



48th
**ANNUAL
REPORT**
and Balance Sheet

2019 / 2020





CELEBRATE YOUR SPECIAL OCCASION

IN OUR

FUNCTION CENTRE

Creating a memorable event,
tailored to your requirements

Notice of Meeting

Notice is hereby given that the FORTY EIGHTH ANNUAL GENERAL MEETING of the General Members of Kiama Leagues Club will be held at the Club in the Auditorium at 10.00am on Sunday 18 October 2020.

IF YOU PLAN ON ATTENDING PLEASE INFORM OUR RECEPTION STAFF PRIOR TO THIS DATE AS SEATS WILL BE LIMITED DUE TO SOCIAL DISTANCING REQUIRMENTS.

Agenda

1. Apologies
2. Confirmation of Minutes of the 47th Annual General Meeting
3. To receive the President's Report and Director's Report
4. To receive, consider and adopt the Audited Financial Report and the Report of the Auditor
5. Declaration of the Ballot for Election of Directors
6. Motion of Notice
7. Ordinary Resolution

"Pursuant to the Registered Clubs' Act, the members hereby approve and agree to the members of the Board during the twelve (12) month period preceding the 2020 Annual General Meeting receiving the following benefits; expenditure of which is not to exceed ten thousand dollars (\$10,000) and the members further acknowledge that the benefits outlined in sub paragraphs,(i) to (v) below are not available to members generally but only to those members who are elected as Directors of the Club.

- (i) The reasonable cost of Directors attending meetings, other registered clubs and other similar venues for the purpose of viewing and assessing their facilities and methods of operation, provided such attendances are approved by the Board as necessary for the betterment of the Club.
 - (ii) The reasonable cost of Directors attending seminars, lectures, trade displays associated club functions and other similar events as may be determined by the Board from time to time.
 - (iii) The reasonable cost of Directors attending meetings of ClubsNSW or other associations or organisations of which the Club is a member or which have similar aims or functions.
 - (iv) The reasonable cost of a Club blazer to provide professional presentation for Board members representing the Club.
 - (v) A reasonable meal and refreshment to be associated with each Board meeting of the Club.
 - (vi) A reasonable cost of Directors and partners attending a staff Christmas function.
8. Recommendations to incoming Board of Directors

PRESIDENTS REPORT 2019/20

Dear Members,

I am pleased to submit for your review the 2019/2020 financials for your Kiama Leagues Club.

After a strong first half we were on track to make a record profit before the incredible turn of events that struck. Fortunately, the club was in a secure financial position with no debt and sufficient cash reserves to navigate through these unprecedented times. Gross profits on food and beverage remained strong and wages were kept inline with our desired marker.

We drive the message to our members and local community that we look forward to a return to normality and the string of social activities we provide. Our time line for this will be dictated by the appropriate authorities giving us the capacity and freedom we need. At the time of print we were trading under limited capacity.

During this pandemic our general manager, Jesse O'Brien, displayed great business acumen. The level of information being sent to businesses was significant. Our strategies at times would change daily. Capacity numbers and when they would be applied was a very fluid subject needing focus and judgement. Jesse made the right calls leaving both staff and members secure in the belief that their best interests were at the heart of our decision making.

Thank you to our Board that focused on the well being of your club through this period and the entirety of the year. Of course, thanks must also go out to our staff who are on the front line and have done an incredible job through strenuous times. They continue to be the face of the club.

As we move forward and start to reopen, we are focused on regaining our momentum. We are engaged with our community partners and are ready to stand with them as they start to socialise and hold events once again.

We have said goodbye to some family and friends during this strange year and possibly missed the opportunity to farewell them properly, "a thought brings a memory and the memory brings a smile", we won't forget them.

Steve Willis

President

GENERAL MANAGER'S REPORT 2019/20

Dear Members,

The highlight of the 2019/20 financial year was undoubtedly the significant improvement in trading results from July through February inclusive compared to the previous period. Throughout this eight month period the Club produced a net profit increase of 97% on the previous year and a 35% increase on the same period of the Club's record 16/17 financial year. Unfortunately the impacts of Covid-19 saw the Club closed for a period of ten weeks which preceded a very slow and cautious re-opening period of thirty days to close out the financial year. The Club still managed to return a profit of \$378,729 in the financial year ended 30 June 2020. This result is very pleasing and even more so when considering the current environment where many NSW clubs, were already struggling financially even prior to the impact of Covid-19.

Considering the major disruption to trade, it is remarkable that our cash flow from operating activities ended up at \$1,353,539 falling just short of last year by only \$1,263. We also managed to reinvest an extra \$241,344 with in the Club and still add \$218,697 into our cash holdings.

Bar sales were down 13% resulting in a net profit of \$360,357. Bistro sales were down 19% but still managed to produce a net profit of \$5,735. Net revenue from poker machine trading was \$1,746,313 down 13%. These results are also impressive considering the doors were shut and no trade was conducted for 19% of the financial year.

Cash holding in 2015 was \$1,175,746 as opposed to \$2,854,887 currently, proving the Club's ability to carry out capital works and maintain modern and welcoming facilities from operating profit alone. This leaves the Club in a strong position moving forward into what seems to be the unknown.

The 2019/20 financial year has witnessed the ongoing upgrades and improvement of the Kiama Leagues Club. We seek to continue to explore and expand in order to diversify further and ensure our long-term future. This approach is an integral part of our strategic vision and whilst some limited opportunities need urgent attention, it's necessary for some other assignments to be temporarily halted whilst we assess the immediate impacts of trading restrictions and set out to predict what is to be expected moving forward.

The Club's solar panel installation is set to start over the course of October after nearly six months of hold-ups relating to the delay of the importation of products due to the

Covid-19 pandemic. This project is set to see a further reduction to the Club's expenses in utilities and will also decrease the Club's carbon foot print.

The new roof over the Club's Function Centre has been completed and in conjunction with providing a long-term fix to many damaging roof leaks, the new roof also provided a 20% increase to the Club's Solar capability.

An exciting new project for the Club, set to further an already family friendly environment and enhance our business model with future growth, is due to be completed prior to this year's AGM. "The Bistro Verandah Refurb" will see a newly refurbished indoor lounge area to be enjoyed all year round. The new lounge area will have a brand new bar with its own cool room directly below to maintain excellent quality tap beer. A large glass wall will divide the lounge and bistro area from the returning kids play gym, allowing parents to keep an eye on their kids whilst keeping the sound to a minimum.

Our sponsorship and partnerships with several local Sporting Clubs has again proven to be a great showing of support within the local community and in turn has increased the Club's patronage and revenue by way of returned support. Your time and contribution is valued!

Thank you to the Board of Directors; led by Stephen Willis; for your vision, continued support and encouragement of the management team throughout the year. The Board of Directors have worked tirelessly to devise and implement financial strategies with a view to negate potential future challenges that the club may face. In recent times this has become paramount with the impacts of the Covid-19 and the challenges we may face in the foreseeable future.

Thank you also to the Club's wonderful team of staff, for your continued dedication and loyalty. Staff in general are the backbone of any successful business and it would be remiss of me not to acknowledge that much of the daily operations is a success because of staff. Kiama Leagues Club is very fortunate to have a professional and caring team of individuals committed to great customer service. Thank you one and all for your continued contribution to the success of the Club.

My thanks to all members for your ongoing support of the Kiama Leagues Club. Your patronage is vital to the success of the Club and is greatly appreciated.

Jesse O'Brien

General Manager

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2020

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

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KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2020.

Principal Activities

The principal activities of the company during the financial year were:

Operation of a licensed club.

Significant Changes in State of Affairs

Due to Covid-19 club operations ceased for a period of 10 weeks from the 23rd of March 2020 with the club reopening on the 1st of June 2020. The impact of Covid-19 on the economy and specifically the club industry has become apparent following the period of closure. Trading restrictions placed on the club industry by the government have significantly affected operations and we expect trading will be impacted significantly in the foreseeable future and possibly in future financial periods.

Objectives & Strategies

The short term objective is to conservatively manage and monitor the club's financial position, and ensure that member facilities are kept at the highest standards as we emerge from the Covid-19 pandemic.

Performance Measurement

The company uses industry accepted financial and non-financial KPI's to monitor performance.

Membership

The number of members registered in the Register of Members at 30 June 2020 were as follows:

	8,738
Total Members	<u>8,738</u>

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is liable to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2020 the collective liability of members was \$17,476 (30 June 2019: \$13,786).

Directors

The names of the directors in office at any time during or since the end of the year are:

Stephen Willis

President

Qualifications, experience, and special duties:

Self Employed

Member of the Disciplinary Committee

Member of the Sponsorship Committee

Craig Biffin

Senior Vice President

Qualifications, experience, and special duties:

Self Employed

Member of the Sponsorship Committee

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

DIRECTORS' REPORT

Jamie Cockcroft

Junior Vice President

Qualifications, experience, and special duties:
Technician

Mark Thistlewaite

Director

Qualifications, experience, and special duties:
Area Manager for CSR Bradford

Steven Piper

Director

Qualifications, experience, and special duties:
School Teacher

Jeremy Bull

Director

Qualifications, experience, and special duties:
Groundsman

Donovan Blanch

Director

Appointed 20/10/2019

Qualifications, experience, and special duties:
Finance Advisor

John Anderson

Director

Resigned 20/10/2019

Qualifications, experience, and special duties:
Retired
Chairman and Registrar for Group 7 Juniors

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

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

DIRECTORS' REPORT

Summary of Meeting Attendances:


12 ordinary meetings were held during the year.

	<i>Number of Meetings Eligible To Attend</i>	<i>Number of Meetings Attended</i>
Stephen Willis	12	12
Craig Biffin	12	10
Jamie Cockcroft	12	12
Mark Thistlewaite	12	10
Steven Piper	12	8
Jeremy Bull	12	8
Donovan Blanch	9	7
John Anderson	3	0

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 6 of the financial report.

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

Director: 
Mr Stephen Willis

Dated 2 September 2020

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491**

Audit Opinion

We have audited the financial report of Kiama Leagues Club Limited (the company), which comprises the statement of financial position as at year ended 30 June 2020, 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 Kiama 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 the year ended 30 June 2020 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis of Audit Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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 this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information does not include the financial report and our auditor's report thereon, but comprises the President's Report, Secretary Manager's Report, Treasurer's Report, Supplementary Profit and Loss and schedule of community groups who received support from the Kiama Leagues Club, which are expected to be made available to us after the date of this auditor's report.

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

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

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

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491**

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 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

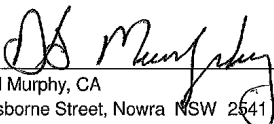
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Matters Relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Kiama Leagues Club Limited for the financial year ended 30 June 2020 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Booth Partners



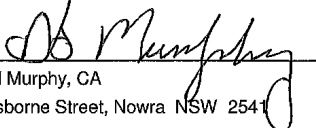
David Murphy, CA
52 Osborne Street, Nowra NSW 2541
Dated 2 September 2020

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been no contraventions of:

- i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.

Booth Partners



David Murphy, CA
52 Osborne Street, Nowra NSW 2541
Dated 2 September 2020

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	2	6,184,995	7,224,181
Other income	2	449,071	54,064
Cost of sales		(1,031,544)	(1,230,287)
Administration expenses		(2,168)	(4,679)
Depreciation & amortisation		(793,737)	(758,533)
Marketing and promotion		(63,477)	(87,284)
Occupancy costs		(517,241)	(496,648)
Wages and on costs		(431,149)	(440,032)
Other expenses		<u>(3,416,021)</u>	<u>(3,759,416)</u>
Profit before income tax	3	378,729	501,366
Income tax expense	4	-	-
Profit (loss) attributable to members of the company		<u>378,729</u>	<u>501,366</u>
Total comprehensive income (loss) attributable to members of the company		<u>378,729</u>	<u>501,366</u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,854,887	2,636,190
Trade and other receivables	6	176,637	122,669
Inventories	7	106,021	129,726
Other current assets	8	56,523	65,382
TOTAL CURRENT ASSETS		<u>3,194,068</u>	<u>2,953,967</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	8,705,934	8,502,691
Intangible assets	10	216,808	216,808
TOTAL NON-CURRENT ASSETS		<u>8,922,742</u>	<u>8,719,499</u>
TOTAL ASSETS		<u>12,116,810</u>	<u>11,673,466</u>
CURRENT LIABILITIES			
Trade and other payables	11	293,620	364,188
Short term provisions	12	171,025	148,281
Other current liabilities	13	286,599	168,781
TOTAL CURRENT LIABILITIES		<u>751,244</u>	<u>681,250</u>
NON-CURRENT LIABILITIES			
Long term provisions	12	36,168	41,547
TOTAL NON-CURRENT LIABILITIES		<u>36,168</u>	<u>41,547</u>
TOTAL LIABILITIES		<u>787,412</u>	<u>722,797</u>
NET ASSETS		<u>11,329,398</u>	<u>10,950,669</u>
EQUITY			
Retained earnings		<u>11,329,398</u>	<u>10,950,669</u>
TOTAL EQUITY		<u>11,329,398</u>	<u>10,950,669</u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Profits
Balance at 1 July 2018	10,449,303
Profit (loss) for the year	501,366
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>501,366</u>
Income tax expense	-
Balance at 30 June 2019	<u>10,950,669</u>
Balance at 1 July 2019	10,950,669
Profit (loss) for the year	378,729
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>378,729</u>
Balance at 30 June 2020	<u><u>11,329,398</u></u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		6,538,980	7,191,539
Payments to suppliers and employees		(5,222,556)	(5,880,556)
Interest received		37,115	43,819
Net cash provided by (used in) operating activities		<u>1,353,539</u>	<u>1,354,802</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		25,500	9,000
Payments for property, plant and equipment		(1,160,342)	(902,498)
Net cash provided by (used in) investing activities		<u>(1,134,842)</u>	<u>(893,498)</u>
Net increase (decrease) in cash held		218,697	461,304
Cash at beginning of financial year		2,636,190	2,174,886
Cash at end of year	5	<u>2,854,887</u>	<u>2,636,190</u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1 Summary of Significant Accounting Policies

Basis of Preparation

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

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

The financial statements, except for 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.

The financial statements of Kiama Leagues Club Limited for the year ended 30 June 2020 were authorised for issue in accordance with a resolution of the directors on 2 September 2020.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Revenue and Other Income

The company has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. Due to the nature of the changes in the accounting policy, no equity adjustment has been required. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058.

In the current year

Goods and Services

All goods and services other than those detailed below are delivered, invoiced, and paid for simultaneously. This includes sales of liquor, gaming and other products.

Revenue is recognised immediately at the point of sale. The impact of the loyalty program has been detailed below.

Memberships

Membership is granted following payment of annual fees and in the case of new members, board approval of their application. Payment for new members is due on application, and payment for renewing members is due within one month of the renewal date.

Contract liabilities are recognised on receipt of payment, and revenue is recognised on a straight line basis over the period of membership.

Loyalty Program

Members are able to earn points based on eligible purchases made from the company. Points are redeemable against any future purchases from the company. The points accumulate and do not expire.

A portion of poker machine takings relating to loyalty points are deferred to contract liabilities. Revenue is recognised when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote.

Advertising and Sponsorships

Advertising and sponsorships are invoiced prior to the agreed period of coverage and invoices are typically payable within 30 days.

Contract liabilities are recognised when the invoices are issued, and revenue is recognised on a straight line basis over the agreed period of coverage.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Function Income

Deposits for functions are invoiced at the time of booking and are payable by the earlier of 30 days from the booking, or 10 days prior to the event. Full payment for the function is typically due by the day of the event.

Contract liabilities are recognised when the booking is made, and for any part payments received prior to the time of the event. Revenue is recognised at the time the function is held.

Rental Income

Rental income is invoiced and payable on a monthly basis.

Revenue is recognised on a straight line basis over the length of the lease.

Operating grants, donations and bequests

When the company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When both these conditions are satisfied, the company identifies each performance obligations relating to the grant, recognises a contract liability for its obligations under the agreement, and recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138), recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer), and recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Capital Grants

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards. The company recognises income in profit or loss when or as the company satisfies its obligations under the terms of the grant.

Interest Income

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

Dividend Income

Dividend revenue is recognised when the right to receive a dividend has been established.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Dividends received from associates and joint ventures are accounted for in accordance with the equity method of accounting.

Investment Property Revenue

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

In the comparative period

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the period of the memberships.

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Kiama Leagues Club Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

All revenue is stated net of the amount of goods and services tax (GST).

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of comprehensive income.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Stores are valued at cost.

Prepayments

Prepayments are recognised when a payment is made for services that the company expects to utilise over a period of time. Prepayments are measured at the unexpended portion of the contractual cost of the services. Expenditure is transferred to profits and losses on a straight line basis over the period to which it relates.

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 impairment losses.

Property

Freehold land and buildings are measured at cost less depreciation. It is the policy of the entity to have annual appraisals by the directors to ensure the carrying amount is not in excess of the recoverable amount from those assets.

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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 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.

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 during the financial period in which they are incurred.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant & Equipment	6.7 - 67%
Poker Machines	15 - 40%

The asset's 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 the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

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Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.63.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

On the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;

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- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial Liabilities

Financial liabilities are subsequently measured at:

- amortised cost;
- fair value through profit and loss

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;

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- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB 9:

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- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Trade and Other Payables

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

Goods and Services Tax (GST)

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

Cash flows are presented on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

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Income Tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Under the concept of mutuality, the company is only assessed for income tax on that proportion of income derived from non-members and other external sources.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the company in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

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Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

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 within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current liabilities in the statement of financial position.

Other long-term employee benefits

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are 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. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in the 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 liabilities.

Provisions

Provisions are recognised when the company 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.

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Leases

The company initially applied AASB 16 Leases from using the modified retrospective approach under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly the comparative information presented for the prior year is not restated. Due to the nature of the changes, no adjustment was required to retained earnings. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in AASB 16 have not generally been applied to comparative information.

At inception of a contract, the company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the company has adopted the temporary relief under AASB 2018-814 and measures the right-of-use assets at cost on initial recognition.

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Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Comparative Figures

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

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial report 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.

Key judgements - Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

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	2020	2019
	\$	\$
2 Revenue		
Revenue		
Sales Revenue:		
Sale of goods	6,980,423	6,958,381
Cashcard Commission	40,348	50,668
Members Subscriptions	39,834	35,410
Rental Income	20,870	27,527
Room Hire	93,903	132,062
Sundry Income	5,113	13,706
Vending Machine Commission	4,504	6,427
	<u>6,184,995</u>	<u>7,224,181</u>
Other Income		
Profit on Sale of Non-current Assets	17,433	8,921
Diesel Fuel Rebate	1,023	1,324
Interest Received	37,115	43,819
JobKeeper Subsidy	343,500	-
Cash Flow Booster	50,000	-
	<u>449,071</u>	<u>54,064</u>
Total revenue and other income	<u>6,634,066</u>	<u>7,278,245</u>
3 Profit from Ordinary Activities		
Profit from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of sales	1,031,544	1,230,287
Depreciation of non-current assets	793,737	758,533
Auditors remuneration:		
Accountancy fees	11,220	13,570
Audit fees	11,000	10,750
Total auditor's remuneration	<u>22,220</u>	<u>24,320</u>
Loss on disposal of non-current assets	112	8,921

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	2020	2019
	\$	\$
4 Income Tax Expense		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit before income tax at 27.5% (2019: 27.5%):	104,150	137,875
Add:		
Tax effect of:		
Non deductible expenses	6,620	9,582
Timing Differences	(29,511)	637
	81,259	148,094
Less:		
Tax effect of:		
Prior year losses	17,686	68,526
Mutuality adjustment	63,573	79,568
Income tax expense attributable to company	-	-

Total tax losses available but not recognised as a deferred tax asset amount to \$300,945 at 30 June 2020.

5 Cash and Cash Equivalents

Current

Cash on Hand	220,000	160,000
Term Deposits	1,031,146	1,511,502
IMB General Account	-	26,060
IMB Gaming Imprest Account	-	11,532
ANZ General Account 416812053	1,579,554	898,470
Suncorp - Everyday Account	-	538
ANZ TAB 416812088	1,609	3,257
ANZ Keno 416812109	8,811	5,277
ANZ Gaming 416813961	13,271	18,941
ANZ Metropolis Trust	496	613
	2,854,887	2,636,190

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	2020	2019
	\$	\$
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and cash equivalents	<u>2,854,887</u>	<u>2,636,190</u>
	<u>2,854,887</u>	<u>2,636,190</u>
6 Trade and Other Receivables		
Current		
Sundry Debtors	154,885	102,034
Trade Debtors	7,916	20,635
GST Liability	<u>13,836</u>	<u>-</u>
	<u>176,637</u>	<u>122,669</u>
7 Inventories		
Current		
Stock on Hand	<u>106,021</u>	<u>129,726</u>
8 Other Current Assets		
Current		
Prepayments	<u>56,523</u>	<u>65,382</u>
9 Property, Plant and Equipment		
Land and Buildings		
Land and Acquisition Cost	<u>463,478</u>	<u>463,478</u>
	<u>463,478</u>	<u>463,478</u>
Verandah Extensions at Cost	1,109,916	1,109,916
Less: Accumulated Depreciation	<u>(359,275)</u>	<u>(331,527)</u>
	<u>750,641</u>	<u>778,389</u>
Land & Buildings at Cost	10,151,844	9,604,699
Less: Accumulated Depreciation	<u>(4,634,864)</u>	<u>(4,389,982)</u>
	<u>5,516,980</u>	<u>5,214,717</u>
Total Land and Buildings	<u>6,731,099</u>	<u>6,456,584</u>

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	2020	2019
	\$	\$
Plant and Equipment		
Plant, Equipment & Vehicles - At Cost	7,659,101	7,348,758
Less: Accumulated Depreciation	<u>(5,684,266)</u>	<u>(5,302,651)</u>
	<u>1,974,835</u>	<u>2,046,107</u>
Total Plant and Equipment	<u>1,974,835</u>	<u>2,046,107</u>
Total Property, Plant and Equipment	<u>8,705,934</u>	<u>8,502,691</u>

All of the land and buildings owned by the club are considered 'Core Property'. All other assets are considered "Non-Core Property" (as defined in the Registered Club Act 1976).

Movements in Carrying Amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year:

	Carrying Value					Carrying Value
	1 Jul 2019	Additions	Disposals	Depreciation		30 Jun 2020
Land at acquisition cost	463,478	-	-	-		463,478
Land & buildings	5,065,267	40,194	-	(244,880)		4,860,581
Verandah Extensions	778,389	-	-	(27,748)		750,641
Plant & Equipment	2,046,107	458,018	(8,181)	(521,109)		1,974,835
Building work in progress	149,450	506,949	-	-		656,399
	<u>8,502,691</u>	<u>1,005,161</u>	<u>(8,181)</u>	<u>(793,737)</u>		<u>8,705,934</u>

10 Intangible Assets

Poker Machine Entitlements	216,808	216,808
Total	<u>216,808</u>	<u>216,808</u>

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	2020	2019
	\$	\$
Movements in Carrying Amounts		
Movements in carrying amount of each class of intangibles between the beginning and the end of the current financial year:		
	Carrying Value	Carrying Value
	1 Jul 2019	30 Jun 2020
Poker machines	216,808	216,808
	Additions	-
	Disposals	-
	Amortisation	-
	<u>216,808</u>	<u>216,808</u>
11 Trade and Other Payables		
Current		
Sundry Creditors	20,281	45,018
Sundry Creditors - Bonus Points System	38,101	33,915
Trade Creditors	231,919	196,675
ANZ Credit Card	3,319	-
GST Liability	-	88,580
	<u>293,620</u>	<u>364,188</u>
12 Provisions		
Current		
Provision for Holiday Pay	94,512	81,696
Provision for Long Service Leave	76,513	66,585
	<u>171,025</u>	<u>148,281</u>
Non-Current		
Provision for Long Service Leave	36,168	41,547
	<u>36,168</u>	<u>41,547</u>
Aggregate Employee Benefit Liability	<u>207,193</u>	<u>189,828</u>
13 Other Liabilities		
Current		
Accrued Charges	235,524	117,300
Subscription in Advance	51,075	51,481
	<u>286,599</u>	<u>168,781</u>

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	2020	2019
	\$	\$
14 Key Management Personnel Compensation		
Total Compensation	<u>105,765</u>	<u>104,058</u>

15 Related Party Transactions

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

16 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Financial assets at amortised cost:

- Cash and cash equivalents	2,854,887	2,636,190
- Trade and other receivables	<u>176,728</u>	<u>122,669</u>
Total Financial Assets	<u>3,031,615</u>	<u>2,758,859</u>

Financial Liabilities

Financial Liabilities at amortised cost

- Trade and other payables	<u>252,200</u>	<u>241,694</u>
Total Financial Liabilities	<u>252,200</u>	<u>241,694</u>

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

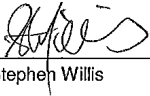
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards.
 - (b) give a true and fair view of the financial position of the company as at 30 June 2020 and of its performance for the year ended on that date.
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:



Mr Stephen Willis

Dated 2 September 2020

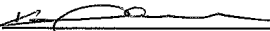
KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional information on the following pages is in accordance with the books and records of Kiama Leagues Club Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 30 June 2020. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

Booth Partners



Kade M. Wallace, CA

52 Osborne Street, Nowra NSW 2541

Dated 2 September 2020

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
Note	\$	\$
Bar Trading		
Sales	1,458,842	1,690,478
	1,458,842	1,690,478
LESS: COST OF GOODS SOLD		
Opening Stock	89,764	75,260
Closing Stock	(67,521)	(89,764)
Purchases	516,744	637,514
	538,987	623,010
GROSS PROFIT FROM TRADING	919,855	1,067,468
EXPENDITURE		
Consumables	18,081	22,447
Depreciation	13,795	13,484
Promotions	17,572	16,770
Replacements	3,390	2,984
Sundry	671	1,284
Wages	406,309	453,771
Wages - on costs	99,680	103,556
	559,498	614,296
NET PROFIT	360,357	453,172

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Poker Machine Trading			
Poker Machine Gross Clearances		15,918,896	17,263,207
Poker Machine Gross Payouts		(12,869,283)	(13,801,985)
Poker Machine Rebate		17,180	17,180
		<u>3,066,793</u>	<u>3,478,402</u>
EXPENDITURE			
Community Development Support		14,720	21,877
Data Monitoring Service		30,900	34,697
Depreciation		314,682	277,709
Drinks Service		10,946	-
Poker Machine GST		277,457	313,908
Poker Machine Tax		434,944	522,837
Promotions		31,829	26,585
Repairs & Maintenance		21,249	27,606
Subscriptions		13,493	18,848
Wages		137,406	185,151
Wages - on costs		32,854	42,601
		<u>1,320,480</u>	<u>1,471,819</u>
NET PROFIT		<u><u>1,746,313</u></u>	<u><u>2,006,583</u></u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
Note	\$	\$
TAB & Keno Trading		
Keno Commissions	56,134	58,687
TAB Commissions	47,926	60,012
	104,060	118,699
EXPENDITURE		
Service Fees	8,548	6,220
Sky Channel	20,943	29,380
Stationery	1,377	6,190
Terminal Fee	5,218	7,148
Wages	64,424	84,714
Wages - on costs	15,656	19,207
	116,166	152,859
NET LOSS	(12,106)	(34,160)

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Bistro Trading			
Sales		1,222,748	1,510,734
		<u>1,222,748</u>	<u>1,510,734</u>
LESS: COST OF GOODS SOLD			
Opening Stock		15,548	15,033
Closing Stock		(14,542)	(15,548)
Purchases		491,551	607,792
		<u>492,557</u>	<u>607,277</u>
GROSS PROFIT FROM TRADING		<u>730,191</u>	<u>903,457</u>
EXPENDITURE			
Consumables		25,896	24,378
Depreciation		41,989	43,645
Gas		15,832	22,073
Promotions		61,594	72,260
Replacements		7,385	7,881
Sundry		189	540
Wages		459,041	543,681
Wages - on costs		112,530	125,361
		<u>724,456</u>	<u>839,819</u>
NET PROFIT		<u>5,735</u>	<u>63,638</u>

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
General Entertainment			
Bingo Sales		31,866	41,211
Poker sales		16,545	23,375
Raffle Sales		79,569	95,482
		127,980	160,068
EXPENDITURE			
Artist Fees		98,490	128,423
Badge Draw Prizes		4,700	7,025
Bingo Prizes		38,000	52,000
Bingo Purchases		13,825	16,556
Foxtel		38,455	51,474
Meat Market Purchases		56,808	70,082
Promotions		31,477	36,367
Promotions - Poker Expenses		29,698	38,182
Raffle Expenses		36,638	55,272
Wages		26,058	38,867
Wages - on costs		6,388	9,010
		380,537	503,258
NET LOSS		(252,557)	(343,190)

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
INCOME		
Bar Trading	360,357	453,172
Poker Machine Trading	1,746,313	2,006,583
TAB & Keno Trading	(12,106)	(34,160)
Bistro Trading	5,735	63,638
General Entertainment	(252,557)	(343,190)
Cashcard Commission	40,348	50,668
Diesel Fuel Rebate	1,023	1,324
Interest Received	37,115	43,819
Members Subscriptions	39,834	35,410
Profit on Sale of Non-current Assets	17,433	8,921
Rental Income	20,870	27,527
Room Hire	93,903	132,062
Sundry Income	5,113	13,706
Sundry Income - Covid-19 Support	17 393,500	-
Vending Machine Commission	4,504	6,427
	<u>2,501,385</u>	<u>2,465,907</u>
LESS : EXPENDITURE		
Accountancy Fees	11,220	13,570
Advertising	14,832	15,349
Audit Fees	11,000	10,750
Bad Debts	910	-
Bank Charges	13,627	14,438
Cleaning & Laundry	45,831	52,188
Computer Expenses	21,730	23,243
Contract Cleaning	71,222	86,440
Courtesy Bus Expenses	100,275	119,189
Depreciation	423,271	423,695
Directors Expense	8,235	4,923
Donations	91,118	114,989

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Electricity	130,348	151,335
General Expenses	478	2,845
Hire of Plant & Equipment	5,221	7,876
Insurance	86,815	74,864
Legal Costs	2,168	4,679
Long Service Leave	3,640	4,111
Loss on Sale of Assets	112	4,053
Motor Vehicle Expenses	2,758	384
Payroll Tax	8,940	13,150
Pest Control	5,421	5,361
Printing, Postage & Stationery	23,984	31,916
Rates & Taxes	50,144	48,595
Repairs & Maintenance	153,023	89,555
Security Costs	30,147	34,605
Sponsorships	63,477	87,284
Staff Training & Welfare	38,273	35,634
Subscriptions	31,532	33,639
Sundry Expenses	7,730	11,726
Superannuation Contributions	39,070	33,949
Telephone	13,500	12,791
Uniforms	3,892	6,498
Wages	341,226	353,188
Wages - JobKeeper Allowance	225,062	-
Waste Disposal	31,105	28,569
Workers Compensation	11,319	9,160
	<u>2,122,656</u>	<u>1,964,541</u>
OPERATING PROFIT	378,729	501,366

The accompanying notes form part of these financial statements.

KIAMA LEAGUES CLUB LIMITED
A.B.N. 27 001 026 491

NOTES TO THE SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
17 Sundry Income - Covid-19 Support		
Cash Flow Booster	50,000	-
JobKeeper Subsidy	<u>343,500</u>	<u>-</u>
	<u>393,500</u>	<u>-</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached disclaimer of Booth Partners.

Kiama Leagues Club proudly supporting the local community and sporting groups

ALP
Cancer Council Relay For Life
CWA Kiama
Friends of Vision Australia
Group 7 Referees Association
Kiama Art Society
Kiama Basketball Association
Kiama Cricket Club
Kiama Distric Sports Association
Kiama Downs Mens Probus
Kiama FAW
Kiama Game Fishing Club
Kiama Harbour Combined Probus
Kiama High School
Kiama Primary School Art Display
Kiama Jazz and Blues
Kiama Junior AFL
Kiama Junior Football Club
Kiama Junior Knights Rugby League
Kiama Little Athletics
Kiama Meals On Wheels
Kiama Men's Social Golf
Kiama Mixed Probus
Kiama Quarrier Senior Football Club
Kiama Rotary
Kiama Seaside Probus
Kiama Senior AFL
Kiama Senior Knights Rugby League
Kiama Show Society
Kiama Toastmasters
Kiama View Club
Kiama Writers Group
Lions Club of Kiama
Man Walk Kiama
Marine Rescue Shellharbour
Men Of League
National Rugby League
Parkinsons Kiama
Quality Training & Hospitality College
South Coast Hockey
South Coast Referees Association
South Coast Rugby League
St Johns Ambulance Service
The Fathering Project - Kiama
War Widows
Wollongong Legacy

WEEKLY DINNER DEALS

IN SAILS FAMILY BISTRO

MONDAY

KIDS EAT FREE

*CONDITIONS APPLY

TUESDAY

\$17 STEAK NIGHT

250g WITH CHIPS & SALAD

WEDNESDAY

\$10 WING IT NIGHT

1kg CHICKEN WINGS WITH SAUCE

THURSDAY

\$12 CHICKEN SNITTY

300g WITH CHIPS & SALAD

FRIDAY

\$12 BURGER & BEER

AUSSIE BURGER+ CHIPS + BEVERAGE *Conditions Apply

SUNDAY

\$10 PIZZAS

DEALS AVAILABLE FROM 5.30PM

\$2 EXTRA CHARGE FOR NON MEMBERS

4232 1777

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