

MANLY -LEAGUES-



ANNUAL REPORT 2021

FOR THE YEAR ENDED 31 OCTOBER 2021

CHAIRMAN'S REPORT



Dear Members of the Manly Warringah Rugby League Club,

Firstly, I hope this report finds all our members and their families healthy after we have endured another "unprecedented year". We were all hoping to put the tough times of 2020 behind us but unfortunately it didn't quite go to plan. We have had two extended shutdowns resulting in the club's combined closure for more than four months. That said, I am delighted to report that 2021 was again a remarkably successful and positive year for the club.

Although the club endured two forced closures, it also presented opportunities to fast track some major changes without inconveniencing our patrons. The new Menzies Sports Bar was built and launched when we reopened in October. A new mural of Sea Eagles players in the 200 Club now decorates the entrance to the bar. The gaming area was expanded and redesigned to accommodate new distancing measures and the inclusion of the latest gaming machines. However, the biggest renovation undertaken was to the upper Lyons Den, which now gives our club top class function and event facilities to suit all occasions. As always, we will continue to look at ways to improve our facilities for the enjoyment and comfort of our members.

Our ClubGRANTS program has continued to support many Northern Beaches community groups and sporting clubs throughout 2021. Through these difficult times, our club continues to provide much needed financial support for many community groups and local clubs who continue to provide excellent and much needed services. Our long-standing association with Manly Warringah's Junior Rugby League continues and our assistance helps provide funding for junior development programs and referees as well as providing a safe and healthy competition for all local juniors. This year we teamed up with One Meal who provide food relief for people in need. We also continued our long association with The Salvation Army with our staff helping with the Red Shield appeal and again hosting their Annual Breakfast function along with the Rotary Club. We continue to also offer non-financial support to many organisations with free room hire and the use of our facilities. Let's also not forget the excellent work Robyn from reception does each year in organising the Christmas Gift appeal and the generous donations from our members. Thank you!

Despite all the closures and interruptions, I am pleased to report that 2021 was again a financial positive for the club. This is a great result considering the length of time the club was closed and the costs involved with the above-mentioned renovations. The club has continued its improved financial trend and strengthened its financial position as well as providing further improved facilities.

The Board and I must thank our CEO Julien Bova and his team for their hard work and excellent efforts in what was another challenging year. Their enthusiasm and dedication to provide a welcoming and enjoyable visit to the club is limitless along with the creative promotions, giveaways and events. Excellent work from all the team.

I would also like to take the opportunity in thanking our Board of directors in Julie Sibraa (VC), Gary Thoroughgood, Wayne Honeywood, Warwick Bulmer, Alan Thompson, Max Krilich (24th) and Jim Murray. They continue to work hard and dedicate their time to promote the continued success and longevity of our club.

Lastly, as I always say, our club wouldn't be a club without our loyal and supportive members and on behalf of the Board, I would like to thank you for your continued support and patronage. We look forward to an enjoyable and successful 2022.

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 (Dec)
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 (Dec)	2020: Mr M.J. Krilich, OAM

CHIEF EXECUTIVE OFFICER'S REPORT



Firstly I would like to begin by saying a big THANK YOU to all our Members for your continued support over the past twelve months!

2021 was another extremely challenging year for everyone with COVID-19 once again the defining theme for the year. Following the COVID-19 closures in 2020 we were very optimistic for a return to 'normal' in 2021 and focused our attention on improving the Club's facilities and ensuring the health and safety of our members, visitors and staff. Unfortunately, the pandemic once again had no regard for our plans and the Club, along with the entire Northern Beaches, was thrown into a two-week lockdown over the 2020 Christmas and New Year period.

Upon re-opening we wasted no time in pushing forward with our planned improvements, purchasing all new furniture for our dining area and commencing the renovation of our Encores function room into our brand-new Menzies Sports Bar. Following this we then proceeded straight into the upgrade and expansion of our gaming area to improve the comfort and ambience for our members with improved physical distancing. Shortly after the completion of the new Menzies Sports Bar, the Club was once again forced to close its doors as a result of the pandemic meaning we were also unable to go ahead with our grand opening event.

While it was devastating to have to close our doors once again, the Board saw this as an opportunity and we accelerated the second stage of our planned improvements. During the mid-year lockdown, we completed a full refurbishment and expansion of our function and event facilities with no disruption to our members.

The 2021 financial year saw significant decreases in all key income areas of the Club, resulting from the increased COVID-19 closures (17 weeks in total) when compared to 2020. Nevertheless, the Club still posted a very strong trading profit of \$1,219,466. After support to the community, the final result for 2021 was a profit of \$1,060,701 which was our second consecutive year with profits of over a million dollars!

Throughout 2021, the Board continued to work very hard on our planned amalgamation, and at the time of writing this report, I am pleased to report that we have entered into a Memorandum of Understanding (MOU) with Dee Why Bowling and Recreation Club. Stay tuned for more information regarding this proposed amalgamation including upcoming member voting.

Despite the challenges of the year, we were extremely proud to be able to continue our commitment to supporting the local community and were able to provide over \$158,000 in donations to local community and sporting groups.

On behalf of the members and management team I would like to express my sincere thanks and appreciation to the Board who have continually offered their support, guidance and encouragement over the past twelve months. Despite the challenges of the past two years, the Board has always remained positive and maintained their commitment to improving the Club and making it as safe and welcoming for all our members, visitors and staff!

Last but certainly not least, I extend my sincere thanks to all our incredible staff. 2021 was another extremely challenging year, but your unwavering optimism and enthusiasm has been crucial in our continued success and ability to bounce back after each setback. A special thank you goes to our senior management team consisting of Luke Coombs, Chantelle Caffyn, Stephen Hales, Ryan Docherty and Louise Townsend. 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.

A handwritten signature in black ink, appearing to read 'Julien Bova'.

Julien Bova
Chief Executive Officer

Auditors

National Audits Pty Ltd

Bankers

Community First Credit Union

DIRECTOR'S REPORT

The Directors have pleasure in presenting their Annual Report for the twelve months ended 31 October 2021.

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

Julien Bova has been Secretary of Manly-Warringah Rugby League Club for 3 years.

Names of Directors

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

Warwick Bulmer
 Wayne Honeywood
 Max Krilich
 Jim Murray
 David O'Donnell
 Julie Sibraa
 Alan Thompson
 Garry Thoroughgood

Operating Result

The Club recorded a trading profit of \$1,219,466 before paying support to the community of \$158,765 and a net operating profit for the year of \$1,060,701.

Principal Activity

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

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the year ended 31 October 2021, except that :

The COVID-19 pandemic has resulted in the need to adjust trading practices, such as social distancing and the requirement for business closures. The Club closed for the period 18 December 2020 to 3 January 2021 and again from 26 June 2021 to 11 October 2021 .

Events after the 31 October 2021 Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years, except that :

The COVID-19 virus still imposes considerable challenges and risks to future income and cash flows for the Company. It is expected that the Club will continue to face significant challenges during this difficult time.

Objectives

Short and 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 and 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 on page 11 of this Annual Report.

Signed in accordance with a Resolution of Directors.



DAVID O'DONNELL, DIRECTOR

Dated at Brookvale, 14 January 2022

DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

During the period the Board met on 12 occasions. The attendances at these meetings were as follows:

	<i>Attended</i>	<i>Possible</i>
W. Bulmer	11	12
W. Honeywood	10	12
M. Krilich	12	12
D. O'Donnell	12	12
J. Murray	9	12
J. Sibraa	8	12
A. Thompson	12	12
G. Thoroughgood	11	12

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

Statement of Comprehensive Income for the year ended 31 October 2021

	Notes	2021 \$	2020 \$
Membership		34,234	39,559
Poker Machines		6,799,655	7,656,143
Beverage		855,841	1,027,839
TAB and Keno		58,452	64,220
Catering		30,059	43,756
Rental income		242,315	211,776
Profit/(Loss) on sale of non current assets		-	(53,193)
Interest on invested funds		9,492	5,905
Other income	2(a)	574,749	1,389,878
Revenue		8,604,797	10,385,883
Purchases net of movement in inventories of finished goods and work in progress	2(b)	(357,300)	(385,715)
Employee benefits expense	2(c)	(2,079,793)	(2,691,665)
Depreciation expense and amortisation expense	2(d)	(726,631)	(674,318)
Other expenses	2(e)	(4,212,092)	(4,763,819)
Finance costs	2(f)	(9,515)	(3,917)
Operating Profit before income tax and support to the community		1,219,466	1,866,449
Propagation of Sport : Football related grants		(8,500)	(563)
Donations & other support to community groups		(135,091)	(163,075)
MWRLC sporting and cultural clubs including cash donations		(15,174)	(30,182)
Total support to the community		(158,765)	(193,820)
Profit before income tax		1,060,701	1,672,629
Income tax expense	3	-	-
Profit after tax		1,060,701	1,672,629

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

Statement of Financial Position for the year ended 31 October 2021

Assets			
Current Assets			
Cash and cash equivalents	12	2,346,220	3,451,362
Trade and other receivables	4	79,363	54,607
Inventories	5	88,032	37,404
Prepayments		100,874	71,932
Total current assets		2,614,489	3,615,305
Non-current assets			
Investments		761	761
Property, plant and equipment	6	3,160,437	1,927,118
Intangible assets	7	4,000,000	4,000,000
Total non-current assets		7,161,198	5,927,879
TOTAL ASSETS		9,775,687	9,543,184
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,237,708	1,846,370
Provisions	9	125,899	136,127
Unearned income	10(a)	74,231	77,936
Finance lease and hire purchase liabilities	11	237,676	421,214
Total current liabilities		1,675,514	2,481,647
Non-current liabilities			
Other Payables	8	10,000	10,000
Unearned income	10(b)	1,334,910	1,399,086
Finance lease and hire purchase liabilities	11	98,981	56,870
Total non-current liabilities		1,443,891	1,465,956
TOTAL LIABILITIES		3,119,405	3,947,603
NET ASSETS		6,656,282	5,595,581
MEMBERS' FUNDS		6,656,282	5,595,581

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 2021

	Retained Earnings	Total Members' Equity
As at 31 October 2019	3,922,952	3,922,952
Profit for the year	1,672,629	1,672,629
As at 31 October 2020	5,595,581	5,595,581
Profit for the year	1,060,701	1,060,701
At 31 October 2021	6,656,282	6,656,282

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

Cash Flow Statement for the year ended 31 October 2021

	2021 \$	2020 \$
Cash from operating activities		
Receipts from customers and government support	8,580,041	10,461,148
Payments to suppliers and employees	(7,593,037)	(7,114,939)
Interest received	9,492	5,905
Interest paid	(261)	(315)
Net cash flows from operating activities	996,235	3,351,799
Cash flows from investing activities		
Proceeds from sale of plant and equipment	-	-
Proceeds from sale of poker machine licences	-	-
Payment for purchase of property, plant & equipment	(1,959,950)	(386,300)
Net cash flows used in investing activities	(1,959,950)	(386,300)
Cash flows from financing activities		
Increase/(decrease) in loans	-	-
Increase/(decrease) in lease borrowings	(141,427)	(203,626)
Net cash used in financing activities	(141,427)	(203,626)
Net increase/(decrease) in cash and cash equivalents	(1,105,142)	2,761,873
Cash and cash equivalents at beginning of year	3,451,362	689,489
Cash and cash equivalents at end of year	2,346,220	3,451,362

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	500,016	350,003
Deposits at call	150,000	150,000
Cash at Bank	1,696,204	2,951,359
	2,346,220	3,451,362

Cash Flow Statement Reconciliation

Reconciliation of profits/(loss) after tax to net cash flows from operations		
Profit after tax	1,060,701	1,672,629
Adjustments for :		
Operating depreciation and amortisation	726,631	674,318
Net (profit)/loss on disposal of property, plant & equipment	-	53,193
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(24,756)	128,458
(Increase)/decrease in inventories	(50,628)	33,044
(Increase)/decrease in prepayments	(28,942)	86,275
(Decrease)/increase in trade and other payables	(608,662)	835,448
(Decrease)/increase in provisions	(10,228)	(59,607)
(Increase)/decrease in income in advance	(67,881)	(71,959)
Net cash flows from operating activities	996,235	3,351,799

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 OCTOBER 2021

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*. 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 financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and realization of assets and settlement of liabilities in the ordinary course of business.

The financial statements were authorised for issue on 14 January 2022 by the Directors of the company.

(a) COVID-19

The pandemic has had a significant impact on the business resulting in complete closure of the Club for the period 18 December 2020 to 3 January 2021 and again from 26 June 2021 to 11 October 2021.

(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 and Equipment

Each class of property, plant and 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 and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and 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 and 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 and Equipment	5-27%
Leased Plant and 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 has a lease for the premises at 563 Pittwater Road which expires in May 2025.

(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 2021 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

	2021	2020
	\$	\$
(a) Other income		
Promotions income	58,267	96,661
Commissions	47,865	47,899
Merchandise sales	6,038	7,687
Covid-19 government grants	200,160	923,500
Other income	262,419	314,131
Total other income	574,749	1,389,878
(b) Purchases net of movement in inventories of finished goods & work in progress		
Beverage	348,059	380,213
Catering	9,241	5,502
Total cost of sales	357,300	385,715
(c) Employee benefits expense		
Salaries and wages	1,662,903	2,366,672
Superannuation expense	163,723	190,118
Provision for employee entitlements	(10,228)	(59,607)
Other employee benefit expense	263,395	194,482
Total employee benefit expense	2,079,793	2,691,665
(d) Depreciation & amortisation expense		
Amortisation of leasehold improvements	37,402	-
Depreciation of plant and equipment	689,229	674,318
Total depreciation and amortisation	726,631	674,318
(e) Other expenses		
Hire of equipment and operating lease payments	54,293	80,180
Licences, rates, utilities, subscriptions and taxes	2,164,837	2,509,051
Promotion, advertising and entertainment expenses	657,898	707,620
Cleaning, repairs and maintenance	218,245	316,656
Other expenses	430,096	435,808
Rent	686,723	714,504
Total other expenses	4,212,092	4,763,819
(f) Finance costs		
Interest expense	261	315
Bank fees and fees associated with borrowing	9,254	3,602
Total finance costs	9,515	3,917

	2021	2020
Note 3. Income Tax Expense :		
Total accounting profit for the year	\$ 1,060,701	\$ 1,672,629
Tax at the statutory rate	-	-
Tax effect of :		
Mutual & exempt income	-	-
The company has no income tax expense for the year		
Note 4. Trade & Other Receivables :		
Trade debtors after providing for doubtful debts of \$0 (2019 \$0)	48,725	45,299
Other debtors	30,638	9,308
	79,363	54,607
Note 5. Inventories :		
Liquor stock at cost	50,602	33,284
Other stock at cost	37,430	4,120
Total inventory at the lower of cost and net realisable value	88,032	37,404
Note 6. Property, Plant and Equipment :		
Non-core property	1	1
Less depreciation & impairment	-	-
Net non-core property	1	1
Net property	1	1
Leasehold improvements (at cost)	3,947,296	3,024,477
Less amortisation	(3,061,879)	(3,024,477)
	885,417	-
Poker machines (at cost)	5,710,329	5,070,332
Less accumulated depreciation	(4,055,766)	(3,487,747)
	1,654,563	1,582,585
Plant, equipment, furniture and fittings (at cost)	1,530,274	1,313,812
Less accumulated depreciation	(909,818)	(969,280)
	620,456	344,532
	3,160,437	1,927,118
Property, plant and equipment movement summary		
Properties		
Carrying amount at beginning of year	1	1
Disposals at net book value	-	-
Depreciation	-	-
Carrying amount at end of year	1	1
Leasehold improvements		
Carrying amount at beginning of year	-	-
Additions	922,819	-
Amortisation	(37,402)	-
Carrying amount at end of year	885,417	-
Poker machines, motor vehicles, plant & equipment		
Carrying amount at beginning of year	1,927,117	2,268,328
Additions	1,037,131	386,300
Disposals at net book value	-	(53,193)
Depreciation	(689,229)	(674,318)
Carrying amount at end of year	2,275,019	1,927,117
Total property, plant and equipment	3,160,437	1,927,118
Note 7. Intangible Assets :		
Poker machine licences at fair value	4,000,000	4,000,000
The Club's 200 poker machine licences at an independent valuation of \$20,000 each. They are determined to have an indefinite life.		
Note 8. Payables :		
Poker machine link jackpot provision	8,659	33,920
Trade creditors	295,069	259,382
Accrued expenses	933,980	1,553,068
	1,237,708	1,846,370
Non-current other payables - unsecured	10,000	10,000

	2021	2020
Note 9. Provisions :	\$	\$
Employee entitlements	125,899	136,127
	125,899	136,127

Note 10. Unearned Income :

(a) Current

Members subscriptions in advance	26,366	30,071
Rent received in advance	47,865	47,865
	74,231	77,936

(b) Non-current

Members subscriptions in advance	42,301	58,613
Rent received in advance	1,292,609	1,340,473
	1,334,910	1,399,086

Note 11. Lease and Hire Purchase Commitments :

Finance Leases, Hire Purchase and Extended Payment Term Agreements

- not later than one year	237,676	421,214
- later than one year and not later than two years	98,981	50,000
- later than two years and not later than five years	-	6,870
- later than five years	-	-
Total non-current	98,981	56,870
Minimum payments	336,657	478,084
Deduct : future finance charges	-	-
Finance lease and hire purchase liability	336,657	478,084

Operating Leases

- not later than one year	780,435	822,648
- later than one year and not later than two years	800,044	792,101
- later than two years and not later than five years	1,396,955	2,228,198
- 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			
		2021	2020	2021	2020	Within 1 Year		1-5 Years	
		%	%	\$	\$	%	%	%	%
Financial Assets									
Cash at Bank		0.03	0.03	1,696,204	2,951,359	-	-	-	-
Deposits at call		0.83	1.44	150,000	150,000	-	-	-	-
Cash on Hand		0	0	500,016	350,003	-	-	-	-
Total Financial Assets				2,346,220	3,451,362	-	-	-	-
Financial Liabilities									
Lease and Hire Purchase Liabilities	11	0.00%	0.00%			237,676	421,214	98,981	56,870
Total Financial Liabilities						237,676	421,214	98,981	56,870

(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 ANNUAL REPORT

We have audited the financial statements of Manly-Warringah Rugby League Club Limited's Annual Report for 2021 comprising its *Statement of Financial Position* as at 31 October 2021, the *Statement of Comprehensive Income*, *Statement of Changes in Equity* and the *Cash Flow Statement* for the year ended on that date, including *Note 1. Summary of Significant Accounting Policies* and *The Director's Declaration*. We express *no* opinion on the other Notes to the Financial Statements, the Director's report or other areas contained within the Annual Report for 2021 although we are required to review their respective contents and to make comment on any parts that in our opinion could be considered to conflict with the financial statements from giving a true and fair view for the year ended 31 October 2021.

AUDIT OPINION

In our opinion, after considering the following matters, the accompanying financial statements of Manly-Warringah Rugby League Club Limited ("the Club") are in all material respects in accordance with:

- a) The Corporations Act 2001, including:
 - i) Giving a true and fair view of the Club's financial position as at 31 October 2021, and of its performance for the year ended on that date; and
 - ii) Complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b) Other mandatory professional reporting requirements.

DIRECTORS' RESPONSIBILITY FOR THE ANNUAL REPORT

The Club's Directors are responsible for the preparation and fair presentation of the financial statements contained in the Annual Report for 2021 so as to ensure they are in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements so they can remain free from material misstatement, whether due to fraud or error. The Club's Directors are also responsible for selecting and applying appropriate accounting policies and making accounting estimates that are consistent with the Club's relevant financial circumstances.

AUDIT RESPONSIBILITY

Our responsibility is to express an opinion on the Club's annual financial statements, based on our audit procedures and to conduct our audit in accordance with Australian Auditing Standards. These Auditing Standards require us to comply with relevant ethical requirements relating to our audit engagement plus planning and performing our audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and our evidence obtained was test checked and verified on the many transactions incurred by the Club during the year. Also our audit evidence concerning cash receipts was limited to only cash transactions being first received and then recorded by the Club in its first books of accounting entry. Our audit was *not* concerned with assessing the prudence of any management financial decision being acted upon nor not being acted upon by the Director's during the course of conducting the Club's business activities for the year ended 31 October 2021.

EMPHASIS OF MATTER

Since late December 2019 or soon thereafter, the Club has been affected by the past and current world wide COVID-19 pandemic virus which has caused periodic physical closures and continue to provide uncertainty to the Club's future income, expenses and cash flows. These events are, in our opinion, predominantly beyond the control of the Club's Directors.

The Club has received government industry cash subsidies as a result of the pandemic crisis in the form of *Jobkeeper* or *Jobsaver* payments from the Federal or NSW Governments totalling \$200,160 and they have been recorded in the *Club's Other Income* (per Note 2 (a), page 8) and we believe these payments represent *windfall* government cash grants and they are not related, in our opinion, to earning income from *rendering of services* as per accounting Note 1(k) on page 8 describes. Although the recording of these cash receipts are immaterial we believe they should form part of the Club's Member's Funds, say, in a separate reserve account and not included initially in the Club's *Statement of Comprehensive Income*.

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 14 January 2022 would be in the same terms if provided to the Directors as at the date of our Auditors' Report.

A further description of our responsibilities for our Audit is located at the Auditing and Assurance Standards Board website at https://www.ausab.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

National Audits Pty Ltd ABN 23 161 483 094

Signed By: Jeffrey d Cannings, FCA, CTA,
Director of National Audits Pty Ltd
National Audits Pty Ltd is an ASIC Authorised Company Auditor No.480210
1A Sydenham Road, BROOKVALE NSW 2100
Liability limited by a scheme approved under Professional
Standards Legislation.
Dated at Brookvale, 14 January 2022

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 2021 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, 14 January 2022

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

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

We declare that, to the best of our knowledge and belief, during the year ended 31 October 2021 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.

National Audits Pty Ltd ABN 23 161 483 094

Signed By: Jeffrey d Cannings, FCA, CTA,
Director of National Audits Pty Ltd
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Dated at Brookvale, 14 January 2022

BOARD OF DIRECTORS AS AT 31 OCTOBER 2021

DAVID O'DONNELL : CHAIRMAN

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

JULIE SIBRAA : VICE-CHAIR

Director of Manly-Warringah Rugby League Club for three years. Director of Manly-Warringah Sea Eagles for seven years and Director of Manly-Warringah Rugby League Football Club for eight years. **Occupation:** Chief of Staff

WARWICK BULMER

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

MAX KRILICH

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

JIM MURRAY

Director of Manly-Warringah Rugby League Club for two years. **Occupation:** Nursing Director

ALAN THOMPSON

Director of Manly-Warringah Rugby League Club for seven 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 nine 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 two regular sessions of duplicate bridge each week held on Sundays at 1.00pm and Wednesdays at 10am Please arrive 15 minutes before the start of the session. New members are very welcome.

W: www.northernbeachesbridge.info

Contact : Jan Chivers E: chiversjanice@gmail.com
: Carolyn Dowling P: 9982 4224

CAMERA

Camera Club meetings are held on the 2nd and 4th Thursday of each month at 7pm. Due to COVID-19 meetings are currently held via Zoom. See website for more details. Whether experienced, beginner or just exploring, you are welcome at our meetings.

W: www.manlycameraclub.org.au

Contact : Vic Boase E: info@manlycameraclub.org.au

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 Wednesdays, once COVID allows.

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 : Larry Phillips E: lazzaphillips@msn.com P: 0421 692 934

STAMPS

Meetings held on the 2nd Tuesday of every month at 8pm in Encores, everyone welcome. Stamp Fair 1st Saturday of the month 8am-4pm, once COVID-19 allows.

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.

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 : Ken Gilkes E: kengilkes@gmail.com