



ANNUAL REPORT 2021

Eastern Suburbs Leagues Club Ltd
ABN 63 000 249 490



OLIVE & OAK

Open daily for Lunch & Dinner

Entry via Spring St,
Level 1, Easts Bondi Junction

OLIVE & OAK

CONTENTS

Executive Report	04
Notice of Annual General Meeting	10-15
Director's Report	16-19
Lead Auditor's Independence Declaration	20
Statement of Profit or Loss & Other Comprehensive Income	21
Statement of Financial Position	22
Statement of Changes in Members' Funds	23
Statement of Cash Flows	24
Notes to the Financial Statements	25-42
Directors' Declaration	43
Independent Auditor's Report	44-46



EXECUTIVE REPORT

It is our pleasure to present the 62nd Annual Report of the Eastern Suburbs Leagues Club Ltd (Easts Group) for the Financial Year Ending 31 October 2021.

THE FINANCIAL YEAR IN REVIEW

The underlying Group operating profit (excluding asset sales) for the year is \$0.6m, which is \$4.6m lower than the comparable figure from 2020. This underlying profit includes \$0.7m in JobSaver support received, a notable reduction compared to the \$2.8m in JobKeeper received in 2020. JobSaver provided some assistance in offsetting considerable losses during the second COVID lockdown when all our Clubs were closed by Public Health Order. The remaining reduction in profit, compared to 2020, was due to a longer shutdown in 2021 as well as the 2020 result including four months of trade unimpacted by COVID unlike 2021 where COVID significantly impacted trade even when the Clubs were open.

In 2021 the Club disposed of the closed Woy Woy Leagues Club site, and a number of surplus gaming machine entitlements to generate funds for new investments. Additionally, the redevelopment of Waverley Bowling Club is ongoing and progressing extremely well under the management of Mirvac as our development partner. Taking into account these transactions, the total profit for the year was \$8.3m.

During the year no grant was made to the Sydney Roosters.

Easts profits are re-invested back into the Clubs for the benefit of our Members. In 2021 a substantial refurbishment of Easts Bondi Junction was performed, in addition to a renovation of outdoor areas at Kingswood Sports Club and upgrades to facilities at Berkeley Sports Club. Further, the Club has acquired additional income generating financial investments during the year to further diversify our revenue streams, providing greater financial security to the Group for years to come, so that we can continue with projects for the benefit of our Members and with our ongoing support of the Sydney Roosters in its pursuit of further Premiership success.

State and Federal Governments have or will receive \$4,780,421 in various taxation payments from the Easts Group while ClubGRANTS, Junior Rugby League funding and donations to the communities of Bondi Junction, Kingswood, Berkeley, Woy Woy and Waverley amounted to \$1,365,092 in the last ClubGRANTS period.

COMMUNITY

The Easts Group have a long and proud tradition of supporting community programs and charities.

While 2021 presented challenges, our staff contributed to two significant fundraisers:

- A Breast Cancer Fundraiser was held at Berkeley Sports Club in May 2021 to support staff Member, **Paula Oliveira**. All proceeds from a Mega Raffle on the night were donated to the **National Breast Cancer Foundation**.
- Staff from all venues donated gifts and food parcels for the annual **Salvation Army** Toy and Food Drive in the lead up to Christmas.

THE ORGANISATIONS AND CHARITIES THAT EASTS GROUP HAS ASSISTED IN THE 2021 FINANCIAL YEAR, INCLUDE:

CHARITABLE & COMMUNITY CAUSES

- Ted Noffs Foundation
- No Boundaries
- Thornton Community Centre
- Lifeline South Coast
- Illawarra Shoalhaven Suicide Prevention Collaborative
- Berkeley Neighbourhood Centre
- Learning Links
- Caresouth Homework Hub

SUB-CLUBS & SPORTING GROUPS

- Berkeley Darts Club
- Berkeley Fishing Club
- Berkeley Junior Rugby League Club
- Berkeley Men's Bowling Club
- Berkeley Rugby League Football Club
- Berkeley Senior & Junior Football (Soccer) Clubs
- Berkeley Tennis Club
- Easts Bridge Club
- Easts Men's Hockey Club
- Easts Women's Hockey Club
- Easts Photographic Club
- Easts Rostrum 15 Club
- Eastern Suburbs Men's Cricket Association
- Eastern Suburbs Women's Cricket Association
- Emu Plains Hockey Association
- Kingswood Euchre Club
- Kingswood Ladies' Bowling Club
- Kingswood Men's Bowling Club
- Kingswood Travelling Bowlers Club
- Kingswood Junior Bowlers Development Grant
- St Mary's Convent Soccer Club
- Waverley Men's Bowling Club
- Waverley Women's Bowling Club
- Western Sydney Bream and Bass Club
- Woy Woy Junior Rugby League Football Association



NRL

Members and supporters could not have been prouder of the way our Sydney Roosters performed in 2021. Despite many key players being sidelined with injury and several mid-season retirements, the squad performed courageously to finish the regular NRL season in 5th and progress to the Semi-Finals.

The silver lining was the emergence of exciting new talent including **Sam Walker, Joseph Suaalii, Egan Butcher, Fletcher Baker, Ben Marschke, Naufahu Whyte, Tuku Hau Tapuha, Adam Keighran, Moala Graham-Taufa** and **Ben Thomas**, who have no doubt benefited from their first-grade experience.

For the second consecutive year COVID-19 had a significant influence on the competition, with Clubs required to relocate to Queensland to complete the season. NRL Players and staff are to be commended for their decision to leave friends, family and home behind for three months to ensure the NRL competition could continue.

Finally, this year we said farewell to some players that have had an incredible impact on the Sydney Roosters and game of Rugby League. **Boyd Cordner, Jake Friend, Brett** and **Josh Morris** called an end to their illustrious careers that included State and International honours, with Boyd, Jake and Brett also enjoying Premiership success with the Club. Boyd and Jake also retire with the distinction of being Premiership winning Captains of the Sydney Roosters. **Isaac Liu** departs as a dual Premiership winning player and we also saw the return of **Dale Copley** to the Club mid-season before he announced his retirement at season's end. Last but by no means least, Life Member and Club legend, **Craig Fitzgibbon**, leaves with our best wishes as he takes up a well-deserved head coaching opportunity after 20 extraordinary years at the Club, firstly as a player and then as a key staff Member within our coaching department.

WOMEN'S RUGBY LEAGUE PATHWAYS

While the 2021 NRLW has been postponed to the early months of 2022, the Club's Pathways for Women's Rugby League is looking brighter than ever.

Blake Cavallaro's Under 19s side had a strong season, reaching the **Tarsha Gale Cup Grand Final** with the team featuring plenty of young talent that will no doubt continue to filter through to the NRLW in the coming seasons. Blake was also rewarded for his success by being named the NSW U19's Women's State of Origin Coach.

The **Central Coast Roosters** – mentored by incoming **NRLW Head Coach John Strange** – continued their dominant streak in the **Harvey Norman Women's Premiership** – and despite the cancellation of the season on the eve of the finals, recorded their second consecutive undefeated season, finishing with the Minor Premiership.

A host of players from both sides will be present in the Sydney Roosters NRLW squad for 2021, which will kick off on 27 February, 2022, with plenty of exciting talent set to light up the competition in the Red, White and Blue.



Artist's Impression

• WAVERLEY • WAVERLEY • WAVERLEY •

AROUND OUR CLUBS

2021 was another challenging year for our Members, staff and local community on account of the ongoing COVID-19 pandemic with an outbreak in June that saw our venues closed for 16 weeks. During the lockdown period we tried to bring a little of the Clubs to Members' homes by providing regular email, SMS, and social media updates, as well as hosting online raffles that were a real highlight for many Members and those staff fortunate to be involved.

On Monday 11 October we were excited to welcome back Members and guests to our venues. It was a fantastic time for everyone including our staff who were incredible under difficult circumstances.

Remarkably, the past year has been one of the most productive in recent times for the Easts Group with many venue upgrades and changes. Some of the highlights are provided for each Club.



Renovated Harbour Terrace at Easts



Upgraded bathroom at Berkeley Sports Club



Artist's impression of the new Waverley Greens



The new outdoor area at Kingswood Sports Club

EASTS

- Easts received a huge facelift with the 'Bondi Junction Development' completed across two stages in early 2021. Work commenced on 19 January with the first stage completed on 23 March, revealing a new look Spring Street reception, Olive & Oak contemporary dining and all-day bar, boutique sports bar Artie's, and the multi-purpose Bondi Room. Stage 2 was completed on 6 May when the Upper Ground Floor opened to Members, completing the development. Members now have a contemporary new venue that they can be incredibly proud of.
- The 16-week lockdown provided management an opportunity to review our Member offering. Members were surveyed on all aspects of the Club with the results leading to several major changes, including the appointment of a new catering partner and the return of several weekly promotions and activities including the Members Badge Draw, Live Music, Live Pay-Per-View Sport and Poker.
- Sydney Club Caterers were appointed as our new catering partners and Olive & Oak now has a new, exciting and affordable menu. Other changes include the return of daily lunch and dinner specials along with a weekend roast.

BERKELEY

- The refurbishment of the Ground Floor and the Terrace Lounge bathrooms were completed in April 2021 and renovations on the Gaming Floor were completed during the COVID-19 closure. New carpet has been laid in the event and function rooms on level one.
- The balcony area outside the Lake View Terrace is being upgraded with new hand rails and plans to incorporate a new shade structure. New furnishing will be added on completion creating a fantastic outdoor area that's perfect for functions all year round.
- All of our sporting teams were unable to complete their seasons due to COVID-19, however, it was great to see them back in the Club when we reopened in October.

KINGSWOOD

- We made significant improvements to our outdoor area during the COVID-19 club closure, launching the new and improved Beer Garden when we reopened on Monday 11 October. With additional seating and shade, the installation of an audio system and purchase of a portable bar, the beer garden is ideal for gatherings with access to the bowling greens, BBQ and playground.
- In addition, aesthetic improvements were made to the main bar and café, giving both areas a fresh and contemporary look. The works both outside and inside the Club were principally carried out by our **General Manager Nathan Lowe** and **Duty Manager Mark Luckett**, however they were ably assisted by a great staff effort including **Kirana Pugh**, **Tracey Wasson**, **Tiffany Chapman** and **Tiffeny Keen**.
- All of our sporting teams were unable to complete their seasons due to the pandemic, however, since reopening our bowlers have been back on our reconditioned greens and competition has resumed.

WAVERLEY

- The rebirth of the **Waverley Bowling Club** began on 22 April with a Ground Breaking Ceremony. Incredibly, work on the site commenced just four months after entering an agreement with **Mirvac** to redevelop the site, demonstrating the commitment of both organisations to deliver a home for our Members in time to celebrate the **Waverley bowlers' 130th anniversary in 2023**.
- Mirvac revealed the name of the over 55s development on 1 November – **The Langlee** – coinciding with the launch of the pre-sales period for Easts Group Members. We have also undertaken to rebrand the Club to **Waverley Greens** as we advance our plans for the fit-out of the contemporary new Club that will complement Mirvac's stunning development.
- Management have consulted with the Waverley Bowling Club Committee on all matters related to the redevelopment including club aesthetics, specifications of bowling green construction, landscaping and the plan of management to name a few.

AWARDS

Congratulations to our high-performing staff for their valuable contributions throughout the year and in particular, those that achieved the following employee acknowledgment awards (noting that the Player's Player is voted by colleagues of the staff member and the Club Champion is voted by Club Management):

East's Player's Player
TIM MILLER

East's Player's Player
STEVEN BROWN

East's Club Champion
COLIN WYNTJES

East's Club Champion
JEMIMA SHEEAN

Berkeley Sports Club Player's Player
CONNOR MCMULLEN

Berkeley Sports Club Champion
MEGAN PIRIE

Kingswood Sports Club Champion
ANGELISA LONGFORD

Roosters Player's Player
ADAM BENTLEY

Roosters Club Champion
CHRIS BENNETTS

Our Human Resources team have done a fantastic job this past year implementing some health and wellbeing programs for our staff. Some of their great initiatives included:

- A 10-week fitness program that saw over 60 of our staff across all Clubs partake in classes designed to improve physical and mental wellbeing. We were fortunate to have Elixir partner with us to deliver the program at Bondi Junction.
- The introduction of weekly fruit deliveries to all Clubs so our staff can enjoy a healthy snack.
- Our programs moved online when lockdown arrived, with online trivia and pilates classes run weekly. These activities proved very popular during what was a challenging period.

THANK YOU

We would like to thank all Members for their continued support of the Easts Group. It was another challenging year with the four-month lockdown and the implementation of the various, but necessary, COVID-19 safety measures. While this kept many Members away from us throughout the year, it was pleasing to see so many genuinely excited to return when we reopened on Monday 11 October.

The incredibly hard-working Easts Group Staff comprising of our Licensed Clubs and Sydney Roosters should be praised for the flexibility and adaptability to deliver exceptional customer service despite the constantly changing environment in which we find ourselves. The care shown for our Members, sponsors and supporters throughout the year has been outstanding.

In addition, we would also like to sincerely thank our Board of Directors, who continue to show incredible leadership that ensures the Easts Group will be a strong organisation in the future. Further, we acknowledge **Sporting Director Brian Samphier** for his commitment to our Club Sporting Bodies and chairing our Membership Committee.

Finally, on behalf of the Board of Directors, we would like to thank all our Members once again for your continued Membership support and we look forward to a prosperous year ahead.



Nick Politis AM
Chairman



Joe Kelly
Group CEO

NOTICE OF ANNUAL GENERAL MEETING

Eastern Suburbs Leagues Club LTD | ABN 63 000 249 490

NOTICE is hereby given that the Annual General Meeting of Eastern Suburbs Leagues Club Ltd ("the **Club**") will be held on **Thursday, 24 February 2022 at 4.30pm** at The Sydney Cricket Ground Members Pavilion, Moore Park (access via Gate A, Driver Avenue, Moore Park).

It is possible that the Annual General Meeting will need to be either postponed or held using technology because of COVID-19 related restrictions which may be imposed by government authorities. Members should regularly check for updates on the Club's website prior to the date of the Annual General Meeting. In the event that a COVID-19 lockdown and/or restrictions prevent the Club holding a physical meeting, the meeting will be held by using technology, or the meeting may need to be postponed pursuant to rule 76B(a) of the Club's Constitution. If the Annual General Meeting will be held using technology, information about how to attend the meeting virtually (using technology) will be given via the Club's website. Unless, the Club's website provides any additional information, members should assume the physical meeting at the above venue on the above date and time will be proceeding.

BUSINESS TO BE CONDUCTED

ORDINARY BUSINESS

1. Apologies.
2. To confirm the Minutes of the previous Annual General Meeting held on Thursday, 25 February 2021.
3. To confirm the Minutes of the previous Extraordinary General Meeting held on Thursday, 25 February 2021.
4. To receive and consider the financial report, directors' report and auditors' report for the year ended 31 October 2021.
5. To declare the results of the Board election.
6. For the purposes of clause 4(4) of the Registered Clubs Regulation 2015 (NSW), the Chairman will give notice of any expressions of interest in an amalgamation along with any unsolicited merger offers received by the Club from other registered clubs in the previous 12 months.
7. To consider the nominations of Mark Bouris AM and Luke Ricketson for Life Membership of the Club as endorsed by the Board of Directors.
8. To consider and if thought fit, pass the Ordinary Resolution for Appointment of Auditor.
9. To consider and if thought fit, pass the Special Resolutions appearing under the heading "Special Resolutions" to amend the Constitution of the Club.
10. General business.

NOTE: Members who wish to raise any queries or seek information at the meeting about the financial report, directors' report and auditor's report, are asked to give the Chief Executive Officer notice in writing of their queries or requests **at least 7 days before the Annual General Meeting**. This will enable properly researched replies to be prepared for the benefit of Members.

LIFE MEMBERSHIP RESOLUTIONS

1. "That Mark Bouris AM #61334 is elected to Life Membership of the Club under rule 28(a) of the Constitution of Eastern Suburbs Leagues Club Ltd."
2. "That Luke Ricketson #1721 is elected to Life Membership of the Club under rule 28(a) of the Constitution of Eastern Suburbs Leagues Club Ltd."

EXPLANATORY MESSAGE REGARDING THE LIFE MEMBERSHIP RESOLUTIONS

1. The Life Membership resolutions are proposed pursuant to rule 28(a) of the Club's Constitution.
2. To be passed, a majority of two thirds of those eligible Members present and voting at the Annual General Meeting is required. In accordance with rules 22 and 27(b) only Life Members, financial Foundation Members and financial Executive Members are eligible to vote on the Life Membership resolutions.
3. Proxy voting is not permitted under the Registered Clubs Act.
4. The Board recommends that Members vote in favour of the Life Membership resolutions.
5. Members who are employees of the Club are not entitled to vote as this is prohibited by the Registered Clubs Act.

ORDINARY RESOLUTION – APPOINTMENT OF AUDITOR

That BDO Audit Pty Ltd ABN 33 134 022 870 (BDO) be appointed as auditor of Eastern Suburbs Leagues Club Ltd (ABN 63 000 249 490) (Club):

- a. on and from the conclusion of the Club's 2022 Annual General Meeting; or
- b. the date on which the Australian Securities and Investments Commission (ASIC) consents to (or otherwise fixes) the resignation of KPMG (KPMG) as auditor of the Club pursuant to an application made to ASIC.

EXPLANATORY NOTES REGARDING THE ORDINARY RESOLUTION – APPOINTMENT OF AUDITOR

1. If the Ordinary Resolution is passed, BDO will be appointed as auditor of the Club in place of the current auditor, KPMG subject to the approval of ASIC.
2. KPMG has been the auditor of the Club since 2014. The Board has been satisfied with the services of KPMG as the Club's auditor and thanks KPMG for their services provided as auditor of the Company. However, given the period of time that KPMG has acted as the Club's auditor, the Board has reviewed the role of auditor and consider that in accordance with good governance practice, it is appropriate that the Club's auditor changes.
3. As a consequence, the Club has requested KPMG apply to ASIC under subsection 329(5) of the Corporations Act 2001 (Cth) (Corporations Act) for consent to resign as auditor of the Club with effect from the end of the Annual General Meeting. Once ASIC notifies KPMG and the Club that it consents to KPMG's resignation, KPMG will give its notice of resignation to the Club with effect from the end of the Annual General Meeting.
4. Section 327C of the Corporations Act provides that a company shall at each Annual General Meeting, if there is a vacancy in the office of auditor of the Company, appoint a person or firm to fill the vacancy. The Board wish to appoint BDO as auditor of the Club and seek this appointment to be made by the Members in accordance with the requirements of the Corporations Act.
5. BDO has confirmed in writing that it is unaware of any matter or circumstances that would give rise to a conflict of interest situation', as defined in section 324CD of the Corporations Act, in relation to the Club.
6. BDO is registered as an auditor under section 1280 of the Corporations Act and is a well established firm with the necessary expertise and resources to meet the Club's requirements. Consequently, subject to the Club receiving all necessary approvals from ASIC and Member approval at the Annual General Meeting, BDO has been nominated and selected to become the new auditor of the Company.
7. A nomination has been received for BDO to be appointed as auditor of the Club (which will take place when the resignation of KPMG takes effect). A copy of the nomination is attached for the information of Members.
8. To be passed, the Ordinary Resolution must receive votes in its favour from a simple majority (i.e. 50% plus 1) of those Members who, being eligible to do so, vote in person at the meeting.
9. In accordance with rules 22 and 27(b) of the Club's Constitution, only Life Members, Foundation Members and Executive Members who are present at the Annual General Meeting are entitled to vote on the Ordinary Resolution.
10. Proxy voting is not permitted under the Registered Clubs Act. Members who are employees are not entitled to vote as this is prohibited by the Registered Clubs Act."

SPECIAL RESOLUTIONS

SPECIAL RESOLUTION 1

"That the Constitution of Eastern Suburbs Leagues Club Ltd is amended by:

- In rule 36(a) replacing the comma and words "address and occupation" with the words "and address" so that rule 36(a) will read as follows:
 "(a) In respect of every application for Membership made pursuant to this Constitution there shall be completed an application form which shall be in a form and containing such particulars as are from time to time prescribed by the Board, including the full name and address of the candidate and a statement that the candidate, if admitted, will be bound by the Constitution of the Club."

- In rule 36(c) deleting the words “and address” after the words “cause the name” so that rule 36(c) will read as follows:
“(c) The application form shall be deposited at the Office and the Secretary shall cause the name of the candidate to be displayed on the Club Notice Board or in some other conspicuous place in the Clubhouse for a continuous period of not less than one week before the election of the candidate as a Member of the Club, and an interval of at least 2 weeks shall elapse between the proposal of a candidate for election and the candidate’s election.”
- In rule 45(a) replacing the words “name in full, the occupation and address” with the words “full name and address” so that rule 45(a) will read as follows:
“(a) A register of persons who are Full Members of the Club. This register shall set forth the full name and address of each Full Member and, if the Member is an Ordinary Member, the date on which that Member last paid the fee for Membership of the Club.”
- In rule 99:
 - » Adding at the beginning of the rule the words and comma “Subject to the requirements of the Act,” and replacing the existing capital “A” with a lower case “a” after those additional words;
 - » Replacing in sub-rules 99(c) and 99(d) the word “nominated” with the word “provided”; and
 - » Replacing in sub-rule 99(e) the word “nominates” with the word “provides”,

so that rule 99 will read as follows:

- “99. Subject to the requirements of the Act, a notice may be given by the Club to any Member either:
- personally; or
 - by sending the notice by post to the address of the Member recorded for that Member in the Register of Members kept pursuant to this Constitution; or
 - by sending the notice to the facsimile number or electronic address (if any) provided by the Member; or
 - by sending the notice to the Member by other electronic means (if provided) by the Member; or
 - by notifying the Member that the notice:
 - is available; and
 - how it may be accessed,
 If the Member provides:
 - an electronic means by which the Member may be notified that a notice is available; and
 - an electronic means by which the Member may access the notice.

EXPLANATORY NOTES REGARDING SPECIAL RESOLUTION 1

1. The Registered Clubs Act 1976 (NSW) (Registered Clubs Act) was recently amended. Among the recent amendments are the following:
 - a. section 30(2)(a) of the Registered Clubs Act no longer requires the address of a new applicant for Membership of a registered club to be displayed on the registered club’s notice board. Only the person’s name has to be displayed;
 - b. section 31(1)(a) of the Registered Clubs Act no longer requires the register of full Members to include a Member’s occupation.
2. Existing rule 36(a) of the Club’s Constitution currently requires an applicant to provide their occupation. The proposed amendment to the rule will mean that this detail is not prescribed within the rule, although it will be open to the Club to require provision of a Membership candidate’s occupation in the application for Membership form.
3. Existing rule 36(c) of the Club’s Constitution currently requires the address of an applicant for Membership of the Club to be displayed on the Club’s notice boards. The proposed amendment of the rule will mean that only the applicant’s name needs to be displayed on the Club’s notice boards.
4. Existing rule 45(a) currently requires the Club’s register of full Members to include each Member’s occupation. In accordance with the Registered Clubs Act changes, proposed new rule 45(a) will no longer require each full Member’s occupation to be included in the Membership register.
5. Notices from the Club to Members, including notices of general meetings, are sent in accordance with the requirements of the Corporations Act. There are currently temporary Corporations Act provisions which are in place until at least 31 March 2022 and which were enacted to give some relief and assistance to companies following the COVID-19 pandemic.

6. Among the temporary COVID-19 provisions of the Corporations Act are an ability for a company to give its Members electronic notice of a general meeting, even though normally this can only be done if a Member nominates electronic form of notice being sent to the Member. That is, the default method of giving notices of general meetings, including annual general meetings, is by post, unless a Member elects to receive notices electronically and nominates an electronic address for that purpose.
7. It is possible that the temporary ability of companies to give electronic notices of general meetings as the default method of delivery will be made permanent after 31 March 2022. The proposed changes to rule 99 will make it clear that if that occurs, the Club can continue to give notices of meetings electronically, without requiring each Member to formally nominate that method of delivery.
8. However, note that rule 99 will be stated to be subject to the requirements of the Corporations Act (defined as “the Act” in the Constitution), so that the Club will still be required to comply with whatever the proposed permanent requirements are under the Corporations Act after 31 March 2022.

SPECIAL RESOLUTION 2

- Adding new rule 76C after rule 76B as follows:
 “76C. The Club may hold a General Meeting using technology in accordance with the requirements of section 30C of the Registered Clubs Act, the requirements of the Corporations Act and the provisions of this Constitution.
 If a General Meeting is held using technology, the notice of General Meeting must include:
 - i. information about how Members will be able to attend and/or participate in the General Meeting;
 - ii. information about how Members can vote and ask questions;
 - iii. any other information Members need to know in order to participate using the technology.”
- Renumbering existing rule 78 as 78(a) and adding after renumbered rule 78(a) the following new rule 78(b):
 “(b) If a General Meeting is held at more than one venue using any form of technology, including any form of technology which allows Members to participate remotely from their home or other place (that is, to participate without being physically present in the same place), the contemporaneous linking together by the technology of a number of Members sufficient to constitute a quorum constitutes a quorum for the purposes of rule 72(a).”
- Deleting rule 82 and inserting instead the following new rule 82 as follows:
 “82 (a) Subject to rule 82(b), every question submitted to a General Meeting shall be decided by a show of hands (unless a poll is demanded by the Chairman or by not less than 5 Members) and in the case of an equality of votes whether on a show of hands or on a poll the Chairman shall have a second or casting vote.
 (b) If a General Meeting is held at more than one venue using any form of technology, which allows Members to participate remotely from their home or other place (that is, to participate without being physically present in the same place):
 - i. the meeting is taken to be held at the place determined by the Chairman provided that at least one of the Members present at the meeting was at the place for the duration of the meeting;
 - ii. votes taken at the meeting must be taken by a poll, and not on a show of hands, using one or more technologies to give each person entitled to vote the opportunity to participate in the vote in real time and, where practicable, by recording their vote in advance of the meeting;
 - iii. if the technology used for the meeting and referred to in this rule 82(b) encounters a technical difficulty, whether before or during the General Meeting, which results in a Member not being able to participate in the meeting, the Chairman may, subject to the Corporations Act:
 - a. allow the meeting to continue; or
 - b. adjourn the meeting either for a reasonable period of time as may be required to fix the technology or to such other date, time and location as the Chairman of the meeting considers appropriate.
- (c) For the avoidance of doubt, where the Chairman has allowed the General Meeting to continue in accordance with rule 82(b)(iii)(A), any resolution passed at that meeting is valid.
- (d) Subject to the Act, Registered Clubs Act and this Constitution, the Board may from time to time make such By-Laws as it thinks necessary for the conduct of General Meetings using any form of technology.”

EXPLANATORY NOTES REGARDING SPECIAL RESOLUTION 2

1. The recent amendments to the Registered Clubs Act include a specific ability for registered clubs to hold General Meetings electronically (subject to certain requirements under the Registered Clubs Act) and allow eligible Members to vote at meetings by electronic means.
2. Existing provisions of the Corporations Act permit the Club to use technology for the purposes of (among other things) circulating notices of meetings or holding meetings via technology. However, some of these provisions are temporary and were introduced because of the latest COVID-19 outbreak and associated lockdowns. It is uncertain as to whether these temporary measures will remain in place after 31 March 2022.
3. New section 30C of the Registered Clubs Act is permanent but does not include much detail about the conduct of General Meetings electronically. For example, section does not provide information about notice requirements for General Meetings using technology, determination of a quorum, how voting is conducted or what should occur if there is a fault with the technology.
4. The proposed changes to the Club's Constitution under Special Resolution 2 will supplement new section 30C of the Registered Clubs Act regarding conduct of General Meetings using technology. The Board considers that the use of technology in the manner contemplated by the proposed changes to the Constitution will ensure that any General Meeting conducted using technology will be conducted efficiently and fairly.
5. Although it is contemplated that General Meetings will broadly continue to be held as physical meetings without using technology, the proposed new rules will allow the Club to respond effectively to the unpredictability of COVID-19 or any other pandemic, and allow the Club to act in the interests of the health and safety of its Members, Board and other personnel.

GENERAL NOTES REGARDING THE SPECIAL RESOLUTIONS

1. To be passed, the Special Resolutions must receive votes in their favour from not less than three-quarters of those Members who being eligible to do so, vote in person at the meeting. As a result of the Special Resolution provisions of the Corporations Act, each Special Resolution must be considered as a whole and cannot be altered in substance by motions from the floor of the meeting.
2. In accordance with rules 22 and 27(b) and 104 of the Club's Constitution and in accordance with the Corporations Act, only Life Members, Foundation Members and Executive Members who are present at the Annual General Meeting are entitled to vote on the Special Resolutions.
3. Under the Registered Clubs Act and the Club's Constitution:
 - a. Members who are employees of the Club are not entitled to vote; and
 - a. Proxy voting is prohibited.
4. The Board recommends that Members vote in favour of the Special Resolutions.

By Order of the Board of Directors.



Joe Kelly

Company Secretary

Dated: 22 January 2022

24 December 2021

The Company Secretary
Eastern Suburbs Leagues Club Ltd
93-97 Spring Street
BONDI JUNCTION NSW 2022

Dear Sir,

Nomination of Auditor of Eastern Suburbs Leagues Club Ltd

In accordance with the provisions of section 328B(1 of the Corporations Act 2001), I Andrew Crawford being a Member of Eastern Suburbs Leagues Club Ltd (ABN 63 000 249 490) (Company), Member number #9231, hereby nominate BDO Audit Pty Ltd ABN 33 134 022 870 for appointment as the auditor of that Company.

Please distribute copies of this notice of nomination as required by section 328B(3) and (4) of the Corporations Act 2001.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Crawford', with a stylized, cursive script.

Andrew Crawford

DIRECTORS REPORT

For the year ended 31 October 2021

The directors present their report together with the financial report of Eastern Suburbs Leagues Club Limited (the Company), for the financial year ended 31 October 2021 and the auditor's report thereon.

1. DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

Name, qualifications and independence status	Experience, special responsibilities and other directorships
N G Politis, AM, B. Comm. & Eco. <i>Chairman</i>	Twenty-ninth year of Directorship Executive Chairman of WFM Motors Pty Ltd
P J Newton <i>Director</i>	Twenty-first year of Directorship Chairman of All States Finance Pty Ltd
B A Samphier <i>Director</i>	Twentieth year of Directorship Managing Director of B&B Electrical and Consulting Services Pty Ltd East's Group Sports Director & Chair of Membership Committee
M L Bouris, AM <i>Director</i>	Eighteenth year of Directorship Executive Chairman of Yellow Brick Road, Director of Mentored Platform Pty Limited
M Fennessy, AM <i>Director</i>	Fifteenth year of Directorship Founder and CCO of HELIUM, Board Member Sony Foundation
L A Ricketson <i>Director</i>	Twelfth year of Directorship Principle of Ricketson Insurance Pty Limited
A C Crawford <i>Director</i>	Fifth year of Directorship Founder and CEO of Trackmaster Apparel

2. COMPANY SECRETARY

Mr Joe Kelly held the position of Company Secretary throughout the year ended 31 October 2021.

3. DIRECTORS' MEETINGS

Director	Board Meetings		Special Meetings	
	A	B	A	B
N G Politis AM	12	12	1	1
P J Newton	12	12	1	1
B A Samphier	12	12	1	1
M L Bouris AM	12	12	1	1
M Fennessy AM	10	12	-	1
L A Ricketson	10	12	-	1
A C Crawford	12	12	1	1
A – Number of Meetings				
B – Number of meetings held during the time the director held office during the year				

4. COMPANY STRATEGY, OBJECTIVES AND PRINCIPAL ACTIVITIES

Objectives

Short Term

The Company's objectives emanate from its stated purpose which is to assist generally in the promotion, conduct and propagation of Rugby League Football in the Rugby League Football District of the Eastern Suburbs of Sydney or elsewhere.

Further short term objectives in conjunction with the above is to provide for the use of Members and their guests a great community club with a commitment to ensuring each club is community focused with service orientated employees continuously seeking to improve our clubs for all to enjoy.

Long Term

To consciously seek to improve our club's social and sporting facilities for all to enjoy ensuring that the pursuit of its mission/vision can be achieved via existing and future business segments maintaining sustained growth and financial strength such as good cash flow, creditworthiness, earnings growth and an acceptable return on investment in an ever changing environment.

The club values are; Club First, Respect and Team Work.

STRATEGY FOR ACHIEVING THE OBJECTIVES

The Company conducts a Strategic Review of its operations annually and undertakes a number of strategic pillars to achieve these objectives such as:

- Football Operations
- Leadership and Finance
- Community Engagement
- Commercial Operations
- People and Culture

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year was to provide Members and their guests with the amenities and facilities usually associated with social clubs. Further, the Company assists generally in the promotion, conduct and propagation of rugby league football in the Eastern Suburbs.

There were no significant changes in the nature of the activities of the Company during the year.

5. OPERATING AND FINANCIAL REVIEW AND PERFORMANCE MEASUREMENT

Overview of the Company

The profit before tax of the Company from continuing operations for the year ended 31 October 2021 was \$8,074,143 (2020 profit: \$3,237,866)

The net operating result was impacted by:

- Gain on disposal of property, plant and equipment and investment property of \$7,408,786.
- Decrease in gaming revenue by \$5,926,517.
- Decrease in catering revenue by \$561,786.
- Decrease in beverages revenue by \$880,850.
- Decrease in employee benefits expense by \$2,460,477.

5. OPERATING AND FINANCIAL REVIEW AND PERFORMANCE MEASUREMENT (CONTINUED)

On 26 June 2021, the State Government announced stay-at-home orders with all Registered Clubs closed from 6pm Saturday 26 June 2021. Registered Clubs were able to re-open from 11 October 2021.

As a result of the closure of our Clubs, the Company stood down most of its employees during this period. The Company was eligible for and received the JobSaver subsidy during the period of closure. During the stand down period, staff were able to draw upon accrued leave entitlements and where considered appropriate alongside welfare considerations, able to go into limited negative annual leave balances.

Assistance and support by governments and others

During the financial year, the Company received government support through the JobSaver Payment Scheme ('JobSaver'). JobSaver is a temporary subsidy for businesses significantly affected by COVID-19, where eligible employers are entitled to receive a JobSaver payment to support the business with ongoing overhead costs.

In addition to JobSaver, the Company received payment deferrals of State and other taxes in line with publicised practices. Amounts owed to Revenue NSW are to be repaid in 2022, and amounts owed to the ATO have been agreed to be repaid over a period to November 2022.

Performance measurement and key performance indicators

The Company's strategic plans are reviewed on a regular basis to ensure relevance.

A number of KPIs are employed by the club in order to measure, monitor and hence improve the club's performance and to achieve the clubs objectives through sound financial management. Business activities are managed in a pro-active manner to ensure that the goals, objectives and business strategies are achieved. Our KPI's are:

- Adapt to an ever changing and challenging environment
- Business trends analysis
- Market analysis
- Competitive analysis
- SWOT analysis

Continual analysis of KPIs using SMART criteria (this means the measure has a Specific purpose for the business, it is Measurable to really get a value of the KPI, the defined norms have to be Achievable, the improvement of a KPI has to be Relevant to the success of the organisation, and finally it must be Time phased, which means the value or outcomes are shown for a predefined and relevant period.

6. MEMBERSHIP

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

	2021	2020
Life	13	13
Ordinary	41,542	46,473
	41,555	46,486

In accordance with the Constitution of the Company, every Member of the Company undertakes to contribute an amount limited to \$4 per Member in the event of the winding up of the Company during the time that he or she is a Member or within one year thereafter. Total amount that Members are liable for as at 31 October 2021 is \$166,220 (2020: \$185,944).

7. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial period and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company.

8. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration under s307C is set out on page 20 and forms part of the directors' report for financial year ended 31 October 2021.

This report is made in accordance with a resolution of the directors:



N G Politis AM
Chairman

Dated at Sydney this 16th day of December 2021.

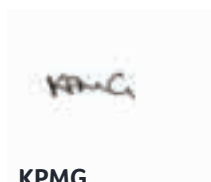
LEAD AUDITOR'S INDEPENDENCE DECLARATION

Under section 307C of the corporations act 2001

TO THE DIRECTORS OF EASTERN SUBURBS LEAGUES CLUB LIMITED

I declare that, to the best of my knowledge and belief, in relation to the audit of Eastern Suburbs Leagues Club Limited for the financial year ended 31 October 2021 there have been:

- i. No contraventions of the auditor 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.



KPMG



Cameron Roan

Partner

Sydney

16 December 2021

KPMG, an Australian partnership and a Member firm of the KPMG global organisation of independent Member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent Member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the year ended 31 October 2021

IN AUD	Note	2021	2020
Revenue	4	26,124,832	33,696,743
Other income		702,332	2,785,500
Gain on disposal of property, plant and equipment		7,408,786	15,905
Changes in inventories	10	(8,531)	(83,425)
Materials and consumables used		(1,365,746)	(1,920,692)
Poker machine licenses and taxes		(4,099,292)	(5,498,558)
Employee benefits expense	5	(9,039,457)	(11,499,934)
Occupancy expenses		(3,739,485)	(4,057,858)
Entertainment, marketing and promotional costs		(2,153,425)	(2,124,368)
Other expenses		(2,366,044)	(2,470,868)
Earnings before financing income/costs, depreciation, impairment, grants paid and income tax		11,463,970	8,842,445
Depreciation expense		(3,463,436)	(3,642,706)
Results from operating activities		8,000,534	5,199,739
Fair value loss on investment property		-	(2,000,000)
Results from operating activities after fair value loss on investment property		8,000,534	3,199,739
Finance income	6	122,906	54,482
Finance costs	6	(49,297)	(16,355)
Net finance income	6	73,609	38,127
Profit before income tax		8,074,143	3,237,866
Income tax benefit	7	217,408	306,121
Profit from continuing operations		8,291,551	3,543,987
Discontinued operations			
Loss from discontinued operations, net of tax		-	(651,693)
Profit for the period		8,291,551	2,892,294
Other comprehensive income			
Revaluation of property, plant and equipment, net of income tax		-	(1,045,378)
Other comprehensive income for the period, net of income tax		-	(1,045,378)
Total comprehensive income for the year		8,291,551	1,846,916

The notes on pages 25 to 42 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2021

IN AUD

	Note	2021	2020
Assets			
Cash and cash equivalents	8	27,655,271	23,683,785
Trade and other receivables	9	7,973,450	360,197
Inventories	10	170,651	179,182
Other assets	11	493,915	546,241
Assets held for sale	21	-	5,100,000
Total current assets		36,293,287	29,869,405
Trade and other receivables	9	12,095,000	-
Investment properties	12	21,685,025	11,150,000
Property, plant and equipment	14	98,903,910	115,832,873
Right of use assets	20	51,509	89,212
Financial assets	25	10,000,000	-
Intangible assets	16	190,000	940,000
Total non-current assets		142,925,444	128,012,085
Total assets		179,218,731	157,881,490
Liabilities			
Trade and other payables	17	3,650,665	9,949,648
Other current liabilities		148,528	146,728
Current tax payable		15,999	746,141
Employee benefits	18	1,577,195	1,684,712
Lease liabilities	20	34,654	37,245
Total current assets		5,427,041	12,564,474
Loans and borrowings	19	20,000,000	-
Employee benefits	18	139,106	155,968
Deferred tax liabilities	13	14,544,078	14,307,587
Lease liabilities	20	20,967	57,473
Total non-current liabilities		34,704,151	14,521,028
Total liabilities		40,131,192	27,085,502
Net assets		139,087,539	130,795,988
Members' Funds			
Amalgamation reserve		-	4,390,953
Asset revaluation reserve		38,592,690	47,253,482
Retained surplus		100,494,849	79,151,553
Total Members' funds		139,087,539	130,795,988

The notes on pages 25 to 42 are an integral part of these financial statements.

STATEMENT OF CHANGES IN MEMBERS' FUNDS

For the year ended 31 October 2021

IN AUD	Amalgamation Reserve	Asset revaluation reserve	Retained surplus	Total
Balance at 1 November 2019	4,390,953	48,298,860	76,259,259	128,949,072
Profit for the year	-	-	2,892,294	2,892,294
Other comprehensive income	-	(1,045,378)	-	(1,045,378)
Total comprehensive income for the year	-	(1,045,378)	2,892,294	1,846,916
Balance at 31 October 2020	4,390,953	47,253,482	79,151,553	130,795,988
Balance at 1 November 2020	4,390,953	47,253,482	79,151,553	130,795,988
Profit of the year	-	-	8,291,551	8,291,551
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	8,291,551	8,291,551
Transfer of reserves	(4,390,953)	(8,660,792)	13,051,745	-
Balance at 31 October 2021	-	38,592,690	100,494,849	139,087,539

The notes on pages 25 to 42 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 October 2021

IN AUD

	Note	2021	2020
Cash flows from operating activities			
Cash receipts from customers		28,795,603	38,741,024
Cash receipts from government grants		702,332	2,785,500
Cash paid to suppliers and employees		(29,871,282)	(29,952,207)
Cash generated (used in)/from operations		(373,347)	11,574,317
Interest paid		(45,570)	(12,628)
Income tax paid		(276,243)	(13,153)
Interest received		122,906	54,482
Net cash (used in)/from operating activities		(572,254)	11,603,018
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		16,342,422	515,785
Proceeds from sale of intangible assets		1,100,000	-
Proceeds from sale of assets held for sale		4,941,315	-
Acquisition of financial assets		(10,000,000)	-
Acquisition of property, plant and equipment		(7,263,448)	(1,659,237)
Acquisition of investment properties		(10,535,025)	-
Net cash used in investing activities		(5,414,736)	(1,143,452)
Cash flows from financing activities			
Payment of lease liabilities		(41,524)	(39,804)
Advances to controlling entity		(10,000,000)	-
Proceeds from loans and borrowings		20,000,000	-
Net cash from/(used in) in financing activities		9,958,476	(39,804)
Net increase in cash and cash equivalents		3,971,486	10,419,762
Cash and cash equivalents at beginning of year		23,683,785	13,264,023
Cash and cash equivalents at end of year	8	27,655,271	23,683,785

The notes on pages 25 to 42 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2021

1. REPORTING ENTITY

Eastern Suburbs Leagues Club Limited (the Company) is a company incorporated and domiciled in Australia. The financial statements of the Company are as at and for the year ended 31 October 2021.

The Company is a company limited by guarantee and without share capital. In accordance with the Constitution of the Company, every Member of the Company undertakes to contribute an amount limited to \$4 per Member in the event of the winding up of the Company during the time that he or she is a Member or within one year thereafter.

The Company is a not-for-profit entity and is primarily involved in the operation of registered clubs and the promotion of rugby league.

2. BASIS OF PREPARATION

a. Statement of compliance

In the opinion of the directors, the Company is not publicly accountable. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2021.

b. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for Investment Properties and Land and Building asset classes within Property, plant and equipment which are on a revaluation ('fair value') basis and financial assets held at fair value.

c. Functional and presentation currency

These financial statements are presented in Australian dollars, which is also the Company's functional currency.

d. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 12	Investment property
Note 14	Property, plant and equipment
Note 16	Intangible assets
Note 23	Contingent asset and contingent liabilities
Note 25	Financial assets

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company.

a. Financial instruments

(i) Non-derivative financial assets

Financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition attributable transaction costs are recognised in profit or loss when incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company has the following categories of non-derivative financial assets: cash and cash equivalents, trade and other receivables and investments in property trusts.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses (see note 3(g)).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(ii) Non-derivative financial liabilities

Financial liabilities are recognised initially on the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following categories of non-derivative financial liabilities: payables, loans and borrowings.

Payables, loans and borrowings are financial liabilities with fixed or determinable payments that are not quoted in an active market. Such liabilities are recognised initially at fair value. Subsequent to initial recognition payables, loans and borrowings are measured at amortised cost using the effective interest method, less any impairment losses.

b. Property, plant and equipment

(i) Recognition and measurement

Land and building assets are measured at fair value, which reflects market conditions at the statement of financial position date. All other classes of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The depreciation methods and estimated depreciation rates for the current and comparative periods are as follows:

- Buildings
- Plant and equipment
- Poker machines
- Leasehold improvements
- Motor vehicles

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

c. Intangible assets

Poker machine entitlements

Poker machine entitlements have infinite useful lives given they have no expiry date. They are measured at cost less accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Poker machine entitlements have indefinite useful lives as they have no expiry date. Accordingly, such intangible assets are not amortised but are systematically tested for impairment at each reporting date.

d. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at fair value, which reflects market conditions at the statement of financial position date. Gains or losses arising from changes in fair values of investment properties are recognised in the statement of profit or loss comprehensive income in the year in which they arise including the corresponding tax effect.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

e. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in AASB 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(i) *As a lessor*

As a lessor, the Company has entered into operating leases in relation to its investment properties. The Company recognises lease payments received under operating leases as income over a straight-line basis over the lease term as part of revenue.

f. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

g. Impairment

(i) *Financial assets*

Trade and other receivables are held at amortised cost less life time expected credit losses. The company's receivables are short-term in nature and as such no discounting is performed for the company's receivables.

Doubtful debts provision

The company has adopted the simplified approach for all trade and other receivables, given the company's receivables do not have a significant financing component. The company analyses the age of outstanding balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime expected credit losses. The impact of the change to measuring the doubtful debts provision on the basis of expected credit losses is not material and has not resulted in an adjustment to opening retained earnings on transition.

Impairment

AASB 9 applies a forward-looking 'expected credit loss' (ECL) model. This requires considerable judgement about how changes in economic factors affect ECLs, which is determined on a probability weighted basis. Under AASB 9, loss allowances are measured on either of the following issues:

- 12-month ECLs: there are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: there are ECLs that result from all possible default events over the expected life of a financial instrument.

(ii) *Non-financial assets*

The carrying amounts of the consolidated entity's non-financial assets, other than investment property, inventories and deferred tax assets, are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. Indefinite life intangible assets are tested annually for impairment.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (a "cash-generating unit" or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h. Non-current assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the consolidated entity's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less cost to sell and recognised as a current asset on the Statement of financial position.

Impairment losses on initial classification as held for sale and subsequent gains or losses on measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale, intangible assets and property, plant and equipment are not amortised or depreciated.

i. Employee benefits

(i) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Company's obligations.

(iii) *Short term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

j. Provisions

A provision is recognised if, as a result of a past event, the consolidated entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

k. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

Details regarding the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are set out below.

(i) Provision of services

Revenue from the provision of services includes Membership subscriptions and commissions. Revenue from the provision of services is recognised in the period over which the Company satisfies its performance obligations or series of performance obligations to its customers. Revenue is recognised to the extent that recovery of the contract consideration is considered probable and the amount of revenue can be measured reliably. Revenue is deferred to the extent that the Company has not met its performance obligations to its customers. Revenue is recognised using the output method under the terms of each contractual arrangement with customers.

(ii) Revenue from gaming

Revenue from gaming is recognised at a point-in-time being the net difference between gaming wins and losses for the day and is recognised at the close of business each day.

(iii) Revenue from beverages and catering

Beverages and catering revenue is recognised at the point in time in which the goods are provided to customers payment is collected.

(iv) Grant revenue

Grants are initially recognised as deferred income at fair value if there is reasonable assurance that the grants will be received, and that the Company will satisfy the performance obligations associated with the grant. Grant revenue is recognised on a systematic basis over the period to which the grant relates.

(v) Rent revenue

Rental income is recognised on a straightline basis over the term of the lease, except where an alternative basis is more representative of the parrent of services rended through the provision of the leased presmises. Tenants are invoiced per contractual arrangements and revenue is recognised over the period.

(vi) Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(vii) JobSaver and Jobkeeper government grants

JobSaver and Jobkeeper government grant revenue is recognised on a gross basis when there is reasonable assurance that the Company is able to comply with the conditions attached to the program, receipt of monies is considered probable and related employee expenses are incurred.

l. Finance income and finance costs

Finance income comprises interest income on cash and cash equivalents. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or productions of a qualifying asset are recognised in profit or loss using the effective interest method.

m. Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The measurement of deferred tax reflects the tax consequences that could follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(iii) Tax exposure

In determining the amount of current and deferred tax the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The Income Tax Assessment Act 1997 (amended) provides that under the concept of mutuality, clubs are only liable for income tax on income derived from non-Members and from outside entities.

n. Goods and services tax

Revenue, 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 taxation authority. 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) 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. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

o. Amalgamation reserve

An amalgamation reserve in Members' funds is utilised for amalgamations with other registered clubs. The amount presented is equal to the accumulated fair values of the net assets of the clubs acquired. The individual assets and liabilities acquired are presented in the statement of financial position. This policy is effective for amalgamations occurring after 1 November 2012.

p. Grant payment

Grant payments are recognised through profit or loss at the time the grants are awarded by the Company, thereby crystallising an obligation to make payment to the other parties.

q. Discontinued operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which:

- represents a separate major line of business or geographical area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

r. New standards and interpretations adopted during the year

No new standards or interpretations have been adopted during the year, with all applicable standards applied consistently to all periods presented in these financial statements.

s. New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 November 2021 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

The new standards are not expected to have a significant impact on the Company's financial statements, apart from:

- AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

As the Company applies all the recognition and measurement requirements of all Australian Accounting Standards, there will be no impact on the amounts recognised in the financial statements. Both standards will apply to the Company from the financial year beginning 1 November 2021; i.e., for the year ended 31 October 2022.

4. REVENUE

<i>IN AUD</i>	2021	2020
Revenue from catering	864,565	1,426,351
Revenue from beverages	1,853,077	2,733,927
Revenue from gaming	19,019,171	24,945,688
Property rental income	2,311,732	2,089,175
Distribution income	358,333	-
Commission revenue	190,487	195,936
Subscriptions and joining fees	96,468	110,761
Other revenue	1,430,999	2,194,905
	26,124,832	33,696,743

5. EMPLOYEE BENEFITS EXPENSE

<i>IN AUD</i>	2021	2020
Wages and salaries	6,771,121	8,952,329
Other associated personnel expenses	1,765,768	2,377,473
Contributions to defined contribution plans	626,947	773,558
Changes in liability for annual leave	(2,303)	(269,036)
Change in liability for long service leave	(122,076)	(334,390)
	9,039,457	11,499,934

6. FINANCE INCOME AND FINANCE COSTS

<i>IN AUD</i>	2021	2020
Interest income	122,906	54,482
Finance income	122,906	54,482
Interest expense – bank loans	(46,777)	(11,978)
Interest expense other	(2,520)	(4,377)
Finance costs	(49,297)	(16,355)
Net finance income recognised in profit or loss	73,609	38,127

7. TAX BENEFIT

IN AUD	2021	2020
Current tax expense / (benefit)		
Current year	125,997	57,919
(Over) / under provision for prior periods	(579,895)	56,247
	(453,898)	114,166
Deferred tax expense / (benefit)		
Origination and reversal of temporary differences	236,491	6,460
Over provision for prior periods	-	(426,747)
	236,491	(420,287)
Total tax expense/(benefit)	(217,408)	(306,121)

Numerical reconciliation between tax expense/(benefit) and pre-tax accounting profit

The Income Tax Assessment Act 1997 (amended) provides that under the concept of mutuality, registered clubs are only liable for income tax on income derived from non-Members and from outside entities.

The amount set aside for income tax in the statement of profit or loss and other comprehensive income has been calculated as follows:

IN AUD	2021	2020
Apportionable net taxable income	2,803,055	5,138,608
Add: Other deductible expenses	-	(381,926)
	2,803,055	4,756,682
Less: Member portion of net taxable income	(3,223,046)	(4,563,620)
Net income subject to tax	(419,991)	193,062
Income tax using the Company's statutory income tax rate of 30% (2020: 30%)	125,996	57,919
Movement in deferred tax liabilities in respect of temporary differences	236,491	6,460
Over provision for prior periods	(579,895)	(370,500)
	(217,408)	(306,121)

8. CASH AND CASH EQUIVALENTS

IN AUD	2021	2020
Cash at bank and on hand	27,655,271	23,683,785
Cash and cash equivalents in the statement of cash flows	27,655,271	23,683,785

9. TRADE AND OTHER RECEIVABLES

IN AUD	2021	2020
Current		
Trade receivables	481,308	87,584
Less: Provision for expected credit losses	(89,258)	(18,138)
	392,050	69,446
Intercompany receivables	7,277,000	-
Other receivables	304,400	290,751
	7,973,450	360,197
Non current		
Other receivables	12,095,000	-
	12,095,000	-

10. INVENTORIES

IN AUD	2021	2020
Finished goods - at cost	170,651	179,182
	170,651	179,182

11. OTHER ASSETS

IN AUD	2021	2020
Current		
Prepayments	493,915	546,241
	493,915	546,241

12. INVESTMENT PROPERTIES

IN AUD	2021	2020
Balance at 1 November	11,150,000	13,150,000
Acquisitions	10,535,025	-
Fair value loss during the year	-	(2,000,000)
Balance at 31 October	21,685,025	11,150,000

Investment properties represent land and building holdings in Bondi and Lithgow and are stated at fair value.

The latest independent valuations of the Club's investment properties at Bondi and Lithgow were carried out in July 2020 and June 2021 respectively by Hymans Asset Management (Registered Valuer No. AM 4779). The fair value under capitalisation of net income approach for the Investment Properties was \$21,685,025.

13. DEFERRED TAX ASSETS AND LIABILITIES RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

	Assets		(Liabilities)		Net deferred tax assets / (liabilities)	
<i>IN AUD</i>	2021	2020	2021	2020	2021	2020
Employee benefits	62,756	61,789	-	-	62,756	61,789
Other receivables	-	39,531	(4,307,058)	-	(4,307,058)	39,531
Investment property	-	-	(304,509)	(275,886)	(304,509)	(275,886)
Investments	-	-	(107,500)	-	(107,500)	-
Property, plant and equipment	-	-	(9,887,767)	(14,133,021)	(9,887,767)	(14,133,021)
Net deferred tax liabilities	62,756	101,320	(14,606,834)	(14,408,907)	(14,544,078)	(14,307,587)

14. PROPERTY, PLANT AND EQUIPMENT

<i>IN AUD</i>	Land and buildings at revaluation	Plant and equipment at cost	Poker machines at cost	Motor Vehicles at cost	Leasehold improvements at cost	Work in progress at cost	Total
Revaluation and cost basis							
Balance at 1 November 2020	107,675,311	21,114,694	20,227,423	206,672	127,678	3,031,853	152,383,631
Additions	99,400	989,465	878,865	-	-	5,295,718	7,263,448
Transfers between categories	22,269	4,136,443	-	-	-	(4,158,712)	-
Disposals	(16,740,000)	(669,170)	(608,573)	-	-	(3,865,363)	(21,883,106)
Balance at 31 October 2021	91,056,980	25,571,432	20,497,715	206,672	127,678	303,496	137,763,973
Accumulated depreciation and impairment							
Balance at 1 November 2020	475,311	18,114,705	17,694,037	139,778	126,927	-	36,550,758
Depreciation for the year	863,134	1,001,444	1,556,087	19,082	-	-	3,439,747
Disposals	-	(561,299)	(569,143)	-	-	-	(1,130,442)
Balance at 31 October 2021	1,338,445	18,554,850	18,680,981	158,860	126,927	-	38,860,063
Carrying amounts							
At 1 November 2020	107,200,000	2,999,989	2,533,386	66,894	751	3,031,853	115,832,873
At 31 October 2021	89,718,535	7,016,582	1,816,734	47,812	751	303,496	98,903,910

Valuation of land and buildings

The latest independent valuations of the Company's land and buildings, carried out in July 2020 by Hymans Assets Management on the basis of fair value under depreciated replacement cost, resulted in a valuation of land and buildings of \$107,200,000. Any depreciation, additions or transfers since the valuations are expected to be reflected in an equivalent movement in the recoverable amount of the Company's land and buildings. The carrying amount of the Company's land and buildings as at 31 October 2021 reflects the fair value of the assets as at 31 October 2021.

15. CORE AND NON-CORE PROPERTIES

Pursuant to Section 41J of the Registered Clubs Amendment Act 2006, the Company defines property as follows:

<i>Core properties are located at:</i>	<i>Non-core properties are located at:</i>
Bondi Junction 93-97 Spring Street Strata Tower #17320 Lot 1, 9-13 Bronte Road 80A Ebley Street Bondi Junction NSW 2022	5A Bronte Road Bondi Junction NSW 2022 124 Avoca Street Randwick NSW 2031
Kingswood 2 Santley Crescent Kingswood NSW 2747	99 Spring Street Bondi Junction NSW 2022
Berkeley 5 Wilkinson Street Berkeley NSW 2506	1129-1131 Great Western Highway Lithgow NSW 2790
<i>Part core and part non-core properties held by the consolidated entity are located at:</i>	
Waverley 163 Birrell Street Waverley NSW 2024	

16. INTANGIBLE ASSETS

<i>IN AUD</i>	Poker Machine Entitlements	Total
Cost		
Balance as at 1 November 2020	940,000	940,000
Disposals	(750,000)	(750,000)
Balance as at 31 October 2021	190,000	190,000

Poker machine entitlements are stated at cost less accumulated impairment losses. Poker machine entitlements have an indefinite useful life given they have no expiry date, and accordingly are not amortised but are to be assessed annually for impairment.

17. TRADE AND OTHER PAYABLES

<i>IN AUD</i>	2021	2020
Current		
Trade payables	1,647,432	2,672,143
Goods and services tax (GST) payable	192,333	714,147
Other payables and accrued expenses	1,810,900	6,563,358
	3,650,665	9,949,648

18. EMPLOYEE BENEFITS

IN AUD

2021

2020

Current

Liability for long service leave	535,975	641,189
Liability for annual leave	1,041,220	1,043,523
	1,577,195	1,684,712

Non-current

Liability for long service leave	139,106	155,968
----------------------------------	----------------	----------------

19. LOANS AND BORROWINGS

IN AUD

2021

2020

Multi-option commercial bill facility	20,000,000	-
	20,000,000	-

The Company has access to the following lines of credit:

Bank guarantees	256,490	200,000
Multi-option commercial bill facility	20,000,000	10,000,000
Corporate MasterCard credit card facility	28,000	23,000
	20,284,490	10,223,000

Facilities utilised at reporting date

Bank guarantees	237,490	-
Multi-option commercial bill facility	20,000,000	-
Corporate MasterCard credit card facility	10,130	10,392
	20,247,620	10,392

Facilities not utilised at reporting date

Bank guarantees	19,000	200,000
Multi-option commercial bill facility	-	10,000,000
Corporate MasterCard credit card facility	17,870	12,608
	36,870	10,212,608

Security

The facilities are secured by registered first mortgages over certain properties of the Company.

- First registered fixed and floating charge over the assets and undertaking of Eastern Suburbs Leagues Club Limited.
- First registered real property mortgage by Eastern Suburbs Leagues Club Limited over the property located at 93-97 Spring Street, Bondi Junction NSW 2022 and property located at 9-13 Bronte Road, Bondi Junction NSW 2022.
- First registered real property mortgage by Eastern Suburbs Leagues Club Limited over the property located at 2-10 Santley Crescent, Kingswood NSW 2747.
- First registered real property mortgage by Eastern Suburbs Leagues Club Limited over the property located at 5A-7 Bronte Road, Bondi Junction NSW 2022.
- First registered fixed and floating charge over the assets and undertakings of Eastern Suburbs Leagues Club Limited ("Club"), including without limitation a floating charge over the rights and interests of the Club in gaming machines and all of the interests and rights of the Club as a registered club under the Registered Clubs Act" given by Eastern Suburbs Leagues Club Limited.
- Negative pledge by Eastern Suburbs Leagues Club Ltd to not offer securities to other financiers without prior written consent of St George Bank.

20. QUANTITATIVE LEASE DISCLOSURE

As Lessee

a. Right of use assets

<i>IN AUD</i>	2021	2020
Balance at 1 November	89,212	-
Initial adoption of AASB 16	-	122,034
Depreciation charge for the year	(37,703)	(32,822)
Balance at 31 October	51,509	89,212

b. Lease liabilities included in the statement of financial position

Current	34,654	37,245
Non-current	20,967	57,473
Balance at 31 October	55,621	94,718

c. Amounts recognised in profit or loss

Interest on lease liabilities	2,427	3,727
-------------------------------	--------------	--------------

d. Amounts recognised in statement of cash flows

Total cash outflow for leases	41,524	39,804
-------------------------------	---------------	---------------

As lessor

The Company leases out its investment properties and property, plant and equipment. At 31 October, the future minimum lease payments under non-cancellable leases were receivable as follows.

<i>IN AUD</i>	2021	2020
Less than one year	1,608,088	1,083,486
One to five years	5,578,374	3,320,018
More than five years	3,129,693	868,714
	10,316,155	5,272,218

21. ASSETS HELD FOR SALE

During the prior financial year, the Company closed its Woy Woy club, accordingly the premises was presented as an asset held for sale at 31 October 2020, the sale has been finalised in the year ended 31 October 2021.

IN AUD	2021	2020
Land and building assets classified as held for sale	-	5,100,000

22. COMMITMENTS

IN AUD	2021	2020
Capital works		
Capital works contracted for but not yet completed	153,681	-
Later than five years	-	-
	153,681	-

23. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

IN AUD	2021	2020
Contingent liabilities		
Guarantee		
i. Bank performance guarantees	237,490	219,000

24. RELATED PARTIES

Ultimate controlling party

The ultimate controlling party of the Company is Eastern Suburbs District Rugby League Football Club Limited, a company limited by guarantee incorporated in Australia.

Key management personnel compensation

IN AUD	2021	2020
Director honorariums and other related expenses	-	-
Amounts paid to non-executive directors during the year were as follows:		

IN AUD	2021	2020
Short-term and long-term employee benefits and termination payments	1,429,225	733,893

The key management personnel compensation included in 'personnel expenses' (see note 5) are as follows:

Key management personnel and director transactions

From time to time directors of the Company may purchase goods from the Company or participate in other Company activities. These purchases and participations are on the same terms and conditions as those entered into by other employees or Members of the Company and are trivial or domestic in nature.

Transactions with controlling entity – Eastern Suburbs District Rugby League Football Club Limited

During the year, the Company had the following transactions with its controlling entity.

- a. Grants amounting to \$nil (2020: \$nil) were provided.
- b. An amount of \$52,360 (2020: \$61,850) was paid as corporate hospitality.
- c. At year end, an amount of \$7,277,000 was receivable from the controlling entity (2020: \$2,723,000 payable).
- d. An amount of \$360,000 (2020: \$369,500) was paid, in regards to various sponsorship arrangements.

During the year there have been other transactions between the controlling entity and the Company, such as purchases of merchandise and game tickets. All transactions have been executed on commercial terms.

25. FINANCIAL ASSETS

IN AUD	2021	2020
Financial assets held at fair value through profit or loss	10,000,000	-
	10,000,000	-

During the year, the Company acquired units in an unlisted property trust which are accounted for as Financials assets held at fair value through profit or loss. The determination of the fair value of these financial assets is considered to be a level 2 input in the fair value hierarchy. Sensitivity analysis performed notes that a 1% change in the fair value at reporting date would have increased/(decreased) the profit before tax by \$100,000 and net equity by \$70,000.

26. IMPACT OF COVID-19

On 26 June 2021, the State Government announced stay-at-home orders with all Registered Clubs closed from 6pm Saturday 26 June 2021. The Registered Clubs were able to re-open from 11 October 2021.

As a result of the closure of our Clubs, the Company stood down most of its employees. The Company was eligible for and received the JobSaver subsidy during the period of closure. During the stand down period, staff were able to draw upon accrued leave entitlements and where considered appropriate alongside welfare considerations, able to go into limited negative annual leave balances.

27. EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to reporting date which would have a material effect on the Company's financial statements at 31 October 2021.

DIRECTORS' DECLARATION

In the opinion of the directors of Eastern Suburbs Leagues Club Limited (the Company):

- a. the Company is not publicly accountable;
- b. the financial statements and notes that are set out on pages 25 to 42, 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 their performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards - Reduced Disclosure Regime and the Corporations Regulations 2001; and
- c. 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 directors.



N G Politis AM
Chairman

Dated at Sydney this 16th day of December 2021.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EASTERN SUBURBS LEAGUES CLUB LIMITED

Opinion

We have audited the **Financial Report** of Eastern Suburbs Leagues Club Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the Corporations Act 2001, including:

- 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
- Complying with Australian Accounting Standards Reduced Disclosure Requirements and the Corporations Regulations 2001.

The **Financial Report** comprises:

- Statement of financial position as at 31 October 2021;
- Statement of profit or loss, Statement of comprehensive income, Statement of changes in Member' funds, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies;
- Directors' Declaration.

Opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 (including Independence Standards) (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

Other Information is financial and non-financial information in Eastern Suburbs Leagues Club's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Other Information

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001;
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error;
- Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Other Information

Our objective is:

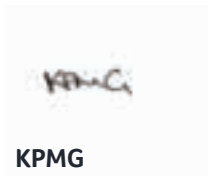
- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the 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 at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our Auditor's Report.



Cameron Roan

Partner

Sydney

16 December 2021



END OF AN ERA



JAKE FRIEND
#1083

BOYD CORDNER
#1119

BRETT MORRIS
#1182

JOSH MORRIS
#1192