

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Year Ended
30 September 2024

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Ended 30 September 2024

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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 2024.

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 November 1988. <i>Responsibilities:</i> Board Meetings 12: Attended 12 Membership/Discipline Meetings 5: Attended 5 |
| <i>P G Dawson</i> | Director, Support Worker, joined the board in February 2008. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 5: Attended 4 |
| <i>N J Walker</i> | Director, Managing Director, appointed to the Board in September 2019. <i>Responsibilities:</i> Board Meetings 12: Attended 8 Membership/Discipline Meetings 5: Attended 2 |
| <i>W Fuller</i> | Director, Retired Policeman, appointed to the Board in December, 2019. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 5: Attended 4 |
| <i>L Weir</i> | Director, Managing director of local businesscat appointed to the Board in January 2021. <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 5: Attended 3 |
| <i>G Walsh</i> | Director, Area manager appointed to the Board in September 2023. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 5: Attended 4 |
| <i>R Fealy</i> | Director, appointed to the Board in November 2023. <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 5: Attended 4 |

Company Secretary

Mr Colin Woods was appointed to the position of Company Secretary in March 2021 and continued in that position throughout the financial year.

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Directors' Report

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 2024 and the comparison with last year is as follows:

| | |
|------|--------|
| 2024 | 16,278 |
| 2023 | 17,496 |

Operating result

The net profit for the year amounted to \$807,902 compared with \$1,022,813 in the prior year. This result was after charging \$1,849,896 (2023: \$1,631,509) 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.

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.

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Directors' Report

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 2024 there were 16,278 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

In the interval between the end of the financial year and the date of this report, no transactions or events of material and unusual nature have 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.

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.

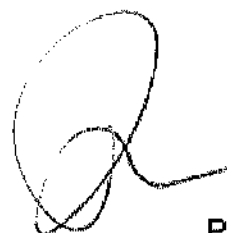
Auditor's independence Declaration

The auditor's independence declaration for the financial year ended 30 September 2024 has been received and can be found on page 6 of the financial statements.

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



D L Hart
Director



P G Dawson
Director

BATEAU BAY NSW

Dated: 28 November 2024

**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 2024 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 28 November 2024

The Entrance Leagues Club Limited
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Statement of Comprehensive Income
For The Year Ended 30 September 2024

| | Note | 2024 \$ | 2023 \$ |
|---|------|--------------|--------------|
| Revenue and Income from operations | | | |
| Sale of goods revenue | | 3,412,146 | 3,187,661 |
| Rendering of services revenue | | 9,894,573 | 9,387,805 |
| Other income | | 1,070,112 | 890,924 |
| | 2 | 14,376,831 | 13,466,390 |
| Expenses | | | |
| Cost of goods sold | | (1,450,509) | (1,310,383) |
| Employee benefits expense | | (3,410,922) | (3,181,809) |
| Poker machine tax, licences and donations | | (2,017,651) | (1,895,702) |
| Entertainment and promotions | | (1,165,067) | (1,136,214) |
| Property costs | | (813,749) | (771,825) |
| Other expenses | | (2,861,066) | (2,516,076) |
| | | (11,718,964) | (10,812,009) |
| Earnings before depreciation & finance costs | | 2,657,867 | 2,654,381 |
| Depreciation and amortisation | 3 | (1,849,896) | (1,631,509) |
| Finance costs | | (69) | (59) |
| Profit before income tax expense | | 807,902 | 1,022,813 |
| Income tax expense | | - | - |
| Net profit for the year after income tax | | 807,902 | 1,022,813 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 807,902 | 1,022,813 |

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 2024

| | Note | 2024 \$ | 2023 \$ |
|--------------------------------------|------|------------|------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 4 | 5,886,452 | 6,599,056 |
| Trade and other receivables | 5 | 169,455 | 185,053 |
| Inventories | 6 | 94,813 | 101,382 |
| Other assets | | 484,860 | 485,355 |
| Total Current Assets | | 6,635,580 | 7,370,846 |
| Non-Current Assets | | | |
| Plant and equipment | 7 | 14,140,076 | 13,765,002 |
| Investment properties | 8 | 1,383,928 | - |
| Intangible assets | 9 | 172,190 | 172,190 |
| Total Non-Current Assets | | 15,696,194 | 13,937,192 |
| Total Assets | | 22,331,774 | 21,308,038 |
| Current Liabilities | | | |
| Trade and other payables | 10 | 909,956 | 710,852 |
| Employee benefits | 12 | 358,693 | 336,620 |
| Other Liabilities | 13 | 9,995 | 9,682 |
| Total Current Liabilities | | 1,278,644 | 1,057,154 |
| Non-Current Liabilities | | | |
| Borrowings | 11 | 1,000 | 1,000 |
| Employee benefits | 12 | 144,849 | 162,647 |
| Other liabilities | 13 | 42,902 | 30,760 |
| Total Non-Current Liabilities | | 188,751 | 194,407 |
| Total Liabilities | | 1,467,395 | 1,251,561 |
| Net Assets | | 20,864,379 | 20,056,477 |
| Members' Funds | | | |
| Retained earnings | | 20,864,379 | 20,056,477 |
| Total Members Funds | | 20,864,379 | 20,056,477 |

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 2024

| | Total |
|---|--------------|
| | \$ |
| Balance at 1 October 2022 | 19,033,664 |
| Total comprehensive income for the year | 1,022,813 |
| | <hr/> |
| Balance at 30 September 2023 | 20,056,477 |
| Total comprehensive income for the year | 807,902 |
| | <hr/> |
| Balance at 30 September 2024 | 20,864,379 |
| | <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 2024

| | Note | 2024 \$ | 2023 \$ |
|--|-------|--------------|--------------|
| Cash flows from Operating Activities | | | |
| Receipts from customers | | 14,257,592 | 13,230,434 |
| Payments to employees and suppliers | | (11,509,413) | (10,653,716) |
| Interest received | | - | - |
| Borrowing costs | | (69) | (59) |
| Net cash provided by operating activities | 17(b) | 2,748,110 | 2,576,659 |
| Cash flows from Investing Activities | | | |
| Purchase of plant and equipment | | (1,386,952) | (1,824,093) |
| Purchase of investment property | | (2,261,320) | - |
| Proceeds from sale of equipment | | 187,558 | 223,380 |
| Net cash used in investing activities | | (3,460,714) | (1,600,713) |
| Net (decrease) / increase in cash held | | (712,604) | 975,946 |
| Cash at beginning of the financial year | | 6,599,056 | 5,623,110 |
| Cash at the end of the financial year | 17(a) | 5,886,452 | 6,599,056 |

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 2024

Note 1. Statement of Significant Accounting Policies

Basis of Preparation

The Entrance Leagues Club Limited applies Australian Accounting Standards – Simplified 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 – Simplified 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 28 November 2024 by the directors of the company.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members and guests.

Revenue from rendering a service is recognised upon the delivery of the service to members and guests.

Where the entity receives memberships, sponsorships or grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB15.

Where both these conditions are satisfied the Company;

- Identifies each performance obligation relating to the membership, sponsorship or grant;
- Recognises a contract liability for its obligations under the contract or grant;
- Recognises revenue as it satisfies its performance obligations.

When 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 (AASB9, AASB16 and AASB138);
- Recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liabilities);
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets. 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 2024

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) Leasehold Plant and Equipment

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

Leasehold Property

Leasehold property for the main Club is measured on a cost while the Bowling Club has been measured on a fair value basis as marked. All additions to leasehold buildings are measured on a 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% |

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.

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Notes To The Financial Statements
For The Year Ended 30 September 2024

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

(d) Investments and Other Financial Instruments

Recognition

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

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting 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.

(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.

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Notes To The Financial Statements
For The Year Ended 30 September 2024

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

(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.

(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*.

(j) Comparative Figures

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

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2024

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

(k) 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.

(l) 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) Leases

At the inception of a contract the Company assesses if the contract contains 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 (lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expenses on a straight-line basis of 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 and lease incentives;
- Variable lease payments that depend on an index rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under the residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- The Company does not act as a lessor in relation to the assets. Lease payments under extension options if the lessee is reasonable certain to exercise the option; 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 transfer's ownership of the underlying asset or the cost of the right-of-use assets reflects that the Company anticipate to exercise a purchase option, the specific asset is depreciation over the useful life of the underlying.

The Club currently holds a lease for the land the Club and bowling Club is built upon. The lease is considered to be not at arm's length (Refer to Note 7 for detail on the Leases) hence the directors have elected not to record the lease in accordance with the requirements of the standards AASB16 Leases.

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Notes To The Financial Statements
For The Year Ended 30 September 2024

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

(n) 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. There were no Accounting Standards and or Interpretations which will have or have had a material impact on the Club for the year.

(o) 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 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.

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.

| | 2024 | 2023 |
|------------------------------|-------------|-------------|
| | \$ | \$ |
| Note 2. Revenue | | |
| Sale of Goods | | |
| Bar sales | 2,823,066 | 2,782,944 |
| Catering sales | 589,080 | 404,717 |
| Total sale of goods | 3,412,146 | 3,187,661 |
| Rendering of services | | |
| Poker machine clearances | 8,678,544 | 8,093,269 |
| TAB commission | 91,885 | 104,076 |
| Keno commission | 173,028 | 162,800 |
| Football club income | 413,786 | 508,883 |
| Bowling club income | 10,655 | 15,369 |
| Other promotions income | 526,675 | 503,408 |
| | 9,894,573 | 9,387,805 |

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2024

| | 2024 | 2023 |
|--|------------|------------|
| | \$ | \$ |
| Note 2. Revenue (cont'd) | | |
| Other Income | | |
| Commission received | 690,439 | 539,164 |
| Interest received | 158,994 | 114,475 |
| Members subscriptions | 34,831 | 31,392 |
| Other income | 27,762 | 25,000 |
| Profit on sale of non-current assets | 148,184 | 180,893 |
| Rental income | 9,902 | - |
| | 1,070,112 | 890,924 |
| Total other income | | |
| Total revenue and other income | 14,376,831 | 13,466,390 |
| Note 3. Expenses | | |
| Profit before income tax includes the following specific expenses: | | |
| Depreciation | | |
| Leasehold buildings | 703,806 | 687,999 |
| Leasehold buildings - bowling club | 22,000 | 23,468 |
| Furniture, fittings and plant | 251,134 | 231,974 |
| Office equipment furniture | 20,980 | 35,850 |
| Poker machines | -848,952 | 652,218 |
| Investment properties - buildings | 3,024 | - |
| | 1,849,896 | 1,631,509 |
| Note 4. Cash and Cash Equivalents | | |
| Cash on hand | 350,000 | 350,000 |
| Cash at bank | 5,536,452 | 6,249,056 |
| | 5,886,452 | 6,599,056 |
| Note 5. Trade and Other Receivables | | |
| Other debtors | 169,455 | 185,053 |
| | 169,455 | 185,053 |
| Note 6. Inventories | | |
| Bar Stock | 82,428 | 86,832 |
| Merchandise and prizes | 12,385 | 14,550 |
| | 94,813 | 101,382 |

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Notes To The Financial Statements
For The Year Ended 30 September 2024

| | Note | 2024 \$ | 2023 \$ |
|--|---------|-------------------|-------------------|
| Note 7. Plant and Equipment | | | |
| Leasehold buildings - at cost | (b) | 18,713,654 | 18,241,069 |
| Less: Accumulated depreciation | | (8,040,692) | (7,333,971) |
| | | <u>10,672,962</u> | <u>10,907,098</u> |
| Leasehold buildings - Bowling Club - at independent valuation | (a) (b) | 1,076,832 | 934,653 |
| Less: Accumulated amortisation | | (756,950) | (734,950) |
| | | <u>319,882</u> | <u>199,703</u> |
| Furniture, fittings and plant - at cost | | 5,721,135 | 5,454,496 |
| Less: Accumulated depreciation | | (4,553,441) | (4,333,570) |
| | | <u>1,167,694</u> | <u>1,120,926</u> |
| Office equipment and furniture - at cost | | 458,626 | 451,952 |
| Less: Accumulated depreciation | | (431,169) | (410,782) |
| | | <u>27,457</u> | <u>41,170</u> |
| Poker machines - at cost | | 8,414,279 | 8,474,156 |
| Less: Accumulated depreciation | | (6,462,198) | (6,978,051) |
| | | <u>1,952,081</u> | <u>1,496,105</u> |
| Total Plant and Equipment | | <u>14,140,076</u> | <u>13,765,002</u> |

(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.

(b) As per Section S41E95) of the Registered Clubs Act (NSW) 1976, the Board declares as of the 30 September 2024 the land occupied by the Club is under two key leases as follows;

- DP 46783 – Main Club and Parking area with a lease term of 40 years from 16 June 1989 with an annual rent amount payable and indexed in accordance with lease agreement.

- DP1969-16 – Bowling green and related buildings with a lease in perpetuity, with an annual rent amount payable and indexed in accordance with the lease agreement.

Refer to Note 1(m) with respect to the Club's accounting policy adopted for the accounting for leases. The Directors have assessed that the leases above are best described as peppercorn and therefore have not been accounted for in accordance with *AASB16 Leases*.

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2024

Note 7. Plant and Equipment (cont'd)

Movements in Carrying Amounts

Movement in the carrying amount for each class of 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 | 10,907,098 | 199,703 | 1,120,926 | 41,170 | 1,496,105 | 13,765,002 |
| Additions | 472,585 | 142,179 | 324,562 | 7,267 | 1,314,727 | 2,261,320 |
| Disposals/adjustments | (2,915) | - | (26,660) | - | (9,799) | (39,374) |
| Depreciation expense | (703,806) | (22,000) | (251,134) | (20,980) | (848,952) | (1,846,872) |
| Carrying amount at the end of the year | 10,672,962 | 319,882 | 1,167,694 | 27,457 | 1,952,081 | 14,140,076 |

| | 2024 \$ | 2023 \$ |
|---------------------------------------|------------------|------------|
| Note 8. Investments Properties | | |
| Land – at cost | 600,000 | - |
| Buildings – at cost | 786,952 | - |
| Less Accumulated Depreciation | (3,024) | - |
| | <u>783,928</u> | <u>-</u> |
| Total investment properties | <u>1,383,928</u> | <u>-</u> |

Movements in Carrying Accounts

Movements in the carrying amounts for investment properties between the beginning and the end of the current financial year:

| | Land \$ | Buildings \$ | Total \$ |
|------------------------------------|----------------|-----------------|------------------|
| Balance at beginning of year | - | - | - |
| Additions | 600,000 | 786,952 | 1,386,952 |
| Changes in fair value | - | - | - |
| Disposals & Transfers | - | - | - |
| Depreciation expense | - | (3,024) | (3,024) |
| Carrying amount at year end | 600,000 | 783,928 | 1,383,928 |

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2024

| | 2024 | 2023 |
|--|---------------|-------------|
| | \$ | \$ |
| Note 9. Intangible assets | | |
| Poker machine entitlements | 172,190 | 172,190 |
| | | |
| Note 10. Trade and other payables | | |
| <i>Current</i> | | |
| Trade Creditors | 458,185 | 322,215 |
| Accruals | 451,771 | 388,637 |
| | 909,956 | 710,852 |
| Note 11. Borrowings | | |
| <i>Non-Current:</i> | | |
| Secured: | | |
| Bill Facility | (i)(ii) 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 | 208,015 | 183,825 |
| Long Service Leave | 150,678 | 152,795 |
| | 358,693 | 336,620 |
| <i>Non-Current</i> | | |
| Annual Leave | 44,180 | 39,265 |
| Long Service Leave | 100,669 | 123,382 |
| | 144,849 | 162,647 |
| Total employee benefits | 503,542 | 499,267 |

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2024

| | 2024 | 2023 |
|-----------------------------------|-------------|-------------|
| | \$ | \$ |
| Note 13. Other Liabilities | | |
| <i>Current</i> | | |
| Members' subscriptions in advance | 9,995 | 9,682 |
| <i>Non Current</i> | | |
| Members' subscriptions in advance | 42,902 | 30,760 |
| Total other liabilities | 52,897 | 40,442 |

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 | 5,886,452 | 6,599,056 |
| Trade and other receivables | 169,455 | 185,053 |
| | 6,055,907 | 6,784,109 |

Financial liabilities

| | | |
|--|---------|---------|
| Financial liabilities at amortised cost: | | |
| -Trade and other payables | 909,956 | 710,852 |
| -Borrowings | 1,000 | 1,000 |
| | 910,956 | 711,852 |

Note 15. Key Management Personnel Disclosures

| | | |
|---------------------------------------|---------|---------|
| Key management personnel compensation | 805,824 | 745,285 |
| | | |

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 2024

| | 2024 | 2023 |
|---|-------------|-------------|
| | \$ | \$ |
| Note 17. 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 | 350,000 | 350,000 |
| Cash at bank | 5,536,452 | 6,249,056 |
| | 5,886,452 | 6,599,056 |
| (b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax | | |
| Operating profit after Income Tax | 807,902 | 1,022,813 |
| <i>Non-cash flows in operating profit</i> | | |
| Depreciation and amortisation | 1,849,896 | 1,631,509 |
| Profit on sale of non-current assets | (148,184) | (180,893) |
| <i>Changes in assets and liabilities</i> | | |
| (Increase)/Decrease in trade and other receivables | 16,490 | (61,098) |
| (Increase)/Decrease in inventories | 6,569 | (3,034) |
| (Increase)/Decrease in other assets | (397) | (46,010) |
| Increase/(Decrease) in trade and other payables | 199,104 | 126,560 |
| Increase/(Decrease) in other liabilities | 4,275 | 6,035 |
| Increase/(Decrease) in provisions | 12,455 | 80,777 |
| Cash Flows from Operations | 2,748,110 | 2,576,659 |

Note 18. Events Occurring After The Reporting Date

In the interval between the end of the financial year and the date of this report, no transactions or events of material and unusual nature have 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
ABN 86 002 501 313

Directors' Declaration
For The Financial Year Ended 30 September 2024

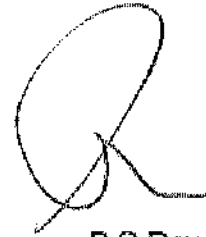
In accordance with a resolution of the directors of The Entrance Leagues Club Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 22, are in accordance with the *Corporations Act 2001*:
 - (a) comply with *Australian Accounting Standards – Simplified Disclosure Requirements*; and
 - (b) give a true and fair view of the financial position as at 30 September 2024 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.

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



D L Hart
Director



P G Dawson
Director

BATEAU BAY NSW

Dated: 28 November 2024

**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, 2024, 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, 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified 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 2024, 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 – Simplified 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: 28 November 2024