



MANLY

— LEAGUES —

2019

ANNUAL

REPORT

FOR THE YEAR ENDED
31ST OCTOBER 2019

CHAIRMAN’S REPORT



Dear Members,

2019 has been a successful year for the Club with many positives to report.

On the back of the hard work from our General Manager, Julien Bova and his staff along with my fellow board members, the Club’s trade has continued to improve and thus strengthened our overall financial position. On top of these results, our memberships are continually rising along with patronage.

The financial breathing space has enabled us to make some much need improvements and minor refurbishments to the Club. The exterior wall facing Pittwater Road was repainted along with new electronic advertising and signage. Improvements to the interior included repainting and new furniture in both the Lyons Den and the Menzies Bar. We continued to update our gaming machines and we also welcomed the Sea Eagles merchandise and ticketing stall within the Club.

The introduction of new caterers during the year have seen a steady increase of members enjoying the tasty new menu and attractive prices.

Our Club has also continued in its support for many Northern Beaches community groups. While our main sponsorship focus continues to be the support of Manly Warringah’s Junior Rugby League programs, we have again provided substantial financial support to a wide range of other local sporting and community groups throughout the year.

In the background, we have continued to work closely with our landlords on the long-term future of the Club. We are currently working on a further lease extension and we continue to collaborate on plans for a redeveloped Club and refresh of the precinct.

As mentioned in our members forums, as part of the Clubs strategic planning, an Expression of Interest (EOI) was released in December to other Clubs and the Board remains committed to continue looking at all avenues and alternate options to support and provide longevity of Manly Leagues.

There are many people to thank for the year and I would like to start with my predecessor, former Chairman Ian Thompson who stood down after last years AGM. Ian has worked tirelessly for the Club and his chairmanship through some difficult years was outstanding. A lot of this years successes can be attributed to Ian’s foundations.

Thank you to Garry Thoroughgood for stepping in and for his guidance while I transitioned from Board member to Chairman. Also a big thank you to our hard working Board of Max Krilich, Warwick Bulmer, Alan Thompson, Wayne Honeywood along with our newest member, Julie Sibraa as Vice-Chair.

A very big thanks to the Club’s General Manager, Julien Bova and his staff for their continued efforts, strategies and hard work during 2019. Julien and his team have made and continue to make significant improvements to the Club and for the benefit and enjoyment of the members and their guests.

David O'Donnell
Chairman

MANLY-WARRINGAH RUGBY LEAGUE CLUB LIFE MEMBERS

- | | | |
|-------------------------------------|--------------------------------|-----------------------------|
| 1965: Mr J.L. Martin (Dec) | 1977: Mr W.J. Poole (Dec) | 2001: Mrs N.A. Geddes (Dec) |
| 1965: Mr A.B. Stehr (Dec) | 1980: Mr G.V. Willoughby (Dec) | 2004: Dr D.S. Biddle, AM |
| 1965: Mr E.A. Langford (Dec) | 1983: Mr E.R. Bull (Dec) | 2005: Mr I.J. Fitzgibbon |
| 1969: Mr R.E. Hudson, Snr (Dec) | 1983: Mr S.L. Wallace (Dec) | 2005 : Mr B.J. Smith |
| 1971: Mr J.W. Cameron B.E.M. (Dec) | 1985: Mr W.A. Lough (Dec) | 2006: Mr G.M. Miller |
| 1972: Mr G.M. Houston | 1993: Mr D.J. Daley (Dec) | 2013: Mr G.A. Clark |
| 1973: Mr K.R. Arthurson, AM | 1994: Mr R.K. Rainey (Dec) | 2013: Mrs K.E. Hudson |
| 1973: Mr R.O. Hudson Jnr, OAM (Dec) | 1997: Mr C.A. Dempster | |

GENERAL MANAGER’S REPORT



Dear Members,

2019 has been an extremely successful year for Manly Leagues thanks to the continued support of our members and guests. You, the members, are the heart of this great Club and we are truly honoured that you continue to spend your time here socialising with family and friends. Seeing your smiling faces every day gives us the motivation to keep improving and serving you as best we can.

The financial result for the year was a trading profit of \$322,154 which is an incredible \$1.23 million improvement from the previous year’s result. The final result for 2019 after support to the community was a profit of \$79,845.

As well as the financial improvement highlighted by these figures, we have seen substantial advances in all areas of the Club. Throughout the year we were able to improve our offerings as a quality hospitality venue by working to create positive experiences and regularly incorporating feedback from our Club members. Some of the new and exciting offerings we have implemented are:

- New food offerings including a refreshed Club House Brasserie and Home Ground Café as well as our brand-new Golden Dumpling outlet. These new offerings have been met with overwhelmingly positive feedback from you, our members, with “quality” and “value for money” the most common praises.
- Updating the Club both inside and out by repainting the front wall on Pittwater Rd with the iconic Manly maroon and white stripes; internal painting work throughout the Club to refresh the tired interior; new furniture for the Menzies lounge; and a new HD big screen in the Lyons Den with theatre seating.
- We have also placed a stronger focus on entertainment holding over 20 live music events with some iconic artists such as Dragon, Diesel and Mental as Anything performing at the Club over the past twelve months.

As many of you would be aware, the Club’s lease has long been an area of great uncertainty and in December 2018 we were able to secure a new three-year lease extension which will now take us through till mid-2022. Our landlords have also given us a renewed commitment to supporting & retaining the great Manly Leagues Club in any future development on this site. We have been working very closely together with the goal of delivering our joint vision of a brand new Club as part of a redeveloped precinct.

We are proud to have remained a fundamental part of our local community, continuing to provide support to various sub-Clubs and community groups. Our role as a Rugby League Club remains the core focus of the Board, as they acknowledge the importance of this Club within the local community. During the 2019 financial year, the Club has provided over \$242,000 in support to local community and sporting groups. Our relationship with the Manly Sea Eagles has continued to strengthen, with the team frequently returning to the Club after home games at Brookvale Oval.

On behalf of the members and management team, I would like to express my sincere thanks and appreciation to the Board whose support, guidance and encouragement have been instrumental in the turnaround over the past twelve months. I especially want to thank those members of the Board who stepped down through the year: Ian Thompson was a Director and Chairman of the Club for five years and his guidance and stewardship led the Club through some very trying times; Secondly, Peter Peters resigned from the Board after serving the Club for an amazing sixteen years; Finally, Warren Jowett served as a Director for three years and brought a great deal of corporate experience to the Board.

I would also like to welcome our new Chairman, David O’Donnell and Vice-Chair Julie Sibraa. Both David and Julie sit on the Board of the Manly-Warringah District Rugby League Football Club and bring with them a great deal of professional experience. Julie is also a Director of the Manly-Warringah Sea Eagles.

Finally, I would extend to send my thanks to all our incredible staff. The care and enthusiasm you display every day is the reason this Club has achieved it’s best result in years and continues to go from strength to strength. A special thank you goes to our management team consisting of Chantelle Caffyn, Luke Coombs, Stephen Hales and Warwick Hamlin. We would not be where we are today if it wasn’t for the leadership and dedication you bring to your roles every day. Thank you.

Julien Bova
General Manager

Auditors
W.R. Edmondson & Co. Brookvale

Bankers
Community First Credit Union

DIRECTOR'S REPORT

The Directors have pleasure in presenting their Annual Report for the twelve months ended 31 October 2019

Corporate Information

Manly-Warringah Rugby League Club Ltd is a public company limited by guarantee but without a share capital. The Club is prevented by its Constitution from paying dividends. The registered office and principal place of business is 563 Pittwater Road, Brookvale, NSW.

Company Secretary

Wayne Honeywood resigned as Secretary of Manly-Warringah Rugby League Club on 12th December 2018 and Julien Bova was appointed as Secretary on 12th December 2018.

Names of Directors

Directors who are current or who have held office during the year :

Warwick Bulmer
Wayne Honeywood
Warren Jowett (resigned 22 January 2019)
Max Krilich
David O'Donnell (appointed 19 March 2019)
Peter Peters (resigned 22 January 2019)
Julie Sibraa (appointed 19 March 2019)
Alan Thompson
Ian Thomson (resigned 1 April 2019)
Garry Thoroughgood

Operating Result

The Club recorded a trading profit of \$322,154 before paying support to the community of \$242,309 and a net operating profit for the year of \$79,845

Principal Activity

The principal activity of the Company was that of a Licensed Club.

Significant Changes in Activity

During the financial year there was no significant change in the nature of the principal activity of the Company.

Objectives

Short & Long Term Objectives

- To provide members and their guests with a quality hospitality venue.
- To set directions and strategies that ensure the Club has a positive and long-term future.
- To support the game of rugby league in the Manly-Warringah district and operate our Club as the home of rugby league in the area.
- To provide support to the local community.
- To provide a professional and safe workplace for its staff.
- To maintain an excellent working relationship with representatives of Federal, State and Local government and industry bodies.
- To encourage participation in the Club's various sub Clubs and to provide general support to these sub Clubs.

Strategies to achieve Objectives

- Conduct regular meetings of the Board of Directors to review the effectiveness of the operations of the Club and discuss future strategies.
- Engage professional consultants and contractors to assist Directors and management in the development and operation of the Club.

- Encourage feedback from and communicate with Club members.
- Communicate on a regular basis with Manly-Warringah NRL and junior league entities.
- Provide training and development for appropriate staff.
- Participate in community and industry forums.
- Communicate on a regular basis with internal sub Clubs.

How the Principal Activities assisted in achieving the Club's Objectives

The Club's principal activity enables the entity to generate revenue which is used to achieve the objectives of the Club.

Measurement of Performance & Key Performance Indicators

The Board of Directors measures the performance of the Club on a monthly basis by monitoring financial results and key performance indicators across a range of measures.

Legal Proceedings

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 year.

Auditors Independence Declaration

A copy of the Auditors Independence Declaration as required under Section 307C of the Corporation Act 2001 is included later in this report.

Signed in accordance with a Resolution of Directors.



**DAVID O'DONNELL
DIRECTOR**

Dated at Brookvale, 17 December 2019

DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

During the period the Board met on 13 occasions. The attendances at these meetings were as follows:

	Attended	Possible
W. Bulmer	9	13
W. Honeywood	10	13
W. Jowett	3	3
M. Krilich	12	13
D. O'Donnell	9	9
P. Peters	1	3
J. Sibraa	6	8
A. Thompson	11	13
I. Thomson	6	6
G. Thoroughgood	12	13

The Board also met on numerous other occasions for Club business.

Statement of Comprehensive Income for the year ended 31 October 2019

	Notes	2019 \$	2018 \$
Membership		53,411	51,605
Poker Machines		6,882,062	7,125,762
Beverage		1,254,029	1,994,219
TAB & Keno		83,486	102,597
Catering		-	687,242
Rental income		351,584	341,752
Profit/(Loss) on sale of non current assets		68,276	12,875
Interest on invested funds		5,475	19,520
Other revenue	2(a)	528,954	474,058
Revenue		9,227,277	10,809,630
Purchases net of movement in inventories of finished goods & work in progress	2(b)	(422,410)	(1,225,339)
Employee benefits expense	2(c)	(2,469,160)	(3,283,262)
Depreciation expense and amortisation expense	2(d)	(816,985)	(1,031,468)
Other expenses	2(e)	(5,175,158)	(6,146,277)
Finance costs	2(f)	(21,410)	(35,028)
Operating Profit/(Loss) before income tax and support to the community		322,154	(911,744)
Propagation of Sport : Football related grants		(6,763)	(43,636)
Donations & other support to community groups		(191,179)	(156,340)
MWRLC sporting and cultural clubs including cash donations		(44,367)	(37,691)
Total support to the community		(242,309)	(237,667)
Profit/(Loss) before income tax		79,845	(1,149,411)
Income tax expense	3	-	-
Profit/(Loss) after tax		79,845	(1,149,411)
Other comprehensive income - Revaluation gain on Poker Machine Licenses		-	742,000
Total comprehensive income/(loss) for the year		79,845	(407,411)

The above statement should be read in conjunction with the accompanying notes

Statement of Financial Position for the year ended 31 October 2019

Assets			
Current Assets			
Cash & cash equivalents		689,489	551,521
Trade & other receivables	4	183,065	70,381
Inventories	5	70,448	68,930
Prepayments		158,207	152,824
Total current assets		1,101,209	843,656
Non-current assets			
Investments		761	761
Property, plant & equipment	6	2,268,329	2,361,047
Intangible assets	7	4,000,000	4,240,000
Total non-current assets		6,269,090	6,601,808
TOTAL ASSETS		7,370,299	7,445,464
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,010,922	1,151,015
Provisions	9	195,734	197,313
Unearned income	10(a)	87,501	90,647
Finance lease & hire purchase liabilities	11	460,133	371,467
Total current liabilities		1,754,290	1,810,442
Non-current liabilities			
Other Payables	8	10,000	25,000
Unearned income	10(b)	1,461,480	1,535,587
Finance lease & hire purchase liabilities	11	221,577	231,329
Total non-current liabilities		1,693,057	1,791,916
TOTAL LIABILITIES		3,447,347	3,602,358
NET ASSETS		3,922,952	3,843,106
MEMBERS' FUNDS		3,922,952	3,843,106

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of Changes in Equity for the year ended 31 October 2019

	Retained Earnings	Total Members' Equity
As at 31 October 2017	4,250,518	4,250,518
Profit/(loss) for the year	(407,411)	(407,411)
As at 31 October 2018	3,843,107	3,843,107
Profit/(loss) for the year	79,845	79,845
At 31 October 2019	3,922,952	3,922,952

The above statement of changes should be read in conjunction with the accompanying notes

Cash Flow Statement for the year ended 31 October 2019

	2019 \$	2018 \$
Cash from operating activities		
Receipts from customers	9,269,880	11,531,998
Payments to suppliers and employees	(8,775,890)	(11,928,054)
Interest received	5,475	19,517
Interest paid	(9,421)	(10,637)
Net cash flows from operating activities	490,044	(387,176)
Cash flows from investing activities		
Proceeds from sale of plant & equipment	79,001	22,000
Proceeds from sale of poker machine licences	245,059	-
Payment for purchase of property, plant & equipment	(740,050)	(533,986)
Net cash flows used in investing activities	(415,990)	(511,986)
Cash flows from financing activities		
Increase/(decrease) in loans	(15,000)	-
Increase/(decrease) in lease borrowings	78,914	(95,387)
Net cash used in financing activities	63,914	(95,387)
Net increase/(decrease) in cash & cash equivalents	137,968	(994,549)
Cash & cash equivalents at beginning of year	551,521	1,546,070
Cash & cash equivalents at end of year	689,489	551,521

Reconciliation of Cash

For the purpose of cash flows, cash includes cash on hand and in banks and investments in money markets, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows :

Cash	210,824	200,882
Deposits at call	150,000	150,000
Cash at Bank	328,665	200,639
	689,489	551,521

Cash Flow Statement Reconciliation

Reconciliation of profits/(loss) after tax to net cash flows from operations		
Profit/(loss) after tax	79,845	(1,149,411)
Adjustments for :		
Operating depreciation & Amortisation	816,985	1,031,468
Net (profit)/loss on disposal of property, plant & equipment	(68,276)	(12,875)
Changes in assets & liabilities		
(Increase)/decrease in trade & other receivables	(112,684)	(39,015)
(Increase)/decrease in inventories	(1,518)	34,644
(Increase)/decrease in prepayments	(5,383)	(4,684)
(Decrease)/increase in trade & other payables	(140,093)	(12,139)
(Decrease)/increase in provisions	(1,579)	(157,006)
(Increase)/decrease in income in advance	(77,253)	(78,158)
Net cash flows from operating activities	490,044	(387,176)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 OCTOBER 2019

The financial statements cover Manly-Warringah Rugby League Club Limited as an individual entity, incorporated and domiciled in Australia. Manly-Warringah Rugby League Club Limited is a company limited by guarantee.

Note 1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Standards Accounting Board and the *Corporations Act 2001*. Reduced Disclosure Requirements. 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 accruals basis and are based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Going Concern Status

The company has incurred trading losses in successive years and the Directors recognize that there may be an uncertainty as to the company's status as a going concern. The Directors advise that steps have been taken to secure the Club's future accommodation and major restructuring has taken place to substantially reduce costs. The Club has recently sold a small number of poker machines entitlements in order to fund immediate cash flow needs and to enable the Club to meet its future financial obligations. The Directors therefore consider that the Club is a going concern and have reported accordingly in these financial statements.

The financial statements were authorised for issue on 17 December 2019 by the Directors of the company.

(a) The Club ceased trading at the North Manly Bowling Club on 31 August 2018 when it was unable to secure a lease from the Northern Beaches Council.

(b) Income Tax

Under present legislation and the concept of mutuality income derived by the company from members is not assessable to income tax. Income tax liabilities arise in respect of income derived from non members and investments less certain allowable deductions.

(c) Inventory

Stock on hand is valued at the lower of cost and net realisable value. Costs are assigned to quantities on hand at balance date by the method most appropriate to each particular class of stock, with the major portion in value of stock on hand costed on a first-in first-out or specific identification basis.

(d) Investments

The Club holds 750 shares in Independent Liquor Group Ltd. They are shown at cost. There is no market value.

(e) Property, Plant & Equipment

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

Property

Freehold land is shown at its fair value. The Travelodge site at 4 Victor Road has been valued at \$1.00. The property is subject to a 50 year lease plus option and the Club will not be able to access or control the property until 2099.

Plant & Equipment

Plant & equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant & equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the re-valued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

(f) Depreciation

The depreciable amount of all fixed assets including building & capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Club commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	5-27%
Leased Plant & Equipment	10-27%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) Impairment of Assets

At each reporting date the Club reviews the carrying values of its assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of an asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of an individual asset, the Club estimates the recoverable amount of the cash generating unit to which the asset belongs.

(h) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data. The Club assesses impairment of assets at each reporting date by evaluating conditions specific to the Club that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations are performed in assessing recoverable amounts incorporating a number of key estimates. No impairment has been recognised in this financial year for any of the Club's assets. The current carrying values are estimated to be approximately the same as the assets' fair values.

(i) Poker Machine Licences

The Club's poker machine licences were re-valued at 31 October 2018 by an independent valuer. The licences are shown as a separate intangible asset at an independent fair value based conservatively at \$4,000,000 or \$20,000 each.

(j) Lease of Premises

The Club had a lease for the premises at 563 Pittwater Road which expired in May 2019. An extension for a further period of three (3) years was secured in December 2018.

(k) Revenue

Revenue is recognised on receipt or on the rendering of services. Members' subscriptions, which are paid in advance for periods subsequent to this financial year, are not brought to account as revenue in this financial year, but are shown in the balance sheet as subscriptions in advance – liability. Rent received in advance is shown as a liability and is brought to account as income over the period of the lease.

(l) Employee Entitlements

The amount expected to be paid to employees for their pro-rata entitlement for long service and annual leave are accrued annually at current pay rates having regard to experience of employee periods of service.

(m) Comparative Figures

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the 2018 year.

(n) Limitation of Member's Liability

In accordance with Memorandum of Association the liability of members in the event of the Club being wound up would not exceed \$9 per member.

(o) Related Party Transactions

In the reporting period there was 0 occasions when a director reported a material personal interest in a matter that related to the affairs of the Club.

(p) 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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a net basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to, the ATO are classified as operating cash flows.

Note 2. Revenue & Expenses

	2019	2018
	\$	\$
(a) Other Income		
Promotions income	153,007	217,819
Commissions	49,984	61,551
Merchandise sales	245	688
Other income	325,718	194,000
Total other income	528,954	474,058
(b) Purchases net of movement in inventories of finished goods & work in progress		
Beverage	467,410	866,277
Catering	-	359,062
	467,410	1,225,339
(c) Employee benefits expense		
Wages & salaries	2,184,760	3,091,943
Superannuation expense	201,264	274,040
Provision for leave	(1,579)	(157,006)
Other employee benefit expense	84,715	74,285
Total employee benefit expense	2,469,160	3,283,262
(d) Depreciation & amortisation expense		
Amortisation of leasehold improvements	225,289	410,311
Depreciation of plant & equipment	591,696	621,157
Total depreciation & amortisation	816,985	1,031,468
(e) Other expenses		
Hire of equipment & operating lease payments	96,202	49,561
Licences, rates, utilities, subscriptions & taxes	2,404,002	2,579,536
Promotion, advertising & entertainment expenses	1,003,882	1,377,125
Cleaning, repairs & maintenance	474,738	438,702
Other expenses	368,327	639,130
Rent	828,007	1,062,223
Total other expenses	5,175,158	6,146,277
(f) Finance costs		
Interest expense	9,421	10,637
Bank fees & fees associated with borrowing	11,989	24,391
Total finance costs	21,410	35,028

	2019	2018
Note 3. Income Tax Expense :		
Total accounting profit for the year	\$ 79,845	\$ (407,411)
Tax at the statutory rate	-	-
Tax effect of :		
Mutual & exempt income	-	-
The company has no income expense for the year	-	-
Note 4. Trade & Other Receivables :		
Trade debtors after providing for doubtful debts of \$0 (2018 \$0)	170,447	56,904
Other debtors	12,618	13,477
	183,065	70,381
Note 5. Inventories :		
Liquor stock at cost	38,828	27,880
Other stock at cost	31,620	41,050
Total inventory at the lower of cost & net realisable value	70,448	68,930
Note 6. Property, Plant & Equipment :		
Non-core property	1	1
Less depreciation & impairment	0	0
Net non-core property	1	1
Net property	1	1
Leasehold improvements (at cost)	3,024,476	3,024,476
Less amortisation	(3,024,476)	(2,799,187)
	-	225,289
Poker machines (at cost)	5,091,760	6,003,519
Less accumulated depreciation	(3,184,320)	(4,165,592)
	1,907,440	1,837,927
Plant, equipment, furniture & fittings (at cost)	1,654,458	3,643,432
Less accumulated depreciation	(1,293,570)	(3,345,601)
	360,888	297,831
	2,268,329	2,361,047
Property, plant & equipment movement summary		
Properties		
Carrying amount at beginning of year	1	1
Disposals at net book value	0	0
Depreciation	0	0
Carrying amount at end of year	1	1
Leasehold improvements		
Carrying amount at beginning of year	225,289	635,600
Amortisation	(225,289)	(410,311)
Carrying amount at end of year	-	225,289
Poker machines, motor vehicles, plant & equipment		
Carrying amount at beginning of year	2,135,757	2,232,053
Additions	740,050	533,986
Disposals at net book value	(15,783)	(9,125)
Depreciation	(591,696)	(621,157)
Carrying amount at end of year	2,268,328	2,135,757
Total property, plant & equipment	2,268,329	2,361,047
Note 7. Intangible Assets :		
Poker machine licences at fair value	4,000,000	4,240,000
The Club's 200 poker machine licences at an independent valuation of \$20,000 each. They are determined to have an indefinite life. Twelve (12) have been sold during the year.		
Note 8. Payables :		
Poker machine link jackpot provision	15,863	10,169
Trade creditors	411,052	615,396
Accrued expenses	584,007	525,450
	1,010,922	1,151,015
Non-current other payables - unsecured	10,000	25,000

Note 9. Provisions :	2019	2018
Employee entitlements	\$	\$
	195,734	197,313
	195,734	197,313

Note 10. Unearned Income :
(a) Current

Members subscriptions in advance	40,080	43,226
Rent received in advance	47,421	47,421
Other income received in advance	-	-
	87,501	90,647

(b) Non-current

Members subscriptions in advance	72,698	98,940
Rent received in advance	1,388,782	1,436,647
	1,461,480	1,535,587

Note 11. Lease & Hire Purchase Commitments :
Finance Leases & Hire Purchase Agreements

- not later than one year	460,133	371,467
- later than one year and not later than two years	160,593	173,425
- later than two years and not later than five years	60,984	57,904
- later than five years	-	-
	221,577	231,329
Minimum lease payments	681,710	602,796
Deduct : future finance charges	-	-
Finance lease and hire purchase liability	681,710	602,796

Operating Leases

- not later than one year	744,955	678,477
- later than one year and not later than two years	728,722	-
- later than two years and not later than five years	422,045	-
- later than five years	-	-

Note 12. Financial Instruments :
(a) Interest Rate Risk

The economic entity's exposure to interest rate risk, which is a risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and liabilities, is as follows :

Note	Weighted Average Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2019	2018	2019	2018	Within 1 Year		1-5 Years	
	%	%	\$	\$	2019	2018	2019	2018
					%	%	%	%
Financial Assets								
Cash at Bank	0	0.15	103,524	50,260	-	-	-	-
Deposits at call	1.19	2.75	375,141	300,379	-	-	-	-
Cash on Hand	0	0	210,824	200,882	-	-	-	-
Total Financial Assets			689,489	551,521	-	-	-	-
Financial Liabilities								
Lease & Hire Purchase Liabilities	11	0.00%	0.00%		460,133	371,467	221,577	231,329
Total Financial Liabilities					460,133	371,467	221,577	231,329

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(c) Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MANLY-WARRINGAH RUGBY LEAGUE CLUB LIMITED ABN 85 000 193 251

REPORT ON THE FINANCIAL REPORT

We have audited the Financial Report of Manly-Warringah Rugby League Club Limited which comprises the balance sheet as at 31 October 2019, and the income statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORT

The Company's Directors are responsible for the preparation and fair presentation of the report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

AUDIT RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENCE

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the Directors of Manly-Warringah Rugby League Club Limited on 12 November 2018 would be in the same terms if provided to the Directors as at the date of this Auditors' Report.

AUDIT OPINION

In our opinion the financial report of Manly-Warringah Rugby League 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 31 October 2019, and of its performance for the year ended on that date; and
- ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



W.R. EDMONDSON, Registered Company Auditor
1A Sydenham Road, BROOKVALE NSW 2100
Dated at Brookvale, 17 December 2019

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- (1) the financial statements and notes of the Club
 - (a) are in accordance with the Corporations Act 2001; and comply with Accounting Standards and Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 October 2019 and performance for the year ended on that date of the Company.
- (2) in the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with the Resolution of the Board of Directors and is signed for and on behalf of the Directors by:



DAVID O'DONNELL, DIRECTOR
Dated at Brookvale, 17 December 2019

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To: The Directors of Manly-Warringah Rugby League Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 October 2019 there have been :

- (i) no contraventions of the Auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



W.R. EDMONDSON, Registered Company Auditor

BOARD OF DIRECTORS AS AT 31 OCTOBER 2019

DAVID O'DONNELL : CHAIRMAN

Director and Chairman of Manly-Warringah Rugby League Club for one year. Director of Manly-Warringah District Rugby League Football Club. **Occupation:** COO

JULIE SIBRAA : VICE-CHAIR

Director of Manly-Warringah Rugby League Club for one year. Director of Manly-Warringah Sea Eagles for 5 years and Director of Manly-Warringah Rugby League Football Club for 6 years. **Occupation:** Senior Advisor

WARWICK BULMER

Director of Manly-Warringah Rugby League Club for seven years. Life Member of Manly-Warringah District Rugby League Football Club. Life Member of Manly-Warringah Junior League. **Occupation:** Retired

WAYNE HONEYWOOD

Director of Manly-Warringah Rugby League Club for four years. Former Financial Controller and Company Secretary of Manly-Warringah Sea Eagles. **Occupation:** Accountant

MAX KRILICH

Director of Manly-Warringah Rugby League Club for eight years. Life Member and former Director of Manly-Warringah District Rugby League Football Club. **Occupation:** Retired

ALAN THOMPSON

Director of Manly-Warringah Rugby League Club for five years. Life Member and current Director of Manly-Warringah District Rugby League Football Club. **Occupation:** Retired

GARRY THOROUGHGOOD

Director of Manly-Warringah Rugby League Club for seven years. Life Member of the Manly-Warringah District Rugby League Football Club. Former Director of Manly-Warringah District Rugby League Football Club. Previously employed in senior management positions with Hanimex and Tasco. **Occupation:** Retired

MANLY LEAGUES SPORTING CLUBS

BRIDGE

There are three regular sessions of duplicate bridge each week held on Sundays at 1.00pm, Wednesdays at 10.00am and Thursdays at 6.30pm. Please arrive 15 minutes before the start of the session. New members are very welcome and beginners lessons are held.

W: www.northernbeachesbridge.info

Contact : Jan Chivers **E:** chiversjanice@gmail.com

CAMERA

We hold the camera meetings every 2nd and 4th Thursday of each month at 7.30pm. Whether experienced or beginner in B&W or colour, you will be welcome. Junior members are very welcome.

W: www.manly.photographynsw.org.au/index.php

Contact : Vic Boase **E:** mwcamClub@gmail.com

CRICKET CLUB

Senior and Junior (U/18) teams are entered in the MWCA Saturday afternoon competition. New players of all standards welcome. Good competition and plenty of social activities.

Contact : Marty Paikea **E:** mpaikea@me.com

DARTS CLUB

Competition Darts held in Lyon's Den Sports Bar 7.30pm Wednesday.

Contact : Kathie Chapple **E:** gypsy.nugget1@bigpond.com

GOLF - MENS

Outings are held on the last Sunday of each month at Warringah Golf Club. Simply place your name and card number on the starting sheet on the notice board at Manly Leagues.

Contact : Jim Mayo **E:** mjmaydo@optusnet.com.au

STAMPS

Meetings held on the 2nd Tuesday of every month at 8pm. Junior members welcome. Stamp Fair 1st Saturday of the month 8.00am-4.00pm.

W: www.philas.org.au/mwrlcstampClub/index.html

Contact : Rod Sell **E:** rodsell@rodsell.com

SWIMMING CLUB

Manly Leagues Swimming Club is held every Tuesday from 7.30pm - 9.15pm in the In2Swim facility below the Club. Manly Leagues Swim Club is an adult community swimming Club catering for members of the Manly Leagues Club.

Contact : Noel Erickson **E:** noel.erickson@bigpond.com.au

TOASTMASTERS

Meetings are held in the Encores Annex on the 1st and 3rd Monday of the month at 7pm.

W: www.setm.org.au

Contact : Greg O'leary **E:** gregoryoleary@bigpond.com