

**GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB
LTD**

ABN: 70 000 304 585

(A Company Limited by Guarantee)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2022**

**HARLEY, RUSSELL & DAY
Chartered Accountants**

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ROCKDALE NSW 2216**

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FINANCIAL STATEMENTS 31ST DECEMBER 2022

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GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

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DIRECTORS' REPORT

Your directors present their report together with the accounts of Guildford Rugby League Football & Recreation Club Ltd for the financial year ended 31st December 2022.

DIRECTORS

The names of directors in office at any time during the year and up to the date of this report are:

	<i>Name</i>	<i>Qualifications and Experience</i>
1)	Wayne Trindall President	<p>Formerly employed with Ausgrid and now retired, Wayne has been a member of Guildford Leagues Club for the past 34 years. He played A Grade and A Reserve in 1981-1982 with Guildford Leagues Club. He was the Coach and Manager for the Juniors' Club from 1993-1997, and worked with the Junior Committee for 5 years. He was formerly on the McCredie Park Trust Committee, a Member of the Cumberland ASIC Committee and Senior Football Committee. He is a Director and the current President of Guildford Leagues Club.</p> <p>Wayne was appointed to the Board on 24th March 2002.</p> <p><i>Declared Interest in Contracts: Nil</i></p>
2)	Kevin Bartlett Director	<p>Kevin has lived in the Guildford area for his whole life, joining Guildford League as a member 43 years ago. He is married with 3 children who played sport for the club. A Fitter Machinist by trade, now a Production Manager for the same company for 43 years. Kevin has played Rugby League for 20 years, coaching Juniors for 9 years. He has also played Cricket for 20 years and took up coaching for 8 years. Kevin has served on the Cricket Committee for a number of years with 10 of those years as Cricket Club President. Kevin has been awarded Life Membership of the Cricket Club. He is a current Golf Club Committee member and has been for 37 years. Kevin is also a Life Member of the Golf Club.</p> <p>Kevin is a current Guildford Leagues Club Board Member having been appointed 24th March 2013.</p> <p><i>Declared Interest in Contracts: Refer to Note 19</i></p>
3)	John (Paul) O'Donoghue Director	<p>John is a Director of Guildford Leagues and has been a club member for 43 years. A Certified Practicing Accountant, he has retired after 35 years with the Australian Taxation Office with service, including Director Financial Services, and a member of the Parramatta Branch Board of Management.</p> <p>Currently Treasurer of the ClubsNSW Western Metropolitan Region and Treasurer of the Guildford Leagues Men's Bowling Club. Previously, for 13 years he was on the Board of Management of the Parramatta Rugby League Referees Association where he is a Life Member. From 1980 to 1992 he was also a Director of a Credit Union.</p> <p>John was appointed to the Board on 24th March 2013.</p> <p><i>Declared Interest in Contracts: Nil</i></p>
4)	Gary Whitehead Director	<p>Gary has been a member of Guildford Leagues Club for the last 31 years. He was President of the Football Club for 6 years, Football Manager for 5 years, Golden Oldie Representative for 6 years, and past Vice President of Men's Bowls. He was also Treasurer of the Snooker Club for 5 years and was a member of the former McCredie Park Trust Committee, for 10 years. He has been a Director of Guildford Leagues for 13 years.</p> <p>Gary was appointed on 31st May 2009.</p> <p><i>Declared Interest in Contracts: Nil</i></p>

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DIRECTORS' REPORT

5) **John Brodie**
Director

John has been a resident of Guildford for over 50 years and is very familiar with the Guildford Leagues Club. As a member of the Holroyd City Council, he was able to assist the club with its deliberations on its leases and in the provision of extra parking, new field fencing, tennis/netball courts and cricket nets.

In his working life he was a Head Teacher, university lecturer and consultant to private and local government organisations. During this time, he participated in sport, coached and refereed. Now retired he has the time to devote to assisting the club and its members through the Board.

John's Board and committee experiences are:

- Attendance at the Australian Institute of Company Directors "Foundations of Directorships" course.
- Completion of "Implement Board Member Responsibilities", Work within organisation structure" and "Analysis financial reports and budgets" courses of the Certificate IV in Governance.
- Director Member First Credit Union.
- Director (Deputy Chair) Metropool Insurance.
- Mayor, Deputy Mayor and Councilor Holroyd City Council.
- Director NSW Justices Association (President).
- Director Toongabbie Legal Centre (Treasurer).
- Member of the following committees:
 - Linnwood House,
 - Holroyd Community Aid,
 - Cumberland Safety Committee (Chair),
 - NSW Government Digital License Committee,
 - NSWJA Training Team (Chair).

John was appointed to the Board on 23rd May 2021.

Declared Interest in Contracts: Nil

6) **Stephen Thompson**
Director

Stephen has been a member Guildford Leagues club for 30 years after moving to the area in 1991.

Stephen is a Retired Health Manager (Administration), having worked in the Department of Health for 36 years. He was last employed as Salary Packaging Manager at Western Sydney and Nepean Blue Mountains Local Health Districts.

From 1998 he started coaching junior football teams at the club then served on the Guildford Junior Rugby League as a committee person for 3 years, Assistant Secretary for 2 years and Club President for 18 months.

Since 2012 he has been the Treasurer of the Guildford Leagues Cricket Club.

Previous to his time at Guildford, Stephen coached and played football at Willoughby District Junior Rugby League, and from 1984 to 1986 managed Norths Sydney Bears SG Ball Squad.

From 1987 to 1991 he was the Lower Grade manager at North Sydney Bears, and then from 1992 to 1997 became the First Grade Manager at North Sydney Bears.

Stephen is a great believer in youth, of all ages, playing sports and will encourage and liaise with the intra clubs based at the club.

Stephen was appointed to the Board on 23rd May 2021.

Declared Interest in Contracts: Nil

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DIRECTORS' REPORT

- 7) **Robert "Charlie" Brown**
Director
- Throughout his 36 years of membership with Guildford Leagues Club (GLC) Robert has continuously been involved in managerial roles in various sub-clubs. His contribution to the club can be seen through the following resume:
- Member of GLC since 1984.
 - Currently President of Wombats Golf Club.
 - Life member of Wombats Golf Club for 5 years.
 - Member of Wombats Golf Club for 14 years.
 - President of Wombats Golf Club for 9 years.
 - Secretary of the Men's Bowling Club 2021.
 - Member of the Men's Bowling Club for 12 years.
 - Member of GLC Social Golf Club for 20 years.
 - Life member of GLC Social Golf Club for 3 years.
 - Member of previous Hockey Club for 26 years.
 - Life member of Hockey Club as well as being head coach.
- Robert was appointed to the Board on 23rd May 2021.
Declared Interest in Contracts: Nil

OPERATING RESULTS

The operating Profit for the Club after no income tax amounted to \$1,665,346 (2021: Loss \$234,475), depreciation and amortization of \$1,846,698 (2021: \$1,737,968). The Club also received JobKeeper of \$19,811 (2021: \$316,974), and NSW State Government Small Business Grant of \$NIL (2021: \$15,000).

PRINCIPAL ACTIVITIES

The principal activity of the company during the year has continued to be that of a licensed social sporting club.

There have been no significant changes in the nature of these activities during the year.

REVIEW OF OPERATIONS

Movements in significant items of Revenue are as follows:-

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>	<u>%</u>
Poker Machine Clearances	14,949,235	9,906,088	5,043,147	50.90
Bar Sales	919,728	592,710	327,018	55.17
Operating Expenses	12,447,225	9,326,239	3,120,986	33.46

SHORT-TERM AND LONG-TERM OBJECTIVES

SHORT TERM

Increase traffic flow in the club thus increasing Club profits and cash flows to ensure our continued ability to support the game of Rugby League and other sports.

LONG TERM

Increase traffic flow in the club thus increasing Club profits and cash flows to ensure our continued ability to support the game of Rugby League and other sports.

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DIRECTORS' REPORT

SHORT-TERM AND LONG-TERM OBJECTIVES (CONTINUED)

STRATEGY FOR ACHIEVING THE OBJECTIVES

The Club implements a number of strategies to achieve these objectives, including:

- Providing improved club facilities for members and their guests,
- Providing quality meals at affordable prices,
- Offering a range of regular member promotions,
- Providing wide range of sporting and gaming facilities,
- Provides support & services to members through the club Welfare Officer,
- Investing in the clubs future in capital works,
- Investing in the community sporting facilities.

Performance is assessed regularly against relevant internal and industry benchmarks enabling assessment as to whether strategic initiatives have been effective in achieving company short- and long-term objectives. These relevant benchmarks are detailed on the following page and are monitored by senior management and the Board on a regular basis.

KEY PERFORMANCE INDICATORS

	<u>2022</u>	<u>2021</u>
	%	%
Bar		
Gross Profit Percentage	65.70	67.15
Percentage of Total Revenue	3.66	3.58
Poker Machines		
Net Profit as Compared to Clearances	56.48	54.57
Total Number of Employees	56	48
EBITDA Percentage	23.01	16.34

MEMBERS

The number of Members of the Club registered in the Register of Members at the date of this report is 8,597 (2021 – 8,057), an increase of 6.7%.

	<u>2022</u>	<u>2021</u>
Full	8,589	8,049
Life	<u>8</u>	<u>8</u>
	<u>8,597</u>	<u>8,057</u>

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DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of Directors meetings attended by each of the Directors of the Company during the financial year were:

Director	Meetings Eligible to Attend *	Meetings Attended
Wayne Trindall	12	12
Kevin Bartlett	12	12
John (Paul) O'Donoghue	12	11
Gary Whitehead	12	11
Robert Brown	12	12
Stephen Thompson	12	12
John Brodie	12	12

* Number of meetings held during the time the Director held office during the year.

MEMBERS' LIABILITY

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that they are a member or within one year thereafter. The total liability in the event of winding up is \$17,194 (2021: \$16,114).

AUDITOR'S INDEPENDENT DECLARATION

The Auditor's Independent Declaration for the year ended 31st December 2022 has been received and can be found on page 6 of this report.

Dated at Guildford this 28th day of March 2023
In accordance with a resolution of the Directors


WAYNE TRINDALL
President


KEVIN BARTLETT
Director

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

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AUDITOR'S INDEPENDENT DECLARATION **UNDER SECTION 307C OF THE CORPORATIONS ACT 2001** **TO THE DIRECTORS OF GUILDFORD RUGBY LEAGUE FOOTBALL &** **RECREATION CLUB LTD**

In accordance with s 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Guildford Rugby League Football & Recreation Club Ltd. As the audit partner for the audit of the financial report of Guildford Rugby League Football & Recreation Club Ltd for the year ended 31st December 2022 I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit, and
- (ii) Any applicable code of professional conduct in relation to the audit.

DATED AT SYDNEY
THIS 15TH DAY OF
MARCH 2023


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HARLEY, RUSSELL & DAY
Chartered Accountants

GARRY WILLIAM DAY
Registered Company Auditor

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

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PROFIT & LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 \$	2021 \$
Revenue from Continuing Operations			
Sale of Goods	3	919,728	592,710
Rendering of services	3	15,214,319	10,157,752
Other Revenue	3	7,642	962
Total Revenue from Continuing Operations		16,141,689	10,751,424
Operating Expenses			
Cost of goods sold		(323,625)	(202,616)
Employee benefits expense		(3,259,439)	(2,531,186)
Entertainment, marketing and promotional costs		(676,988)	(499,737)
Legal and consultancy		(157,253)	(170,432)
Members benefits and amenities		(957,604)	(519,920)
Directors expenses	21	(55,565)	(33,770)
Equipment rental		(75,823)	(87,577)
Repairs and maintenance		(769,712)	(609,734)
Poker machine licences and taxes		(3,498,516)	(2,230,195)
Occupancy expenses		(1,636,852)	(1,360,385)
Promotion of sport		(19,876)	(40,753)
Loss on disposal of plant and equipment		(9,420)	(25,376)
Other expenses		(1,006,552)	(1,014,558)
Total Expenses		(12,447,225)	(9,326,239)
Earnings before borrowing costs, tax, depreciation and amortisation		3,694,464	1,425,185
Depreciation and amortisation	4	(1,846,698)	(1,737,968)
Borrowing costs	4	(202,231)	(253,566)
Profit/(Loss) before Income Tax		1,645,535	(566,349)
Income tax expense relating to ordinary activities		-	-
Profit/(Loss) from Continuing Operations after Income Tax		1,645,535	(566,349)
Other Comprehensive Income	24	19,811	331,974
Total Comprehensive Profit/(Loss) for the year		1,665,346	(234,375)

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

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STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

	Notes	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,903,214	2,923,760
Trade and other receivables	6	27,843	72,430
Inventories	7	54,158	56,545
Other assets	8	169,784	149,241
TOTAL CURRENT ASSETS		3,154,999	3,201,976
NON-CURRENT ASSETS			
Property, Plant & Equipment	9	14,536,302	15,460,539
R.O.U.	10	2,155,389	2,329,538
TOTAL NON-CURRENT ASSETS		16,691,691	17,790,077
TOTAL ASSETS		19,846,690	20,992,053
CURRENT LIABILITIES			
Trade and other payables	11	1,409,890	2,167,909
Borrowings	12	562,620	500,000
Lease liabilities	13	258,421	250,893
Employee benefits	14	232,979	290,196
Provisions	15	19,989	26,500
Income received in advance	17	27,422	18,887
TOTAL CURRENT LIABILITIES		2,511,321	3,254,385
NON-CURRENT LIABILITIES			
Borrowings	12	370,983	2,268,846
Lease liabilities	13	2,648,218	2,781,647
Employee benefits	14	285,377	318,780
Income received in advance	17	48,523	51,473
TOTAL NON-CURRENT LIABILITIES		3,353,101	5,420,746
TOTAL LIABILITIES		5,864,422	8,675,131
NET ASSETS		13,982,268	12,316,922
MEMBERS FUNDS		13,982,268	12,316,922

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022

	Revalued Earning	Total Equity
Balance at 1 January 2022	12,316,922	12,316,822
Total Comprehensive Loss for Year	<u>1,665,346</u>	<u>-</u>
Balance at 31 December 2022	<u><u>13,982,268</u></u>	<u><u>12,316,822</u></u>
Balance at 1 January 2021	12,551,297	12,551,297
Total Comprehensive Profit for Year	<u>(234,375)</u>	<u>(234,475)</u>
Balance at 31 December 2021	<u><u>12,316,922</u></u>	<u><u>12,316,822</u></u>

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 \$	2021 \$
NOTE 1.			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		17,747,451	11,825,508
Receipts from government grants		19,811	331,974
Payments to suppliers and employees (inclusive of GST)		(14,522,798)	(10,363,883)
Interest received		7,642	962
Interest paid on bank loans		(77,235)	(123,758)
Interest paid on leases		(124,966)	(129,808)
NET CASH INFLOW FROM OPERATING ACTIVITIES		3,049,905	1,540,995
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(931,881)	(387,308)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(931,881)	(387,308)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of bank loans		(2,012,669)	(2,491,407)
Net repayments of lease liabilities		(125,901)	(113,585)
NET CASH FLOW FROM FINANCING ACTIVITIES		(2,138,570)	(2,604,992)
Net increase/(decrease) in cash held		(20,546)	(1,451,305)
Cash at the beginning of the financial year		2,923,760	4,375,065
Cash at the end of the financial year	5	2,903,214	2,923,760

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Guildford Rugby League Football & Recreation Club Ltd is a Company Limited by Guarantee and incorporated and domiciled in New South Wales.

Guildford Rugby League Football & Recreation Club Ltd is a not-for-profit entity for the purpose of preparing the financial report.

The principal activities of the Company consist of maintaining and operating a rugby league football club and its associated activities.

Registered Office:

McCredie Park
25-55 Tamplin Road,
GUILDFORD NSW 2161

Principal Place of Business:

McCredie Park
25-55 Tamplin Road,
GUILDFORD NSW 2161

BASIS OF PREPARATION

Guildford Rugby League Football & Recreation Club Ltd financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 General Purpose Financial Statements - Simplified Disclosures for Not-for-Profit Tier 2 Entities.

This is the first financial report of the Club prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected Guildford Rugby League Football & Recreation Club Ltd's reported financial position, financial performance, and cash flows.

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 accrual 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 Recognition

Sales Revenue

Sales Revenue comprises revenue earned from the provision of catering, beverage, and poker machine facilities to members and other patrons of the Club. Sales revenue is recognised when the goods and services are provided.

Asset Sales

The gross proceeds of asset sales are included as revenue of the entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

Interest Income

Interest income is recognised as it accrues.

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont.)

b) Principal Activities

The Club operates as a Registered Club.

c) Property, Plant & Equipment

Property, plant and equipment are included at cost or at an independent valuation. All fixed assets, including buildings and capitalised leases, but excluding freehold land, are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

d) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of these assets, but not legal ownership are transferred to the lessee, are classified as **finance leases**. Finance leases are capitalised recording an asset and liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease charges taken to expense for the period in accordance with AASB 117: Leases.

Other leases are classified as **operating leases**. Minimum lease payments made under operating leases are charged as an expense in equal instalments over the accounting periods covered by the lease term.

Commencing 1st January 2019, a new lease standard (AASB 16: Leases) was introduced. In the past **operating leases**, where substantially all the risks and benefits remained with the lessor, were treated as off-balance sheet transactions, where lease payments are charged as expense in the period in which they occurred, but under the new standard are required to be reported on-balance sheet. The lease cost which is the initial amount of the lease liability at present value plus any direct costs, if applicable, is recognised in the financial accounts as a "right-of-use" asset with an off-setting lease liability. The right-of-use asset is subsequently depreciated over the term of the lease or useful life on a straight-line basis. The lease liability at present value is reduced by the period lease payments made to the lessor, and the interest component of these payments charged to the P&L. Right-of-use assets are reported in property, plant and equipment and lease liabilities in financial liabilities.

Guildford Rugby League Football & Recreation Club Ltd has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets or short-term leases. Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

e) Depreciation and Amortisation

Depreciation is provided on property, plant and equipment but excluding freehold land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. Freehold land has not been depreciated. The directors consider that the adoption of this policy would be inappropriate and the effect of this departure is immaterial to the Company's accounts.

Leasehold improvements are amortised over the period of the lease being a 15 year period, using the straight line method.

The following rates of depreciation are used in the calculation for depreciation:

Bar Equipment	25%	Furniture & Fittings	20%
Bistro	20%	Motor Vehicle	20%
Poker Machines	33⅓%	Plant & Equipment	20%

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont.)

f) Trade and other payables

These amounts represent liabilities for goods and services provided to the club prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

g) Maintenance and repairs

The costs of maintenance, repairs and minor renewals are charged as expenses as incurred.

h) Employee Entitlements

(i) *Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, annual leave and sick leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(ii) *Long service leave*

A liability for long service leave is recognised for all employees of the club with ten years or more service. No adjustment is made for inflation of wage rates or discounting of expected future payments as the net effect is not expected to be material.

(iii) *Superannuation*

The company sponsors the following plans for employees:

Club Plus Superannuation Fund, REST Superannuation, Australian Retirement Superannuation Fund.

Types of Benefits:

Accumulation of contributions of employees providing a lump sum or annuity benefits upon retirement, death or disability.

Contributions:

Employees 9.50% of base salary of employee.

The company has a legal obligation to contribute to this fund.

i) Segment Reporting

The business operates in the hospitality, leisure and entertainment industry in Australia.

j) Income Tax

No provision has been made in the financial statements for income tax, as the directors of the club have assessed that they continue to be exempt under Section 50-45 of the Income Tax Assessment Act (1997).

k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont.)

k) Goods and Services Tax (cont.)

Cash flows are included in the statement of cash flows on a gross basis.

No provision has been made in the financial statement for income tax as the directors of the company has self-assessed that they continue to be exempt under Section 50-45 of the Income Tax Assessment Act 1997.

l) Impairment of Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

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(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$
3. REVENUE FROM CONTINUING OPERATIONS		
OPERATING ACTIVITIES		
<u>Sale of Goods Revenue</u>		
Food & Beverage Sales	919,728	592,710
	<u>919,728</u>	<u>592,710</u>
<u>Rendering Services</u>		
Poker machines – net clearances	14,949,235	9,906,088
Members' subscriptions	14,424	22,028
TAB commission	24,737	18,934
Keno sales	67,084	50,232
Commission received	105,436	56,986
Poker revenue	50,745	14,360
Functions	2,658	89,124
	<u>15,214,319</u>	<u>10,157,752</u>
<u>Other Revenue</u>		
Interest Received	7,642	962
	<u>7,642</u>	<u>962</u>
Total Revenue from Operations	<u>16,141,689</u>	<u>10,751,424</u>

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

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

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at a point in time when the services are provided.

Customer Loyalty Program

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

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 \$	2021 \$
4. EXPENSES		
Profit / (loss) before income tax includes the following specific expenses:		
Finance costs		
Bank loans	77,235	123,757
Lease liabilities	<u>124,996</u>	<u>129,809</u>
	<u>202,231</u>	<u>253,566</u>
Depreciation		
Plant and equipment	832,927	635,669
Amortisation		
Right-of-use assets	174,150	174,159
Leasehold improvements	839,621	928,140
	<u>1,846,698</u>	<u>1,737,968</u>
Total depreciation and amortisation		
	<u>283,388</u>	<u>211,798</u>
Superannuation contribution expense		
	<u>283,388</u>	<u>211,798</u>
Recognition and Measurement		
Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges. Finance costs are expensed as incurred.		
5. CASH & CASH EQUIVALENTS		
Cash on Hand	800,000	750,000
Cash at Bank	<u>2,103,214</u>	<u>2,173,760</u>
	<u>2,903,214</u>	<u>2,923,760</u>
6. TRADE AND OTHER RECEIVABLES		
Trade Debtors	12,037	12,430
Deposits TAB & Council	9,100	9,100
Other Receivables	<u>6,706</u>	<u>50,900</u>
	<u>27,843</u>	<u>72,430</u>
7. INVENTORIES		
This comprises of:		
Bar - stock (at cost)	<u>54,158</u>	<u>56,545</u>

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$
8. OTHER ASSETS		
Current		
Prepayments	164,774	141,021
Other – Gift vouchers	5,010	8,220
	<u>169,784</u>	<u>149,241</u>
9. PROPERTY, PLANT & EQUIPMENT		
Leasehold Improvements - at cost	27,074,135	27,051,344
Less: Accumulated Amortisation	(16,216,756)	(15,377,135)
	<u>10,857,379</u>	<u>11,674,209</u>
Plant and Equipment	11,866,582	11,319,168
Less: Accumulated Depreciation	(8,187,659)	(7,532,838)
	<u>3,678,923</u>	<u>3,786,330</u>
Carrying amount at the end of year	<u>14,536,302</u>	<u>15,460,539</u>

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

Valuation

The independent valuation of the company's leasehold buildings was carried out as at 11 January 2021 on the basis of open market value for existing use resulted in a valuation of leasehold improvements of \$21,000,000. As leasehold improvements are recorded at cost the valuation has not been brought to account.

Reconciliations

Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

Leasehold Improvements

Carrying amount at beginning of year	11,674,209	12,602,504
Additions	22,791	(155)
Amortisation expense	(839,621)	(928,140)
Carrying amount at end of year	<u>10,857,379</u>	<u>11,674,209</u>

Plant and Equipment – owned

Carrying amount at beginning of year	3,786,330	3,815,561
Additions	752,355	824,411
Disposals	(26,830)	(43,814)
Depreciation expense	(832,932)	(809,828)
Carrying amount at end of year	<u>3,678,923</u>	<u>3,786,330</u>

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

Core Property of the Club

As the required disclosure under the Registered Clubs Act the core property consists of:

Guildford Rugby League Football & Recreation Club
McCredie Park
25-55 Tamplin Road
Guildford NSW 2161

Recognition and Measurement

All property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the 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 company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line/ diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Leasehold improvements Over lease term
Plant and equipment - owned 5 - 10 years
Plant and equipment – leased 5 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

Key estimate and Judgement: Estimation of Useful Lives of Assets

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

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

10. RIGHT-OF-USE ASSETS

The land right-of-use asset relates to a property lease which is a non-cancellable lease with a 21 year term commencing 16 May 2014, with rent payable monthly. There are no options to extend, therefore the right-of-use asset has been calculated on the term outlined within the lease agreement. The incremental borrowing rate applied to this lease is 4.2% (refer to note 12).

	2022	2021
	\$	\$
Land and buildings – right-of-use		
At cost	3,657,233	3,657,233
Less accumulated amortisation	(1,501,844)	(1,327,695)
Total right-of-use assets at end of year	2,155,389	2,329,538

Movements in carrying amounts of right-of-use assets

Land and buildings – right-of-use		
Carrying amount at the beginning of the year	2,329,538	2,503,697
Amortisation charge	(174,149)	(174,159)
Carrying amount at the end of the year	2,155,389	2,329,538

Recognition and measurement

A right-of-use asset is recognised at commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities. The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low value assets. Lease payments for these assets are expensed to the profit or loss as incurred.

Key Estimate and Judgement: Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 \$	2021 \$
11. TRADE & OTHER PAYABLES		
Current		
Trade creditors	230,613	433,998
Goods and Services Tax (GST) payable	261,089	241,377
Other creditors and accruals	918,188	1,312,023
Gaming system lease liability	-	180,511
	<u>1,409,890</u>	<u>2,167,909</u>
12. BORROWINGS		
Current		
Bank Loans – Secured	500,000	500,000
Aristocrat Gaming Types 4 - Loan	62,620	-
	<u>562,620</u>	<u>500,000</u>
Non-Current		
Bank Loans – Secured	256,177	2,268,846
Aristocrat Gaming Types 4 - Loan	114,806	-
	<u>370,983</u>	<u>2,268,846</u>
Financing Arrangements		
The company has access to the following lines of credit:		
Total facilities available:		
Bank overdraft	200,000	200,000
Bank loan facility	2,260,253	5,260,253
	<u>2,460,253</u>	<u>5,460,253</u>
Facilities utilised at reporting date:		
Bank loan facility	2,460,253	5,260,253
	<u>2,460,253</u>	<u>5,260,253</u>

Recognition and Measurement

Bank Loan Facility

The bank loan facility of \$2,460,253 is available for the Company until May 2023. The interest rate is a variable rate determined by the BBSY for a reset period of three months. 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 bank overdraft and bank loan facility are secured by first registered mortgage over the lease of non residential real property located at 55 Tamplin Rd Guildford NSW 2161 and general security interest comprising first ranking charge over all present and after acquired property.

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$
13. LEASE LIABILITIES		
Current	258,421	250,893
Non-Current	2,648,218	2,781,647
Total lease liabilities	2,906,639	3,032,540

Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease liabilities are secured over the rights to the hire purchase assets recognised in the statement of financial position which will revert to the lessor if the Company defaults.

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

Key Estimate and Judgement: Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

The following amounts have been recognised within the Statement of Profit & Loss.

Interest expense on lease liabilities	77,235	123,757
	<u>77,235</u>	<u>123,757</u>

14. EMPLOYEE BENEFITS

Current

Annual leave	232,979	290,196
	<u>232,979</u>	<u>290,196</u>

Non-Current

Long service leave	285,377	318,780
	<u>285,377</u>	<u>318,780</u>

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

14. EMPLOYEE BENEFITS (CONT.)

Superannuation Plans

Contributions

The company is under a legal obligation to contribute 10.5% of each employee's base salary to a superannuation fund.

Recognition and Measurement

Current leave provisions

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Non-current leave provisions

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Key estimate and judgement: Long Service Leave

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

Superannuation Plan

The Company contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The Company has no legal or constructive obligation to fund any deficit.

15. PROVISIONS

Current

Mortality benefits

	2022	2021
	\$	\$
Mortality benefits	<u>19,989</u>	<u>26,500</u>

Key estimate and Judgement: Mortality Fund Provision

16. CONTINGENT LIABILITIES

Bank Guarantees

The company has given the following bank guarantees:

- TAB

	<u>5,000</u>	<u>5,000</u>
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Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$
17. INCOME IN ADVANCE		
Pre-Paid Membership		
Current	27,422	18,887
Non-Current	48,523	51,473
	<u>75,945</u>	<u>70,360</u>

18. KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Key Management Personnel

Names and position held at key management personnel in office at any time during the financial year are:

Wayne Trindall	John Brodie
John (Paul) O'Donoghue	Kevin Bartlett
Gary Whitehead	Stephen Thompson
Robert Brown	

(b) Other Key Management Personnel

Brian Bellomo	General Manager	Appointed 30th September 2022
Alan Crow	General Manager	Retired 30th September 2022
Rob Kapka	Gaming Operational Manager	Resigned 1st April 2022
Andrew Pham	Operations Manager	

(c) Key Management Personnel Compensation

Benefits and payments made to Director's and other Key Management personnel in (a) and (b) above.

451,462	360,876
<u>451,462</u>	<u>360,876</u>

19. RELATED PARTY TRANSACTIONS AND THE REGISTERED CLUBS ACT REPORTING REQUIREMENTS

Directors' Transactions with the Company

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

A director, Kevin Bartlett, is a related party of Sports Turf Specialist Pty Ltd. During the year, Guildford Rugby League Football & Recreation Club Limited engaged Sports Turf Specialist Pty Ltd to carry out ground maintenance works at the Club. All dealings were based on normal commercial terms and conditions.

Amount of related party transactions	<u>304,540</u>	<u>315,097</u>
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The aggregate amounts of each of the above types of transactions with directors and their related entities were as follows:

Services provided by Director related entities
- Sports Turf Specialist Pty Ltd

304,540	315,097
<u>304,540</u>	<u>315,097</u>

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

Notes to and forming part of the accounts are to be read in conjunction with this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$

20. POKER MACHINE ENTITLEMENT

The company currently owns 179 Poker Machine licences. The value of these intangible assets, in accordance with accounting standards, is not recorded on the Balance Sheet. The current market value for each entitlement is estimated by your Directors for a block to be in the vicinity of \$60,000. This would make the value of the entitlements held by the Club to be approximately \$3,600,000.

21. REMUNERATION OF DIRECTORS

Number of directors whose remuneration was within the following bands:

\$0 - \$10,000	8	9
Total number of directors:	8	9

Up to and not exceeding the honorariums agreed by resolution of the Directors at a prior Annual General Meeting, in the course of attending the Club and/or representing the Club in an official capacity.

Directors were provided with meals and liquor on a complimentary basis. Out of pocket expenses were reimbursed by the Company.

Honorariums	25,900	19,200
Expenses	29,665	14,570
	55,565	33,770

Remuneration is the aggregate of all remuneration in connection with the management of the affairs of the company, commissions and salaries.

22. CONTINGENT LIABILITIES

There were no contingent liabilities known up to the date of signing this report.

GUILDFORD RUGBY LEAGUE FOOTBALL RECREATION CLUB LTD

ABN: 70 000 304 585.

(A Company Limited by Guarantee)

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	\$	\$
23. COMMITMENTS FOR CAPITAL EXPENDITURE		
There was no commitment for any contracted capital expenditure.	-	-
24. OTHER COMPREHENSIVE INCOME		
During the year the Company received the following from the Federal Government through the Taxation Department:		
- NSW JobKeeper	19,811	316,974
- NSW Small Business Grant	-	15,000
	<u>19,811</u>	<u>331,974</u>

25. EVENTS SUBSEQUENT TO BALANCE DATE

No transaction or event of a material nature has arisen to significantly affect the operation of the Company, the results of those operations or the state of affairs of the company or for future financial years.

26. COVID-19 IMPACT ON THE COMPARATIVE FIGURES

The Company ceased Trading from 26 June 2021 at 6 pm to abide by the NSW State Government announcement that was released on the same date. The Company reopened on 11 October 2021. While the Company received a NSW JobKeeper Grant of \$316,974, and a NSW State Government Grant of \$15,000, the closure resulted in a loss of revenue from the Bar and Poker machines.

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 25 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001; and
 - (b) give true and fair view of the financial position as at 31st December 2022 and of the performance for the year ended on that date of the company;
2. 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.

Dated at Guildford this 28th day of March 2023

In accordance with a resolution of the Directors

.....
WAYNE TRINDALL
President

.....
KEVIN BARTLETT
Director

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

ABN: 70 000 304 585
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT **TO THE MEMBERS OF** **GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Guildford Rugby League Football & Recreation Club Ltd (the Company), which comprises the statement of financial position as at 31st December 2022, and the statement of 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 our opinion the accompanying financial report of Guildford Rugby League Football & Recreation Club Ltd, is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the company's financial position as at 31st December 2022, and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards AASB 1060: *General Purpose Financial Statements - Simplified Disclosures Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section set out under Auditing Standard ASA 700. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT **TO THE MEMBERS OF** **GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD**

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Guildford Rugby League Football & Recreation Club Ltd Annual Report (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not and will 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 identified above 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.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is no 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 – Simplified Disclosures 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 ability of the Company 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

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.

GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD

ABN: 70 000 304 585

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT **TO THE MEMBERS OF** **GUILDFORD RUGBY LEAGUE FOOTBALL & RECREATION CLUB LTD**

Auditor's responsibilities for the audit of the Financial Report (continued)

- 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 registered entity'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 registered entity'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 registered entity 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.

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 our audit.

DATED AT SYDNEY
THIS 31ST DAY OF
MARCH 2023



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HARLEY, RUSSELL & DAY
Chartered Accountants

GARRY WILLIAM DAY
Registered Company Auditor

