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Western Suburbs League Club  
(Campbelltown) Limited

ABN 43 000 841 958

Annual Financial Report  
31 October 2021

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# Western Suburbs League Club (Campbelltown) Limited

## Directors' Report

The directors present their report, together with the financial statements of Western Suburbs League Club (Campbelltown) Limited (the company) for the year ended 31 October 2021.

### Directors

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

<b>Name</b>	<b>Occupation and Period of Directorship</b>
Alan Buxton - Chairman	Bank Manager Director since 23 February 2003
Paul Lake - Deputy Chairman	Retired Business Manager Director since 30 April 2003
Warren Thomson	Retired Builder Director since 30 June 2003
Roy Warby	Accountant Director since 5 March 1995
Martin Bullock	CEO, Western Sydney Academy of Sport Director since 4 May 2007
Stephen Stewart	Manager Director since 1 December 2009
Stephen Noyce	General Manager Director since 7 June 2016

### Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the company during the financial year is:

<b>Director</b>	<b>Number of Meetings Attended</b>	<b>Number of Meetings Held *</b>
Mr A Buxton	13	13
Mr P Lake	13	13
Mr W Thomson	13	13
Mr R Warby	13	13
Mr M Bullock	13	13
Mr S Stewart	13	13
Mr S Noyce	13	13

\* Number of meetings held during the time the director held office during the year.

# Western Suburbs League Club (Campbelltown) Limited

## Directors' Report

### Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 October 2021 and the comparison with last year is as follows:

	2021	2020
Full Members	75,201	76,245
Social Member	6	114
Pensioner Members	2,454	2,782
Permanent Members	199	201
Life Member	4	5
Honorary	2	2
Tennis Club		
- Life Member	2	2
- Junior Member	121	94
Camden Lakeside		
- Junior Member	27	12
- Cadet Member	3	14
- Colt Member	4	6
- Country Member	290	324
- Life/Honorary	11	20
- Midweek Member	175	208
- Sunday Member	130	62
- Social Member	55	106
	<hr/>	<hr/>
	78,684	80,197
	<hr/>	<hr/>

### Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he / she is a member or within one year thereafter. At 31 October 2021 there were 78,684 members.

### Operating result

The net profit before tax for the year amounted to \$4,761,839 compared with \$7,221,995 for the prior year. This resulted after charging \$8,728,204 (2020: \$8,603,372) for depreciation & amortisation.

### Objectives

#### Short term

To provide for members and guests a social club with all first class facilities of a club and to assist generally in the promotion and propagation of sports.

# Western Suburbs League Club (Campbelltown) Limited

## Directors' Report

### Objectives (continued)

#### Long term

To sustain our position as a leading facility in Western Sydney to ensure our long term support of junior sports and the wider community in that region and beyond.

### Strategy for achieving the objectives

Principal strategies include:

1. Maximising advantage from our investment holdings,
2. Maximising advantage from marketing opportunities,
3. Providing a broad range of offerings, and
4. Maintaining high customer service standards.

### Principal Activities

The principal activities of the company during the year consisted of the encouragement of games and sport. This has been the Club's focus since inception.

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

### How these activities assist in achieving the objectives

The activities assist in generating revenue to fund for the sporting activities and the promotion and propagation of junior sports, and to provide first class facilities for members.

### Performance measurement and key performance indicators

Performance is assessed regularly against relevant internal and industry benchmarks enabling assessment as to whether strategic initiatives have been effective in achieving company short and long term objectives.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the directors.

Dated at Campbelltown this 13th day of December 2021.



Alan Buxton  
Director

**DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF WESTERN SUBURBS LEAGUE CLUB (CAMPBELLTOWN) LIMITED**

As lead auditor of Western Suburbs League Club (Campbelltown) Limited for the year ended 31 October 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of 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.



Clayton Eveleigh  
Director

**BDO Audit Pty Ltd**

Sydney, 13 December 2021

## INDEPENDENT AUDITOR'S REPORT

To the members of Western Suburbs League Club (Campbelltown) Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Western Suburbs League Club (Campbelltown) Limited (the Company), which comprises the statement of financial position as at 31 October 2021, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Western Suburbs League Club (Campbelltown) Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 October 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report, but does not include the financial report and our auditor's report thereon.

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

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

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

#### **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 is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the Financial Report**

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

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

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit Pty Ltd**



Clayton Eveleigh  
Director

Sydney, 13 December 2021

# Western Suburbs League Club (Campbelltown) Limited

## Directors' Declaration

The directors of Western Suburbs League Club (Campbelltown) Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 9 to 28, are in accordance with the *Corporations Act 2001*, including:
  - (i) Giving a true and fair view of the company's financial position as at 31 October 2021 and of its performance, for the financial year ended on that date; and
  - (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and *Corporations Regulations 2001*.
- (b) 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 directors.

Dated at Campbelltown this 13th day of December 2021.



**Alan Buxton**  
Director



Western Suburbs League Club (Campbelltown) Limited

Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 31 October 2021

	Note	2021 \$	2020 \$
<b>Revenue and other income</b>			
Sale of goods		13,377,545	13,559,849
Rendering of services		49,476,177	53,050,069
Other revenue		61,196	62,739
Other income		1,200,000	4,584,000
		<hr/>	<hr/>
Total revenue	1	64,114,918	71,256,657
		<hr/>	<hr/>
<b>Expenses</b>			
Cost of goods sold		(5,726,186)	(5,843,450)
Poker machine duties		(11,602,256)	(12,425,315)
Employment and staffing expenses		(17,929,616)	(20,244,399)
Entertainment, marketing and promotional costs		(3,589,375)	(4,731,207)
Property expenses		(6,627,159)	(6,642,671)
Other expenses		(3,714,917)	(3,476,518)
		<hr/>	<hr/>
		(49,189,509)	(53,363,560)
		<hr/>	<hr/>
Earnings before depreciation expense and finance costs		14,925,409	17,893,097
Depreciation expense	2	(8,728,204)	(8,603,372)
Finance costs	2	-	(60,480)
Loss on disposal of property, plant and equipment		(67,287)	(609,939)
Loss on terminated capital work in progress		(1,368,079)	(1,397,311)
		<hr/>	<hr/>
<b>Profit before income tax</b>		4,761,839	7,221,995
Income tax expense	18(c)	-	-
		<hr/>	<hr/>
<b>Net profit after income tax expense attributable to members</b>		4,761,839	7,221,995
		<hr/>	<hr/>
<b>Other comprehensive income</b>			
Gain on revaluation of freehold land	5	5,071,447	1,690,348
		<hr/>	<hr/>
Other comprehensive income for the year, net of tax		5,071,447	1,690,348
		<hr/>	<hr/>
<b>Total comprehensive income for the year, net of tax</b>		9,833,286	8,912,343
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Western Suburbs League Club (Campbelltown) Limited

Statement of Financial Position

As at 31 October 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	9,636,134	9,531,430
Trade and other receivables		1,325,674	150,264
Inventories		505,989	564,352
Other current assets	4	865,009	1,098,430
<b>Total Current Assets</b>		<b>12,332,806</b>	<b>11,344,476</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	127,663,305	121,772,907
Intangible assets	6	9,961,259	9,929,921
Right of use assets	7	2,491,389	2,524,608
<b>Total Non-Current Assets</b>		<b>140,115,953</b>	<b>134,227,436</b>
<b>Total Assets</b>		<b>152,448,759</b>	<b>145,571,912</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	8	7,812,142	10,840,069
Employee benefits	10	1,756,981	1,617,569
Income in advance		821,592	737,781
<b>Total Current Liabilities</b>		<b>10,390,715</b>	<b>13,195,419</b>
<b>Non-Current Liabilities</b>			
Employee benefits	10	252,846	301,407
Income in advance		324,919	428,093
<b>Total Non-Current Liabilities</b>		<b>577,765</b>	<b>729,500</b>
<b>Total Liabilities</b>		<b>10,968,480</b>	<b>13,924,919</b>
<b>Net Assets</b>		<b>141,480,279</b>	<b>131,646,993</b>
<b>MEMBERS' FUNDS</b>			
Retained profits		112,779,029	108,017,190
Reserves	11	28,701,250	23,629,803
<b>Total Members' Funds</b>		<b>141,480,279</b>	<b>131,646,993</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Western Suburbs League Club (Campbelltown) Limited  
**Statement of Changes in Members' Funds**  
**For the Year Ended 31 October 2021**

	Reserves \$	Retained Profits \$	Total Members' Funds \$
<b>Balance at 31 October 2019</b>	21,939,455	100,795,195	122,734,650
Net profit for the year	-	7,221,995	7,221,995
Other comprehensive income for the year:			
Revaluation of freehold land	1,690,348	-	1,690,348
Total comprehensive income for the year	1,690,348	7,221,995	8,912,343
<b>Balance at 31 October 2020</b>	23,629,803	108,017,190	131,646,993
Net profit for the year	-	4,761,839	4,761,839
Other comprehensive income for the year:			
Revaluation of freehold land	5,071,447	-	5,071,447
Total comprehensive income for the year	5,071,447	4,761,839	9,833,286
<b>Balance at 31 October 2021</b>	28,701,250	112,779,029	141,480,279

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Western Suburbs League Club (Campbelltown) Limited

Statement of Cash Flows

For the Year Ended 31 October 2021

	Note	2021 \$	2020 \$
<b>Cash Flows From Operating Activities</b>			
Cash receipts in the course of operations		72,911,302	78,601,705
Cash payments in the course of operations		(63,053,937)	(61,037,152)
Interest paid		-	(60,480)
Interest received		796	106
Rent received		60,399	62,633
Government grants received		1,200,000	4,584,000
		<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>		11,118,560	22,150,812
		<hr/>	<hr/>
<b>Cash Flows From Investing Activities</b>			
Proceeds on sale of property, plant and equipment		52,175	92,260
Payments for property, plant and equipment		(11,034,693)	(14,714,822)
Payments for intangibles		(31,338)	(831,338)
		<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>		(11,013,856)	(15,453,900)
		<hr/>	<hr/>
<b>Cash Flows From Financing Activities</b>			
(Repayments)/proceeds from borrowings		-	(1,250,120)
Repayment of hire purchase creditors		-	(37,530)
		<hr/>	<hr/>
<b>Net cash outflow from financing activities</b>		-	(1,287,650)
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		104,704	5,409,262
<b>Cash and cash equivalents at the beginning of the financial year</b>		9,531,430	4,122,168
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>	3	9,636,134	9,531,430
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 28.

# Western Suburbs League Club (Campbelltown) Limited

## Notes to the Financial Statements

### For the Year Ended 31 October 2021

## About This Report

Western Suburbs League Club (Campbelltown) Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a not-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Western Suburbs League Club (Campbelltown) Limited as a standalone legal entity.

The financial statements were approved for issue by the Directors on 13 December 2021.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australia Accounting Standards - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board ('AASB');
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

### Standards and Interpretations issued but not yet effective

*AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

This standard is applicable to annual reporting periods beginning on or after 1 November 2021. AASB 1060 provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of Australian Accounting Standards for SMEs. Given that the company already prepares financial statements under the reduced disclosure requirements there is not likely to be an impact on the company's financial statements on adoption of this standard.

### Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Estimation of useful lives of assets	Note 5
Fair value of freehold land	Note 5
Intangible assets	Note 6
Long service leave provision	Note 10

Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

	2021 \$	2020 \$
<b>1 Revenue and other income</b>		
<b>Sale of Goods Revenue</b>		
Bar sales	6,469,041	6,696,481
Catering sales	6,908,504	6,863,368
	13,377,545	13,559,849
<b>Rendering of Services Revenue</b>		
Poker machines - net clearances	45,584,243	48,619,983
Members' subscriptions	311,993	308,910
Entertainment and promotions	191,996	214,876
Commission received	736,103	727,587
Golf - Competition fees and related income	1,942,225	2,483,900
Sundry income	709,617	694,813
	49,476,177	53,050,069
<b>Other Revenues</b>		
Interest received	796	106
Rent received and investment property income	60,399	62,633
	61,196	62,739
<b>Other income</b>		
Government grant income	1,200,000	4,584,000
	64,114,918	71,256,657
<b>Total revenue and other income</b>	64,114,918	71,256,657

**Recognition and measurement:**

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

**Sale of Goods**

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

**Rendering of Services**

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

Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

1 Revenue (continued)

**Recognition and measurement (continued):**

Golf club revenue comprises competitions fees, green fees, cart hire fees and sponsorship sales. Revenue is recognised at the point in time the services are provided.

Members' subscriptions are payable in advance. Membership subscription revenue is recognised over time, through the period to which it relates. Any membership subscription revenue relating to periods beyond the current financial year is carried forward in the Statement of Financial Position as income received in advance.

**Interest Income**

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

**Rent Income**

Rent income is recognised on a straight-line basis over the term of the relevant lease.

**Grant Income**

Grant revenue is recognised over time, as the company satisfies its performance obligations as stated in the grant funding agreements. Where performance obligations are not sufficiently specific, or there are no performance obligations, the grant is recognised as income when the right to receive payment is established.

	2021 \$	2020 \$
<b>2 Expenses</b>		
Profit before income tax includes the following specific expenses:		
Finance costs:		
Banks loans and overdraft	-	60,480
	<hr/>	<hr/>
Depreciation		
Building and improvements	2,703,450	2,438,740
Plant and equipment	3,291,081	3,177,471
Poker machines	2,733,674	2,987,161
	<hr/>	<hr/>
Total depreciation	8,728,204	8,603,372
	<hr/>	<hr/>
Net expense from movements in provision for Employee benefits	90,851	111,591
	<hr/>	<hr/>
Superannuation expense	1,317,478	1,329,963
	<hr/>	<hr/>

Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

### 3 Cash and Cash Equivalents

#### Reconciliation of Cash

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2021 \$	2020 \$
Cash and cash equivalents	9,636,134	9,531,430
	<hr/>	<hr/>

#### Recognition and measurement:

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2021 \$	2020 \$
<b>4 Other Assets</b>		
Other Current Assets		
Prepayments	776,204	938,430
Other debtors	88,805	160,000
	<hr/>	<hr/>
	865,009	1,098,430
	<hr/>	<hr/>



Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

	2021 \$	2020 \$
<b>5 Property, Plant and Equipment</b>		
Freehold Land, Building and Improvements <i>At fair value</i>	45,025,000	38,050,000
	<hr/> 45,025,000 <hr/>	<hr/> 38,050,000 <hr/>
Building and Improvements <i>At cost</i> <i>Accumulated depreciation</i>	69,700,815 (17,113,955)	69,453,404 (14,415,590)
	<hr/> 52,586,860 <hr/>	<hr/> 55,037,814 <hr/>
Plant and Equipment <i>At cost</i> <i>Accumulated depreciation</i>	40,461,830 (23,149,230)	40,093,960 (20,360,207)
	<hr/> 17,312,600 <hr/>	<hr/> 19,733,753 <hr/>
Poker Machines <i>At cost</i> <i>Accumulated depreciation</i>	45,605,933 (37,758,971)	44,523,999 (36,867,327)
	<hr/> 7,846,962 <hr/>	<hr/> 7,656,672 <hr/>
Capital works in progress <i>At cost</i>	4,891,883	1,294,668
	<hr/> 4,891,883 <hr/>	<hr/> 1,294,668 <hr/>
Total property, plant and equipment net book value	<hr/> <hr/> 127,663,305	<hr/> <hr/> 121,772,907

Refer to Note 8 for details of security over property, plant and equipment.

### Valuation

An independent valuation of the Club's land and buildings and improvements was carried out as at 23 September 2021 by registered valuers, Global Valuation Services Pty Limited on the basis of market value for existing use resulting in a valuation of Land and Buildings at \$107,225,000. As buildings are recorded at cost, the valuation has not been brought to account for this class of assets. During the period, the Club obtained an additional portion of land. In accordance with the accounting policy for freehold land, the land was recorded at fair value on the date of transfer.

The Directors believe there is no indication of impairment as defined by accounting standard AASB 136 and that the valuation approach adopted is still the most appropriate approach to take.

Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

5 Property, Plant and Equipment (continued)

	2021 \$	2020 \$
Reconciliations		
<b>Movements in Carrying Amounts</b>		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:		
<b>Freehold Land</b>		
Carrying amount at the beginning of year	38,050,000	36,300,000
Transfers from Capital Work in Progress	1,903,553	59,652
Revaluation of Freehold Land	5,071,447	1,690,348
	<hr/>	<hr/>
Carrying amount at end of year	45,025,000	38,050,000
	<hr/>	<hr/>
<b>Buildings and Improvements</b>		
Carrying amount at the beginning of year	55,037,814	46,917,975
Transfer from Capital Works in Progress	252,496	10,748,685
Depreciation expense	(2,703,450)	(2,438,740)
Disposals	-	(190,106)
	<hr/>	<hr/>
Carrying amount at end of year	52,586,860	55,037,814
	<hr/>	<hr/>
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	19,733,753	17,125,204
Additions	982,488	6,166,390
Depreciation expense	(3,291,081)	(3,177,471)
Disposals	(112,560)	(380,370)
	<hr/>	<hr/>
Carrying amount at end of year	17,312,600	19,733,753
	<hr/>	<hr/>
<b>Poker Machines</b>		
Carrying amount at beginning of year	7,656,672	7,961,735
Additions	2,930,864	2,813,821
Depreciation expense	(2,733,674)	(2,987,161)
Disposals	(6,900)	(131,723)
	<hr/>	<hr/>
Carrying amount at end of year	7,846,962	7,656,672
	<hr/>	<hr/>

Western Suburbs League Club (Campbelltown) Limited  
Notes to the Financial Statements  
For the Year Ended 31 October 2021

5 Property, Plant and Equipment (continued)

	2021 \$	2020 \$
<b>Capital Works in Progress</b>		
Carrying amount at beginning of year	1,294,668	7,765,706
Transfer to Freehold Land, Buildings and Improvements	(2,158,016)	(10,808,337)
Impairment on terminated capital WIP projects	(1,368,079)	(1,397,311)
Additions	7,123,310	5,734,610
	<hr/>	<hr/>
Carrying amount at end of year	4,891,883	1,294,668
	<hr/>	<hr/>
Total property, plant and equipment net book value	127,663,305	121,772,907
	<hr/> <hr/>	<hr/> <hr/>

**The following are core properties:**

10 Old Leumeah Road, Leumeah NSW

**The following are non-core properties:**

West's Tennis Club

Lakeside Golf Club Camden

Country Club Gledswood Hills

The Greens

**Recognition and measurement:**

**Property, plant and equipment at cost**

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

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

Capital works in progress are accounted for at cost and are transferred to property, plant and equipment and depreciated when completed and ready for use. The balance of capital work in progress at 31 October 2021 comprises expenditure incurred on key projects in relation to the Golf Club and course works, and a pedestrian ramp and walkway at the Country Club.

**Freehold land at fair value**

All freehold land assets are carried at their fair value, in accordance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment. Fair value of freehold land is based on market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

When an item of freehold land is revalued, the entire class of asset to which it belongs is also revalued.

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## 5 Property, Plant and Equipment (continued)

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

Buildings & improvements	2.5% - 10%
Plant and equipment	7.5% - 40%
Poker machines	20% - 25%

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

### **Key accounting estimate: Useful lives of assets**

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

### **Revaluations**

Following initial recognition at cost, land assets are carried at fair value and accumulated impairment losses. Valuations are to be conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. Freehold land assets are revalued every 3 years. A revaluation of freehold land was conducted as at 23 September 2021, and was based upon the assessment of an independent valuation expert.

Revaluation increments for all land and buildings are recognised in other comprehensive income and credited to the revaluation reserve in equity. See Note 11 for further details of the revaluation reserve. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the statement of profit or loss, the increment is recognised immediately as a gain in the statement of profit or loss. Revaluation decrements for all property, plant and equipment are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation reserve on the same class of assets, in which case, the decrement is debited directly to the asset revaluation reserve.

### **Key accounting estimate: Fair value of freehold land**

Fair value of freehold land is based on market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

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	2021 \$	2020 \$
<b>6 Intangible Assets</b>		
Poker machine entitlements		
At cost	9,961,259	9,929,921
Accumulated impairment losses	-	-
	<hr/>	<hr/>
Net carrying value	9,961,259	9,929,921
	<hr/>	<hr/>
<b>Movements in Carrying Amounts</b>		
Carrying amount at beginning of year	9,929,921	9,098,583
Additions during the year	31,338	831,338
	<hr/>	<hr/>
Total intangible assets	9,961,259	9,929,921
	<hr/>	<hr/>

**Recognition and measurement:**

The intangible assets, being poker machine entitlements, are not amortised. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses. Poker machine entitlements are administrated by the state government and restrict the number of poker machines that can be installed by licensed club holder. The entitlements which may be transferred or acquired or sold do not have an expiration date and are therefore poker machine entitlements are deemed to have an indefinite useful life.

**Key accounting estimate: Impairment of Poker Machine Entitlements**

Impairment of poker machine entitlements is recognised based on a value in use calculations and is measured at the present value of the estimated future cash inflows available to the company from the use of these licenses. In determining the present value of the cash inflows, growth rates and appropriate discount factors have been considered.

	2021 \$	2020 \$
<b>7 Right of use assets</b>		
Carrying amount at beginning of year	2,524,608	-
Additions on adoption of AASB 16 <i>Leases</i>	-	2,557,826
Depreciation expense	(33,219)	(33,218)
	<hr/>	<hr/>
	2,491,389	2,524,608
	<hr/>	<hr/>

The Club is party to an arrangement whereby a license fee is paid for use of council land for the purpose of cark parking for Club patrons. The arrangement reflects a lease period of 99 years. All amounts payable to the lessee have been paid in advance, and as such no lease liability is recognised in relation to future lease payments.

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## 7 Right-of-use asset (continued)

### Recognition and measurement

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

	2021 \$	2020 \$
<b>8 Trade and Other Payables</b>		
Trade creditors	2,295,844	1,594,913
Goods and Services Tax (GST) payable	208,780	488,753
Gaming tax payable	2,084,845	6,496,718
Other creditors and accruals	3,222,674	2,259,685
	7,812,142	10,840,069
	7,812,142	10,840,069

### Recognition and measurement:

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 60 days.

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	2021 \$	2020 \$
<b>9 Financial Liabilities</b>		

**Financing Arrangements**

The company has access to the following lines of credit:

Total facilities available:

Card facility	100,000	100,000
Better Business Loan	14,000,000	14,000,000
Bank guarantee facility	252,083	252,083
Hire purchase liabilities	-	-

	14,352,083	14,352,083
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Facilities utilised at reporting date:

Better Business Loan	-	-
Bank guarantee facility	252,083	252,083
Hire purchase liabilities	-	-

	252,083	252,083
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**Security**

The above facilities are secured by the following:

- First registered mortgage over land and properties situated 10 Old Leumeah Road, Leumeah.
- Term deposits held over bank guarantees as security bonds.
- General security interest over all present and after acquired property of Western Suburbs League Club (Campbelltown) Limited.

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	2021 \$	2020 \$
<b>10 Employee Benefits</b>		
Current	1,756,981	1,617,569
	<hr/> <hr/>	<hr/> <hr/>
Non-Current	252,846	301,407
	<hr/> <hr/>	<hr/> <hr/>

Current employee benefits include \$899,885 (2020: \$839,497) relating to accrued long service leave benefits. It is only expected that approximately \$200,000 of these benefits will be paid out in the next 12 months.

### Superannuation Plans

#### Contributions

The company is under a legal obligation to contribute 10% of each employee's base salary to a superannuation fund. The expense recognised in relation to the defined superannuation plan is disclosed in Note 2.

#### Recognition and measurement:

##### Short-term employee benefits

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

##### Other long-term employee benefits

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

##### Key accounting estimate: Long-service leave

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect 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.



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	2021 \$	2020 \$
<b>11 Reserves</b>		
Revaluation reserve	25,115,618	20,044,171
Amalgamation reserve	3,585,632	3,585,632
	<hr/>	<hr/>
Total reserves	28,701,250	23,629,803
	<hr/>	<hr/>

**Revaluation reserve**

The revaluation surplus records revaluations of freehold land, see Note 5 for further details.

**Amalgamation reserve**

The amalgamation reserves records the fair value of net assets acquired on amalgamation. Amalgamation reserves are recognised as a direct addition to members' funds in the statement of financial position.

## 12 Key Management Personnel Details

### (a) Directors

The following persons were non-executive directors of the company during the financial year:

A Buxton  
P Lake  
W Thomson  
R Warby  
M Bullock  
S Stewart  
S Noyce

### (b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year:

Name	Position
Daniel Perkiss	Chief Executive Officer (appointed 19 April 2021)
Tony Mathew	Chief Executive Officer (ceased employment 2 April 2021)
Daniel Grady	Chief Operating Officer (ceased employment 10 December 2021)
David Tasker	Chief Financial Officer (appointed 12 July 2021)
Leanne Craig	Group HR Manager

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## 12 Key Management Personnel Details (continued)

### (c) Key Management Personnel Compensation

	2021 \$	2020 \$
Benefits and payments made to the Directors and Other Key Management Personnel	1,343,049	1,603,297

## 13 Related Parties

### Key Management Personnel

Disclosures relating to key management personnel are set out in Note 12.

### Directors' Transactions

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

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

## 14 Company Details

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 \$2 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At 31 October 2021 there were 78,684 members.

The registered office of the company is 10 Old Leumeah Road, Leumeah NSW 2560.

## 15 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the company's state of affairs in future financial years.

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## 16 Contingent Liabilities

### Bank Guarantees

The company has given the following bank guarantees:

	2021 \$	2020 \$
TAB	20,000	20,000
Camden Council	232,083	232,083
	<hr/>	<hr/>
Total	252,083	252,083
	<hr/>	<hr/>

## 17 Summary of Other Significant Accounting Policies

### (a) Goods and Services Tax

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

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

### (b) Finance Costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

## 17 Summary of Other Significant Accounting Policies (continued)

### (c) Income Tax

The company has obtained private rulings confirming that the company's income is exempt from income tax in Australia under Division 50-1 of the Income Tax Assessment Act (1997). This exemption covers the period 1 November 2020 to 31 October 2025.

No future tax benefits or liabilities outside of the period covered by the private ruling have been recognised.

### (d) Impairment of Assets

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

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