

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Year Ended
30 September 2020

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Ended 30 September 2020

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The Entrance Leagues Club Limited
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Directors' Report

The Directors submit herewith their report on the company for the financial year ended 30 September 2020.

Information on Directors

The name and particulars of the Directors of the Company in office at the date of this report are:

Name	Particulars
<i>D L Hart</i>	President, Retired Waste Services Manager, joined the board in 1988. <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 7: Attended 5 Special Covid-19 Meetings 4: Attended 4
<i>V P Mitchell</i>	Vice President, Retired Nurse, joined the board in 1986. Resigned 17/12/2019. <i>Responsibilities:</i> Board Meetings 3: Attended 3 Membership/Discipline Meetings 3: Attended 3
<i>P G Dawson</i>	Director, Travel Consultant, joined the board in 2008. <i>Responsibilities:</i> Board Meetings 12: Attended 12 Membership/Discipline Meetings 7: Attended 5 Special Covid-19 Board Meeting 4: Attended 3
<i>F Hartup</i>	Director, Company Director, joined the board in February 2012 <i>Responsibilities:</i> Board Meetings 12: Attended 12 Membership/Discipline Meetings 7: Attended 6 Special Covid-19 Board Meeting 4: Attended 4
<i>G Nixon</i>	Director, Business Unit Manager, joined the board in February 2013. <i>Responsibilities:</i> Board Meetings 12 : Attended 12 Membership/Discipline Meetings 9: Attended 9 Special Covid-19 Board Meeting 4: Attended 4
<i>M J Bates</i>	Director, Maintenance Engineer, elected to the Board on 22 February, 2016. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 7: Attended 7 Special Covid-19 Board Meeting 4: Attended 4

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Directors' Report

Name	Particulars
<i>N J Walker</i>	Director, Managing Director, appointed to the Board on 23 September, 2019. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 4: Attended 4 Special Covid-19 Board Meeting 4: Attended 3
W Fuller	Director, Managing Director, appointed to the Board on 17 December, 2019. <i>Responsibilities:</i> Board Meetings 10: Attended 9 Membership/Discipline Meetings 4: Attended 4 Special Covid-19 Board Meeting 4: Attended 4

Company Secretary

Mr Mark Chaffey was appointed to the position of Company Secretary in March 2002 and continued in that position throughout the financial year.

Principal activities

The company's principal activities during the course of the financial year were the operation of a licensed club and to promote the game of rugby league football.

There were no significant changes in the nature of the company's activities during the financial year.

Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 30 September 2020 and the comparison with last year is as follows:

2020	15,611
2019	17,001

Operating result

The net profit for the year amounted to \$1,767,347 compared with \$483,214 in the prior year. This result was after charging \$1,490,028 (2019:\$1,517,683) for depreciation and amortisation.

Objectives

Short-term Objectives

The vision of the Board and Management is to run a successful business, to be profitable and financially sound, to retain a strong family atmosphere and provide family oriented facilities to the local community. An integral part of this vision is also to retain the personal touch that the Club has with its members and to continue to strive for customer service excellence. This is something that both the Board and Management believe will continue to give the Club a competitive edge as it continues to grow in membership numbers and size.

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Directors' Report

Objectives (cont'd)

Short-term Objectives (cont'd)

Be recognised in the community as a progressive and successful Club providing a significant contribution to the community as a whole.

Long-term Objectives

Continue to develop and refine the Club Master Plan; which incorporates, establishing a cyclical refurbishment plan, acquiring additional gaming entitlements, further food options, achieving energy efficiency, upgrading gaming software and implementing a venue wide loyalty programme. The Club wants to ensure that it maintains an emphasis on friendly and personalised customer service.

These long term objectives will be supported by undertaking continual research of the Club's Key markets to ensure that the Club has a competitive edge in its market. The Club will continue to develop products that will foster stronger relationships with sporting groups, local community and local schools.

Strategy for achieving the objectives

The strategy for achieving the Club's objectives is to ensure that the Club's Financial Performance is optimised and be able to be monitored by the Board to achieve desired outcomes. Ensuring the profitability of the gaming, and food and beverage sections are maximised through sound management principles and continuing to listen to our members & guests needs and to deliver on these needs.

Performance measurement and key performance indicators

The Club has key performance indicators in place and these key performance indicators are monitored and reviewed on a regular basis to assist and formulate ways to achieve industry benchmark performance in all trading areas of the Club.

Liability of members on winding up

The company is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the constitution of the company, every member of the company undertakes to contribute an amount limited to \$5 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. At 30 September 2020 there were 15,611 members.

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the company's accounts, or the fixed salary of a full-time employee of the company or a related body corporate.

Events subsequent to year end

The Federal Government announced the closure of all Registered Clubs effective from 23rd March 2020, Clubs have been allowed to reopen from 1 June 2020 with restrictions in place. The Club recommenced trading in June 2020.

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Directors' Report

Events subsequent to year end (Cont'd)

There have been a range of measures introduced by the Government to support businesses and the Club is eligible as a result of the impact of the shutdowns announced due to the COVID-19 pandemic. The Club anticipates continued challenging trading conditions until such time that a return to normal operations is possible.

The impact of the challenging trading conditions will potentially impact cash reserves, with the financial position of the Club being monitored on an ongoing basis by the Board and management.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the period.

Auditor's Independence Declaration

The auditor's independence declaration for the financial year ended 30 September 2020 has been received and can be found on page 7 of the financial statements.

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



D L Hart
Director

BATEAU BAY NSW

Dated: 10/11/20



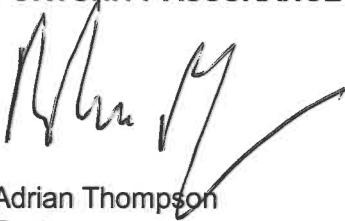
M Bates
Director

**Auditor's Independence Declaration
Under Section 307C of the Corporations Act 2001 to the Directors of
The Entrance Leagues Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2020 there have been:

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

FORTUNITY ASSURANCE



Adrian Thompson
Partner

155 The Entrance Road
Erina NSW 2250

Dated 10 November 2020

The Entrance Leagues Club Limited
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Statement of Comprehensive Income
For The Year Ended 30 September 2020

	Note	2020 \$	2019 \$
Revenue and Income from operations			
Sale of goods revenue		2,069,676	3,669,530
Rendering of services revenue		7,209,467	8,807,555
Other income		1,527,849	522,676
	2	10,806,992	12,999,761
Expenses			
Cost of goods sold		(827,133)	(1,504,371)
Employee benefits expense		(2,861,415)	(3,374,939)
Poker machine tax, licences and donations		(1,454,971)	(1,661,423)
Entertainment and promotions		(751,314)	(955,050)
Property costs		(481,307)	(826,769)
Other expenses		(1,173,457)	(2,676,269)
		(7,549,597)	(10,998,821)
Earnings before depreciation & finance costs		3,257,395	2,000,940
Depreciation and amortisation	3	(1,490,028)	(1,517,683)
Finance costs		(20)	(43)
Profit before income tax expense		1,767,347	483,214
Income tax expense		-	-
Net profit for the year after income tax		1,767,347	483,214
Other comprehensive income		-	-
Total comprehensive income for the year		1,767,347	483,214

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Statement of Financial Position
As At 30 September 2020

	Note	2020 \$	2019 \$
Assets			
Current Assets			
Cash and cash equivalents	4	3,825,473	5,660,518
Trade and other receivables	5	93,313	73,996
Inventories	6	33,401	82,826
Other assets	7	253,875	235,911
Total Current Assets		4,206,062	6,053,251
Non-Current Assets			
Property, plant and equipment	8	13,445,935	9,701,376
Intangible assets	9	172,190	172,190
Total Non-Current Assets		13,618,125	9,873,566
Total Assets		17,824,187	15,926,817
Current Liabilities			
Trade and other payables	10	731,800	638,425
Employee benefits	12	381,904	388,530
Other Liabilities	13	54,712	16,844
Total Current Liabilities		1,168,416	1,043,799
Non-Current Liabilities			
Borrowings	11	1,000	1,000
Employee benefits	12	109,948	104,725
Other liabilities	13	36,504	36,321
Total Non-Current Liabilities		147,452	142,046
Total Liabilities		1,315,868	1,185,845
Net Assets		16,508,319	14,740,972
Members' Funds			
Retained earnings		16,508,319	14,740,972
Total Members Funds		16,508,319	14,740,972

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Statement of Changes in Members Funds
For The Financial Year Ended 30 September 2020

	Retained Earnings \$	Total \$
Balance at 1 October 2018	14,257,758	14,257,758
Total comprehensive income for the year	483,214	483,214
	<hr/>	<hr/>
Balance at 30 September 2019	14,740,972	14,740,972
Total comprehensive income for the year	1,767,347	1,767,347
Balance at 30 September 2020	16,508,319	16,508,319
	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Statement Of Cash Flows
For The Year Ended 30 September 2020

	Note	2020 \$	2019 \$
Cash flows from Operating Activities			
Receipts from customers		11,589,986	12,877,017
Receipts from members		45,184	38,113
Payments to employees and suppliers		(8,406,505)	(10,946,238)
Interest received		41,645	64,519
Borrowing costs		(20)	(43)
Net cash provided by operating activities	(18b)	3,270,290	2,033,368
Cash flows from Investing Activities			
Purchase of property, plant and equipment		(5,331,528)	(1,617,697)
Proceeds from sale of equipment		226,193	182,740
Net cash used in investing activities		(5,105,335)	(1,434,957)
Cash flows from Financing Activities			
Repayments of borrowings		-	-
Proceeds from borrowings		-	-
Net cash used in financing activities		-	-
Net increase/(decrease) in cash held		(1,835,045)	598,411
Cash at beginning of the financial year		5,660,518	5,062,107
Cash at the end of the financial year	(18a)	3,825,473	5,660,518

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies

Basis of Preparation

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

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

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

The financial statements, except for the cash flow information, have been prepared on an 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 in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 10 November 2020 by the directors of the company.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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.

Donations are recognised as revenue when received.

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

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

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

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land is measured on the cost basis. Buildings are measured on the cost basis less depreciation and impairment losses.

Plant and Equipment

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

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

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Leasehold Building	3%
Furniture, fittings and fixtures	6-27%
Office equipment and furniture	10-24%
Poker Machines	30%
Leased plant and equipment	30%

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(c) Property, Plant and Equipment (cont'd)

Depreciation (cont'd)

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Recognition

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

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequently measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB 9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

Financial liabilities

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

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

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(e) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount if an asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit and loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment or 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 entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

(f) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within the 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is 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 the expected future payments to be made in respect of services provided by employee 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 bodies with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(g) Cash and Cash Equivalents

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

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(h) 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 (ATO).

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

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

(i) Income Tax

Under present legislation income derived by the Company is not assessable to income tax as per an exemption granted by the Australian Taxation Office under Division 50 of the *Income Tax Assessment Act 1997*.

(k) Comparative Figures

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

(j) Trade and Other Receivables

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

(j) Trade and other Payables

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

(m) New Accounting Standards and Interpretations

The company has adopted all new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the Company;

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(m) New Accounting Standards and Interpretations (cont'd)

AASB15 Revenue for Contracts with Customers

The Company has adopted *AASB 15* from 1 January 2019. The standards provides a single comprehensive model for revenue recognition. The core principle of the standards is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers i.e. performance obligations, at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

There was no impact from the adoption of *AASB 15 Revenue from Contracts with Customers* on the opening retained earnings.

AASB16 Leases

The Company has adopted *AASB 16* from 1 January 2019. The standard replaces *AASB 117 'Leases'* and for lessees eliminated the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the lease liabilities (included in finance costs). In the earlier period of the lease, the expenses associated with the lease under *AASB16* will be higher when compared to leases expenses under *AASB 117*. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as operating expense is now replaced by interest expense and depreciation in the profit and loss. For classification within the statement of cash flow, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standards does not substantially change how a lessor accounts for leases.

At year end the Club has operating lease commitments which are disclosed at Note 17. Based on these leases being peppercorn in nature and uncertainties with respect to the lease terms, these leases do not meet the requirements to be accounted for in accordance with *AASB 16* therefore no impact from the adoption of *AASB 16 Leases* have occurred on opening retained earnings.

(n) Critical accounting estimates and judgements

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

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.

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 1. Statement of Significant Accounting Policies (cont'd)

(n) Critical accounting estimates and judgements (cont'd)

Employee benefits provision

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2020	2019
	\$	\$
Note 2. Revenue		
Sale of Goods		
Bar sales	1,909,093	2,697,582
Catering sales	160,583	971,948
Total sale of goods	2,069,676	3,669,530
Rendering of services		
Poker machine clearances	6,641,207	7,838,722
TAB commission	56,953	96,383
Keno commission	114,039	163,302
Football club income	128,786	318,858
Bowling club income	14,217	19,732
Other promotions income	254,265	370,558
Total rendering of services	7,209,467	8,807,555
Other Income		
Commission received	300,953	132,763
Interest received	41,645	64,519
Members subscriptions	45,184	38,113
Other income	223,315	108,834
Profit on sale of non-current assets	129,252	178,447
Government Subsidies	787,500	-
Total other income	1,527,849	522,676
Total revenue and other income	10,806,992	12,999,761

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

	2020	2019
	\$	\$
Note 3. Profit for the Year		
Depreciation		
Leasehold buildings	351,655	337,247
Leasehold buildings-bowling club	51,276	57,757
Furniture, Fittings and plant	123,782	220,609
Office Equipment Furniture	28,114	17,366
Poker machines	935,201	884,704
	1,490,028	1,517,683
Note 4. Cash and Cash Equivalents		
Cash on hand	210,000	220,000
Cash at bank	3,615,473	5,440,518
	3,825,473	5,660,518
Note 5. Trade and Other Receivables		
Other debtors	93,313	73,996
	93,313	73,996
Note 6. Inventories		
Bar Stock	31,161	68,436
Merchandise and prizes	2,240	14,390
	33,401	82,826
Note 7. Other Assets		
Prepayments	244,520	226,557
Deposits	9,355	9,354
	253,875	235,911

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Notes To The Financial Statements
For The Year Ended 30 September 2020

	Note	2020 \$	2019 \$
Note 8. Property, Plant and Equipment			
Leasehold buildings - at cost		16,021,764	12,030,793
Less: Accumulated depreciation		(5,292,055)	(4,940,400)
		10,729,709	7,090,393
Leasehold Buildings - Bowling Club - at independent valuation	(a)	917,671	908,309
Less: Accumulated amortisation		(625,644)	(574,368)
		292,027	333,941
Furniture, fittings & plant - at cost		4,707,149	4,498,142
Less: Accumulated depreciation		(3,787,102)	(3,827,722)
		920,047	670,420
Office equipment & furniture - at cost		373,207	367,071
Less: Accumulated depreciation		(303,413)	(275,080)
		69,794	91,991
Poker machines - at cost		7,275,492	6,698,604
Less: Accumulated depreciation		(5,841,134)	(5,183,973)
		1,434,358	1,514,631
Plant, equipment & vehicles under lease		123,495	123,495
Less: Accumulated amortisation		(123,495)	(123,495)
		-	-
Total Property, Plant and Equipment		13,445,935	9,701,376

(a) The valuation of The Golden Hind Women's Bowling Club leasehold buildings was based on the assessment of the current market value. The independent valuation on 7 September 2000 was carried out by Robertson & Robertson.

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

2020 2019
 \$ \$

Note 8. Property, Plant and Equipment (cont'd)

Movements in Carrying Amounts

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

	Leasehold Buildings	Leasehold Buildings – Bowling Club	Furniture, Fittings & Plant	Office Equipment & Furniture	Poker Machines	Total
Balance at beginning of year	7,090,393	333,941	670,420	91,991	1,514,631	9,701,376
Additions	3,990,971	9,362	373,409	5,917	951,869	5,331,528
Disposals/adjustments	-	-	-	-	(96,941)	(96,941)
Depreciation expense	(351,655)	(51,276)	(123,782)	(28,114)	(935,201)	(1,490,028)
Carrying amount at the end of the year	10,729,709	292,027	920,047	69,794	1,434,358	13,445,935

Note 9. Intangible assets

Poker machine entitlements	172,190	172,190
	<u> </u>	<u> </u>

Note 10. Trade and other payables

<i>Current</i>		
Trade Creditors	427,625	205,755
Accruals	304,175	432,670
	<u> </u>	<u> </u>
	731,800	638,425
	<u> </u>	<u> </u>

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

	Note	2020 \$	2019 \$
Note 11. Borrowings			
<i>Non-Current:</i>			
Secured:			
Bill Facility	(i)	1,000	1,000
		1,000	1,000
Secured Liabilities:			
(i) Secured by Registered First Mortgage over the Company's leased land and buildings, an equitable mortgage over the assets and undertakings of the Company and a letter of set-off over Term deposits.			
(ii) Effectively secured over the assets involved.			
 Note 12. Employee Benefits			
<i>Current</i>			
Annual leave		168,874	174,348
Long Service Leave		213,030	214,182
		381,904	388,530
<i>Non-Current</i>			
Long Service Leave		23,812	13,768
Annual Leave		86,136	90,957
		109,948	104,725
 Note 13. Other Liabilities			
<i>Current</i>			
Members' subscriptions in advance		10,838	16,844
Football sponsorship in advance		43,873	-
Members' subscriptions in advance		54,711	16,844
<i>Non Current</i>			
Members' subscriptions in advance		36,504	36,321
Total		91,215	53,165

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

	2020 \$	2019 \$
Note 14. Financial Risk Management		
The carrying amounts for each category of financial instruments, measured in accordance with the accounting policies to these financial statements, are as follows:		
Financial assets		
Cash and other equivalents	3,825,473	5,660,518
Trade and other receivables	93,313	73,996
	3,918,786	5,734,514
Financial liabilities		
Financial liabilities at amortised cost:		
-Trade and other payables	731,800	638,429
-Borrowings	1,000	1,000
	732,800	639,429
Note 15. Key Management Personnel Disclosures		
Key management personnel compensation	629,924	560,744
Note 16. Related Party Transactions		
Aggregate income received or due and receivable by the directors of the Company from the Company	Nil	Nil

The directors also purchased goods from the company on the same terms and conditions available to the company's employees, members and guests.

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2020

	2020	2019
	\$	\$
Note 17. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements payable		
- not later than 1 year	180,605	177,064
- later than 1 year but not later than 5 years	722,421	708,256
- later than 5 years but not later than 10 years	722,421	885,320
	1,625,447	1,770,640
Note 18. Cash Flow Information		
(a) Cash and Cash Equivalents		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the items in the statement of financial position as follows:		
Cash on hand	210,000	220,000
Cash at bank	3,615,473	5,440,518
	3,825,473	5,660,518
(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax		
Operating profit after Income Tax	1,767,347	483,214
Non-cash flows in operating profit		
Depreciation and amortisation	1,490,028	1,517,683
Profit on sale of non-current assets	(129,252)	(178,447)
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	(19,317)	488,943
(Increase)/Decrease in inventories	49,430	17,783
(Increase)/Decrease in other assets	(17,964)	(22,484)
Increase/(Decrease) in trade and other payables	93,370	(308,130)
Increase/(Decrease) in other liabilities	38,050	4,645
Increase/(Decrease) in provisions	(1,402)	30,161
Cash Flows from Operations	3,270,290	2,033,368

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Notes To The Financial Statements
For The Year Ended 30 September 2020

Note 19. Events Occurring After The Reporting Date

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

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

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

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

- Restricted trading activity until June 2020 and revised trading expectations for the following 6 months;
- Eligible financial assistance benefits to be received by the federal government to facilitate the Public Safety forced closure period; and
- The business continues to pay its debts as and when they fall due and payable.

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

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

The Entrance Leagues Club Limited
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Directors' Declaration
For The Financial Year Ended 30 September 2020

In accordance with a resolution of the directors of The Entrance Leagues Club (Reduced Disclosure Requirements) Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 25, are in accordance with the *Corporations Act 2001*:
 - (a) comply with Australian Accounting Standards- Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 September 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.



D L Hart
Director



M Bates
Director

BATEAU BAY NSW

Dated: 10/11/20

**Independent Auditor's Report to the Members
Of The Entrance Leagues Club Limited**

Report on the Financial Report

Opinion

We have audited the financial report of The Entrance Leagues Club Limited (the company), which comprises the statement of financial position as at 30 September, 2020, the statement of profit or loss and other comprehensive income, statement of changes member's funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of The Entrance 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 30 September, 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 Entrance Leagues Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 September, 2020, but does not include the financial report and our auditor's report thereon.

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

Independent Audit Report To The Members Of The Entrance Leagues Club Limited

Other Information (continued...)

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 report.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine as 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

**Independent Audit Report To The Members
Of The Entrance Leagues Club Limited**

Auditor's Responsibilities for the Audit of the Financial Report (continued...)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

FORTUNITY ASSURANCE



Adrian Thompson

Partner

155 The Entrance Road

ERINA NSW 2250

Dated: 10 November 2020