,297</u>
Cash at end of financial year		<u>1,717,767</u>	<u>1,327,366</u>

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The financial statements are for the Griffith Leagues Club Limited as an individual entity, incorporated and domiciled in Australia. Griffith Leagues Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 25th of February 2021 by the directors of the company.

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*. 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 are 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.

### ACCOUNTING POLICIES

#### (a) Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers. Donations and bequests are recognised when revenue is received. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

#### (b) Inventories on Hand

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

#### (c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and any impairment losses.

##### **Freehold Property**

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

#### **Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed for no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

#### **Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Land and Buildings	2.50%
Plant and Machinery	7.5%- 60.0%
Plant and Equipment Under Lease	30%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

#### (d) Leases

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

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

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

#### (e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying value 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 it and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable value is recognised in profit or loss. Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where the assets are not held primarily for their ability to generate net cash inflows- that is, they are specialised assets held for continuing use of their service capacity- the recoverable amounts are expected to be materially the same as the fair value.

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

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

#### (f) Employee Benefits

##### ***Short-term employee benefits***

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

#### ***Other long-term employee provisions***

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

#### **(g) 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.

#### **(h) Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

#### **(i) Goods and Services Tax**

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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### **(j) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997 .

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

**(k) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(l) Comparative Figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

**(m) Accounts Payable and Other Payables**

Accounts payable 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 which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(n) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
<b>2 REVENUE</b>		
Operating activities		
Sale of goods	3,730,565	5,734,436
Gaming revenue	5,965,057	6,694,203
Subscriptions and nominations	59,564	63,004
Dividends	2(a) -	114
Unrealised gain/(loss) on investments	(19)	128
Interest received	257	624
JobKeeper	828,000	-
Other revenue	<u>491,191</u>	<u>635,974</u>
Total revenue	<u>11,074,615</u>	<u>13,128,483</u>
Non-operating activities	20,572	19,274
Gain on disposal of property, plant and equipment	<u>20,572</u>	<u>19,274</u>
<b>Total Revenue</b>	<b><u>11,095,187</u></b>	<b><u>13,147,757</u></b>
<b>(a) Dividends from:</b>		
Other corporations	<u>-</u>	<u>114</u>
<b>3 PROFIT BEFORE INCOME TAX EXPENSE</b>		
Profit from ordinary activities before income tax has been determined after:		
<b>Expenses:</b>		
Administration	3,410,012	4,466,515
Entertainment	122,267	241,408
Cost of goods sold	<u>1,579,632</u>	<u>2,327,424</u>
	<b><u>5,111,911</u></b>	<b><u>7,035,347</u></b>
Employee Costs	3,265,436	3,787,924
Provision for employee entitlements	<u>(592)</u>	<u>(2,230)</u>
	<b><u>3,264,844</u></b>	<b><u>3,785,694</u></b>
Borrowing costs	3(a) 33,502	88,535
Depreciation & amortisation	947,110	877,656
<b>Total expenses from ordinary activities</b>	<b><u>9,357,367</u></b>	<b><u>11,787,231</u></b>
<b>(a) All borrowing costs are payable to other corporations.</b>		
<b>4 CASH AND CASH EQUIVALENTS</b>		
Change	374,500	324,500
EFTPOS- Southside	59,760	75,270
EFTPOS- Northside	4,570	4,330
Deposits TAB	10,000	10,000
Cash at bank- Working Account	955,546	674,923
Cash at bank- Investment Account	76,080	76,034
Cash at bank- TAB Accounts	82,495	50,641
Cash at bank- Keno Accounts	95,304	52,192
Cash at bank- Long Service Provision Account	<u>59,513</u>	<u>59,477</u>
	<b><u>1,717,767</u></b>	<b><u>1,327,366</u></b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
<b>5 TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade debtors	35,783	84,055
	<u>35,783</u>	<u>84,055</u>
<b>6 INVENTORIES</b>		
<b>CURRENT</b>		
<b>At cost:</b>		
Stock on hand	195,404	141,946
	<u>195,404</u>	<u>141,946</u>
<b>7 INVESTMENTS</b>		
<b>CURRENT</b>		
Shares in listed companies	1,467	1,486
	<u>1,467</u>	<u>1,486</u>
<b>8 OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepaid expenses	6,940	7,154
	<u>6,940</u>	<u>7,154</u>
<b>9 PROPERTY, PLANT AND EQUIPMENT</b>		
Land and buildings at cost and valuation	14,205,492	13,624,532
Less: accumulated depreciation	(720,424)	(462,005)
Total land and buildings	<u>13,485,068</u>	<u>13,162,526</u>
Plant, equipment, furniture and fittings	8,355,646	8,109,221
Less: accumulated depreciation	(5,952,395)	(5,399,994)
Total plant and equipment	<u>2,403,251</u>	<u>2,709,226</u>
<b>Work in Progress</b>	74,505	-
Total property, plant and equipment	<u>15,962,824</u>	<u>15,871,753</u>
<b>(a) Land</b>		
Under the <i>Registered Clubs Act 1976</i> , the company is required to distinguish between its core and non-core property.		
<b>(b) Core &amp; Non-Core Property</b>		
Pursuant to Section 41J(2) of the Registered Clubs Act 1976, for the financial year ended 31 December 2020		
<b>(a)</b> all property except, 1 Ryan Street Darlington Point held by the company is to be classified as core property; and		
<b>(b)</b> the property at 1 Ryan Street Darlington Point is classified as non-core property.		
<b>(c)</b> In 2017 the land and buildings were independently valued by Opteon. These values have been reflected in the financial report.		
<b>10 INTANGIBLE ASSETS</b>		
Poker machine entitlements	2,140,000	2,140,000
	<u>2,140,000</u>	<u>2,140,000</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
<b>11 TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade creditors	690,016	565,936
Accrued charges	145,469	230,321
	835,485	796,257
<b>12 PROVISIONS</b>		
Provision for holiday pay	104,078	117,041
Provision for long service leave	194,200	181,829
	298,278	298,870
<b>Analysis of Total Provisions</b>		
Current	200,666	215,953
Non-current	97,613	82,918
	298,278	298,870
<b>Provision for Non-current Employee Benefits</b>		
A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of the leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(f) to these financial statements.		
<b>13 BORROWINGS</b>		
<b>CURRENT</b>		
Equipment finance liability	55,296	153,755
	55,296	153,755
<b>NON-CURRENT</b>		
Equipment finance liability	59,130	-
Interest bearing liabilities	159,000	1,325,406
	218,130	1,325,406
<b>14 OTHER LIABILITIES</b>		
<b>CURRENT</b>		
Deposits held	11,125	20,215
Prepaid income	10,419	10,419
Subscriptions in advance	5,635	7,175
	27,179	37,809
<b>NON-CURRENT</b>		
Prepaid income	51,816	80,136
Subscriptions in advance	104,234	103,729
	156,050	183,865

### 15 EVENTS AFTER THE REPORTING PERIOD

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

### **16 RELATED PARTIES**

#### **Related Party Transactions**

Directors declared an interest in the following entities:

Peter L Brown and Associates (Graeme Trevett)

Any transactions with these entities throughout the year occurred in the ordinary course of business and were conducted at arm's length.

### **17 COMPANY DETAILS**

The registered office of the company is:

Griffith Leagues Club Limited

2 Bridge Road

Griffith NSW 2680

### **18 BANK LOANS AND OVERDRAFTS**

The Westpac Banking Corporation holds the following as security for its commercial lending facilities:

A First Registered Mortgage over non residential real property located at Wakaden Street Griffith NSW 2680

A First Registered Company Charge over the whole of the assets and undertakings of the company, including Liquor Licence, Poker Machine Entitlements, Gaming Licences, TAB or other betting agencies

A First Registered Mortgage over non residential real property located at Bridge Road Griffith NSW 2680

A First Registered Mortgage over non residential real property located at Coolah Street Griffith NSW 2680

### **19 GUARANTEES**

As a requirement for the installation of TAB facilities in the Club, the Totalizer Agency Board requires guarantees to the value of \$10,000, which are held by the Westpac Banking Corporation.



# who your club **SUPPORTED**

BARNABAS HOUSE CRISIS CARE INC

COUNTRY HOPE TRUST

COUNTRY EDUCATION FUND DPC

TECHNICAL AID TO THE DISABLED

GRIFFITH POST SCHOOL OPTIONS

GRIFFITH COUNTRY EDUCATION FUND

MOTOR NEURONE DISEASE SUPPORT GROUP

GRIFFITH NORTH PUBLIC SCHOOL

GRIFFITH PROSTATE CANCER SUPPORT GROUP

KALINDA SCHOOL INC

GRIFFITH AMBULANCE STATION

PCYC GRIFFITH

GRIFFITH NETBALL ASSOC

GRIFFITH & DIST DARTS ASSOC

HANWOOD PUBLIC SCHOOL

HANWOOD RURAL FIRE SERVICE

NSW RFS

GLC CRICKET CLUB

GRIFFITH SOCIAL GOLF

SOUTHSIDE FISHING CLUB

NORTHSIDE FISHING CLUB

GRIFFITH BLACK & WHITE'S

GRIFFITH JNR BLACK & WHITE'S

GROUP 20 ASSOC

GROUP 20 REFEREES ASSOC

YOOGALI SOCCER CLUB





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