



**Maitland District Leagues Club Limited**  
**ACN: 000 512 505**

**Financial Statements**  
**For the year ended 31 December 2017**

**Maitland District Leagues Club Limited**

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**31 December 2017**

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## **Maitland District Leagues Club Limited**

### **Directors' Report**

**31 December 2017**

The Directors present their report, together with the financial statements, on the company for the year ended 31 December 2017.

#### **Directors**

The following persons were Directors of the company during the whole of the financial year and up to the date of the report, unless otherwise stated:

B Newcombe (President)  
P Hunt (Vice President)  
N Martin  
D Mexcon  
M Newcombe  
J Williams  
G Watt

#### **Objectives**

The Club has objectives as per its Articles of Association.

The long term objectives of the organisation are to have a financially sound club that supports and encourages sport in the community including the Maitland Rugby League Football Club.

The short term objectives of the Club are to return to profitability on a consistent basis, to improve the facilities provided to the current client base and to attract new membership. Customer service will be critical in achieving this success. Quality service will ensure that new and repeat visitation levels to the Club are increased and sustained.

#### **Strategy for Achieving the Objectives**

The strategies used to meet these objectives include:

- Active management of day to day operations through the creation of an office for the General Manager on the premises. This will enable closer monitoring of activities and more access for members and staff.
- Supporting new caterers within the Club.
- Increased use of the Les D'Arcy room and the main bar area.
- The creation of new facilities and services to attract new members.

#### **Principal activities**

During the financial year the principal continuing activities of the company was the operation of a Licensed Club and the provision of amenities to members and their guests.

Total number of members at 31 December 2017 is 4,228 (2016: 3,567)

## **Maitland District Leagues Club Limited**

### **Directors' Report**

**31 December 2017**

#### **Operating result**

The deficit of the Company for the financial year after providing for income tax amounted to \$488,385 (2016: 239,126).

Sales Revenue from Bar Trading was \$375,172, a 9% increase compared to the 2016 result of \$340,225.

Net turnover from poker machines amounted to \$1,925,961 which was an increase of \$225,396 (11.7%) on the 2016 result of \$1,700,565.

2017 TABCORP Gaming Service Fees were \$787,894 compared to \$569,234 in 2016 and \$261,562 in 2015.

#### **Membership**

The company is incorporated under the Corporations Act 2011 and is a company limited by guarantee without a share capital. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At December 2017, the number of members was 4,228 and the total amount that members of the company are liable to contribute if the company is wound up is \$84,560.

#### **Events Subsequent to the End of the Reporting Period**

The club was placed into voluntary administration on 11<sup>th</sup> March 2018. Shaw Gidley were appointed Administrators.

At the time of writing, the club was compliant with the TABCORP Gaming Services Agreement - NSW.

No other matters or circumstances have arisen since the end of the Financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

#### **Key Performance Indicators**

We will utilise key industry benchmarks and employees and business improvement strategies to ensure that the business is assessed on a regular basis against industry best practice guidelines.

#### **Future Developments**

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

#### **Environmental Issues**

The Directors believe the Company has complied with all significant environmental regulations under a law of the Commonwealth or of a state or territory.

#### **Dividends**

The Corporations law prohibits a Company Limited by Guarantee from paying dividends.

#### **Shares in Companies**

The company does not hold shares in any related company or corporation.

## Maitland District Leagues Club Limited

### Directors' Report

31 December 2017

#### Information on Directors

Name: B Newcombe  
Title: President  
Qualifications: Business Owner  
Experience and Expertise: 4 years

Name: P Hunt  
Title: Vice President  
Qualifications: School Teacher  
Experience and Expertise: 4 years

Name: D Mexon  
Qualifications: Builder  
Experience and Expertise: 4 years

Name: M Newcombe  
Qualifications: Business Owner  
Experience and Expertise: 13 years

Name: N Martin  
Qualifications: Customer Service Representative  
Experience and Expertise: 4 years

Name: J Williams  
Experience and Expertise: 4 years

Name: G Watt  
Experience and Expertise: 4 years

#### Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 31 December 2017, and the number of meetings attended by each Director was:

	Attended	Held
P Hunt	11	12
N Martin	9	12
D Mexon	12	12
M Newcombe	11	12
B Newcombe	10	12
J Williams	11	12
G Watt	11	12

Held: Represents the number of meetings held during the time the Director held office.

**Maitland District Leagues Club Limited**

**Directors' Report**

**31 December 2017**

**Indemnifying Officer or Auditor**

During the year, the company effected a director's and officer's liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the company. This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.



Ben Newcombe  
President

**21 May 2018**

Maitland District Leagues Club Limited  
Auditor's Independence Declaration  
For the Year Ended 31 December 2017



**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF: Maitland District Leagues Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017 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 contravention of any applicable code of professional conduct in relation to the audit

The Linkara Group Pty Ltd  
Lindsay Karathanassis, Director Registered Company Auditor Licence No.328217  
3/91 Frederick Street MEREWETHER NSW 2291

A large, stylized handwritten signature in black ink, which appears to read "Lindsay Karathanassis". Below the signature, the name "The Linkara Group Pty Ltd" is written in a smaller, cursive hand.

29 June, 2018

MEREWETHER

**Maitland District Leagues Club Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 31 December 2017**

	Notes	2017 \$	2016 \$
<b>Income</b>			
Revenue	4	2,555,607	2,305,943
Other Income		<u>71,313</u>	<u>26,257</u>
		2,626,920	2,332,200
<b>Expenses</b>			
Advertising Expense		118,844	100,305
Accounting Expense		20,450	22,080
Audit Expense		3,000	27,900
Bad and Doubtful Debts Expense		2,632	771
Changes in Inventories		(136)	6,877
Depreciation Expense		84,509	98,227
Donations and Grants Expense		59,898	73,500
Employee Benefits Expense		697,007	593,123
Finance Costs		152,306	147,836
Insurance Expense		77,146	78,985
Legal Fees		1,320	3,541
Other Expenses		267,633	208,592
Poker Machine Duty Expenses		298,670	242,487
Poker Machine Service Expenses		787,894	569,232
Printing, Postage and Stationary		18,510	12,784
Rates and Taxes Expenses		32,724	28,964
Bar & Club Consumables		244,363	203,105
Repairs and Maintenance Expense		120,558	47,500
Telephone, Electricity and Utilities Expense		<u>127,977</u>	<u>105,516</u>
		<u>3,115,305</u>	<u>2,571,326</u>
<b>Profit (Loss) before income tax</b>		<u><b>(488,385)</b></u>	<u><b>(239,126)</b></u>
Income Tax Expense		---	---
<b>Profit (Loss) After income tax</b>		<b>(488,385)</b>	<b>(239,126)</b>
Other Comprehensive Income for the year, net of tax		---	---
<b>Total Comprehensive Income for the year</b>		<b>(488,385)</b>	<b>(239,126)</b>

*These Financial Statements should be read in conjunction with the accompanying notes*



Maitland District Leagues Club Limited

Statement of Financial Position

As at 31 December 2017

	Note	2017 \$	2016 \$
<b>Current assets</b>			
Cash and Cash Equivalents	5	59,111	179,405
Trade and Other Receivables	6	---	21,564
Inventories	7	15,097	14,961
Other Current Assets	8	59,267	64,511
<b>Total current assets</b>		<b>133,475</b>	<b>280,441</b>
<b>Non-current assets</b>			
Property, Plant and Equipment	9	3,403,626	3,464,014
Intangible Assets	10	1,561,942	---
<b>Total non-current assets</b>		<b>4,965,568</b>	<b>3,464,014</b>
<b>Total assets</b>		<b>5,099,043</b>	<b>3,744,455</b>
<b>Current liabilities</b>			
Employee Benefits	11	63,904	49,023
Income Tax	12	---	---
Trade and Other Payables	13	386,730	183,989
Borrowings	14	1,592,310	1,537,200
Other Current Liabilities	16	98,537	99,747
<b>Total current liabilities</b>		<b>2,141,481</b>	<b>1,869,959</b>
<b>Non-current liabilities</b>			
Borrowings	14	50,409	34,879
Provisions	15	8,920	14,940
<b>Total non-current liabilities</b>		<b>59,329</b>	<b>49,819</b>
<b>Total liabilities</b>		<b>2,200,810</b>	<b>1,919,779</b>
<b>Net assets</b>		<b>2,898,233</b>	<b>1,824,677</b>
<b>Equity</b>			
Retained earnings		1,019,398	1,507,784
Revaluation Surplus		1,878,835	316,893
<b>Total equity</b>		<b>2,898,233</b>	<b>1,809,610</b>

*These Financial Statements should be read in conjunction with the accompanying notes*

Maitland District Leagues Club Limited  
Statement of Changes In Equity  
For the Year Ended 31 December 2017

	Revaluation Surplus	Retained Surplus	Total Equity
	\$	\$	\$
Balance at 1 January 2016	-	1,809,610	1,809,610
Prior Year Adjustment to Opening Balance	-	(62,700)	(62,700)
Surplus after Income Tax Expense for the year	-	(239,126)	(239,126)
Other Comprehensive Income for the year, net of tax	-	-	-
<b>Total Comprehensive Income for the year</b>	<u>-</u>	<u>(301,826)</u>	<u>(301,826)</u>
Land & Buildings Revaluation	316,893	-	316,893
<b>Balance at 31 December 2016</b>	<u><b>316,893</b></u>	<u><b>1,507,784</b></u>	<u><b>1,824,677</b></u>
	Revaluation Surplus	Retained Surplus	Total Equity
	\$	\$	\$
Balance at 1 January 2017	316,893	1,507,784	1,824,677
Prior Year Adjustment to Opening Balance	-	-	-
Surplus after Income Tax Expense for the year	-	(488,385)	(488,385)
Other Comprehensive Income for the year, net of tax	-	-	-
<b>Total Comprehensive Income for the year</b>	<u>-</u>	<u>(488,385)</u>	<u>(488,385)</u>
Pokie Machine Entitlements	1,561,942	-	1,561,942
<b>Balance at 31 December 2017</b>	<u><b>1,878,835</b></u>	<u><b>1,019,399</b></u>	<u><b>2,898,233</b></u>

*These Financial Statements should be read in conjunction with the accompanying notes*

**Maitland District Leagues Club Limited**  
**Statement of Cash Flows**  
**For the Year Ended 31 December 2017**

	Note	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (Inclusive of GST)		2,924,195	2,575,845
Payments to suppliers and employees (Inclusive of GST)		(2,874,936)	(2,622,263)
		<u>49,259</u>	<u>(46,418)</u>
Interest received		20	34
Interest and other finance costs paid		(152,306)	(147,836)
Income tax paid		-	(79,000)
Net cash from/(used in) operating activities		(103,027)	(273,220)
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(34,583)	(33,365)
Proceeds from disposal of property, plant and equipment		-	325,800
Net cash from/(used in) investing activities		(34,583)	292,435
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		102,297	105,834
Repayment of borrowings		(84,981)	(60,805)
Net cash used in financing activities		17,316	45,029
Net increase/(decrease) in cash and cash equivalents		(120,294)	64,244
Cash and cash equivalents at the beginning of the financial year		179,405	115,161
<b>Cash and cash equivalents at the end of the financial year</b>	<b>5</b>	<u><u>59,111</u></u>	<u><u>179,405</u></u>

*These Financial Statements should be read in conjunction with the accompanying notes*

# Maitland District Leagues Club Limited

## Notes to the Financial Statements

31 December 2017

### 1 General Information

The financial statements cover Maitland District Leagues Club Limited as an individual entity. The financial statements are presented in Australian dollars, which is Maitland District Leagues Club Limited's functional and presentation currency.

Maitland District Leagues Club Limited is a not-for-profit unlisted company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on **17 April 2018**. The directors have the power to amend and reissue the financial statements.

### 2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

#### *Historical cost convention*

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

#### *Critical Accounting Estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Comparatives are consistent with prior years, unless otherwise stated.

#### Revenue Recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

#### *Sale of Goods*

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of volume rebates and trade discounts.

#### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method.

#### *Other Revenue*

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

#### Income tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of reporting period.

Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

## Maitland District Leagues Club Limited

### Notes to the Financial Statements

31 December 2017

#### Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### Trade and Other Receivables

Trade Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade Receivables are generally due for settlement within 30 days.

Collectability of Trade Receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of Trade Receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash Flows relating to short term receivables are not discounted if the effect of discounting is immaterial.

Other Receivables are recognised at amortised cost, less any provision for impairment.

#### Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

#### Property, plant and equipment

Property, plant and equipment are carried at cost, independent or directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the profit and loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the profit and loss and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

Previously depreciation was calculated on a straight-line basis, however the diminishing value method has been adopted for assets purchased this year and moving forwards as it is a more accurate reflection of the useful life of the company's assets.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	1 – 10%
Plant & Equipment	6 – 12.50%
Furniture & Fittings	10 – 20%
Air Conditioning	10 – 15%
Kitchen Equipment	20%
Office Equipment	12.50 – 50%
Motor Vehicles	25%

## **Maitland District Leagues Club Limited**

### **Notes to the Financial Statements**

**31 December 2017**

#### **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

Changes in the measurement are recognised through the profit and loss.

#### **Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in first out basis and is net of any rebates and discounts received.

#### **Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### **Investment Properties**

Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit.

The club's sole investment property at 6 Weblands Street, Rutherford was disposed of during the previous financial year.

#### **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to the short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **Borrowings**

Loans and borrowings are initially recognised at fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified non-current.

### **3. Critical Accounting Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *Provision for impairment for receivables*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

## Maitland District Leagues Club Limited

### Notes to the Financial Statements

31 December 2017

#### *Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimates lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting dates by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### *Recognition of deferred tax assets*

The deferred tax asset has not been recognised in the financial statements as per AASB 112 Income Taxes, the realisation of these assets is not considered probable.

#### *Employee benefits provision*

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting dates are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Going Concern*

As at 31 December 2017, the company's current liabilities (\$2,141,481) exceed its current assets (\$133,475) by \$2,008,006. This net current liability position consistent with 2016 and is due to classification of the company's borrowing as a current liability.

The borrowings include a fixed rate commercial bank bill of \$1,479,183 which matures and rolls over on a monthly basis. As the company has no right to defer settlement, these borrowing have been classified as a current liability at 31 December 2017 and as at 31 December 2016 in accordance with Australian accounting standards.

Cashflow concerns were addressed in March 2018 and the club was placed in voluntary administration in 11<sup>th</sup> March 2018. A Deed of Company Arrangement was executed on 30 April 2018

On 30 April 2018, the Board of MDLC executed a Memorandum of Understanding to Amalgamate with CMC. A notice of a general meeting to approve the amalgamation was sent to members of MDLC on or about 4 May 2018.

Contracts exchanged on 29 May 2018 for the sale the Club's premises. Settlement is scheduled to occur within 14 days after the conditions precedent have been satisfied, which is expected in August 2018.

At the Members General Meeting held on 30 May 2018, members approved the amalgamation with CMC

**Maitland District Leagues Club Limited**  
**Notes to the Financial Statements**  
**31 December 2017**

	2017 \$	2016 \$
<b>4. Revenue</b>		
<i>Sales revenue</i>	375,172	340,225
<b>Sales</b>		
Poker machines income	1,925,961	1,700,565
Commission income	44,034	47,861
Raffle income	129,586	139,757
Rent Income	12,200	28,000
Other Revenue	<u>68,654</u>	<u>49,535</u>
	<u>2,555,607</u>	<u>2,305,943</u>
 <i>Other revenue</i>		
Other Income	<u>71,313</u>	<u>26,257</u>
 Income	<u>2,626,920</u>	<u>2,332,200</u>
<b>5. Cash and cash equivalents</b>		
Cash on Hand	58,500	48,500
Cash at Bank	<u>611</u>	<u>130,905</u>
	<u>59,111</u>	<u>179,405</u>
<b>6. Trade and other receivables</b>		
<b>Current</b>		
Trade Debtors	3,167	22,099
Less Provision for Doubtful Debts	<u>(3,167)</u>	<u>(535)</u>
	<u>—</u>	<u>21,564</u>
<b>7. Inventories</b>		
<b>Current</b>		
Inventory Bar	<u>15,097</u>	<u>14,961</u>
	<u>15,097</u>	<u>14,961</u>



**Maitland District Leagues Club Limited**

**Notes to the Financial Statements**

**31 December 2017**

**8. Other Assets**

**Current**

Prepayments	54,267	59,511
Other Deposits	<u>5,000</u>	<u>5,000</u>
	<u>59,267</u>	<u>64,511</u>

**9. Property, plant and equipment**

Land & Building	3,978,332	3,978,332
Less: Accumulated Depreciation	(721,036)	(678,332)
Plant and Equipment - at Cost	862,361	838,240
Less: Accumulated Depreciation	(716,031)	(674,227)
<b>Total property, plant and equipment</b>	<u>3,403,626</u>	<u>3,464,014</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below;

	Land and Buildings \$	Plant and Equipment \$	Poker Machines \$	Total \$
Balance a 1 January 2017	3,300,000	164,014	---	3,464,014
Revaluation	---	---	---	---
Additions	---	24,121	---	24,121
Disposals	---	---	---	---
Depreciation expense	<u>(42,704)</u>	<u>(41,805)</u>	---	<u>(84,509)</u>
Balance at 31 December 2017	<u>3,257,296</u>	<u>146,330</u>	<u>---</u>	<u>3,403,626</u>

*Valuations of land and buildings*

The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The land and buildings were revalued in the previous year based on independent assessments by a member of the Australian Property Institute.

**10. Intangible Assets**

Poker Machine Entitlements	<u>1,561,942</u>	<u>---</u>
	<u>1,561,942</u>	<u>---</u>

Poker Machine entitlements were written off in previous financial years. An Independent valuation of 76 entitlements was conducted in March 2018 by Slattery Asset Advisory and valued at \$1,561,942.

**Maitland District Leagues Club Limited**

**Notes to the Financial Statements**

**31 December 2017**

**11. Employee Benefits**

Annual Leave	44,458	39,357
Long Service Leave - Current	<u>19,446</u>	<u>9,666</u>
	<u>63,904</u>	<u>49,023</u>

**12. Income Tax**

Provision for Income Tax	<u>---</u>	<u>---</u>
	<u>---</u>	<u>---</u>

**13. Trade and other payables**

**Current**

Trade Payables	124,669	113,133
BAS Payable	21,453	23,743
PAYG Payable	767	767
Other Payables	239,841	46,346
	<u>386,730</u>	<u>183,989</u>

**14. Borrowings**

**Current**

Hunter Premium Funding	62,071	61,095
Less: Unexpired Interest	(3,401)	(3,078)
St George Commercial Bill	1,479,183	1,479,183
Bank Overdraft	54,457	---
	<u>1,592,310</u>	<u>1,537,200</u>

**Non-current**

Hire Purchase Liability	58,496	42,155
Less: Unexpired Interest	(8,087)	(7,276)
	<u>50,409</u>	<u>34,879</u>

**15. Provisions**

**Non-current**

Long Service Leave	8,920	14,940
	<u>8,920</u>	<u>14,940</u>

**16. Other liabilities**

**Current**

Accrued Expenses	98,537	99,747
	<u>98,537</u>	<u>99,747</u>

**17. Key Management Personnel Disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

**Maitland District Leagues Club Limited**  
**Notes to the Financial Statements**  
**31 December 2017**

Aggregate Compensation	<u>83,577</u>	<u>45,588</u>
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**18. Related Party Transactions**

Transactions with related parties	<u>---</u>	<u>---</u>
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There were no loans to or from related parties during the current and previous reporting periods.

**Maitland District Leagues Club Limited**

**Directors' Declaration**

**31 December 2017**

**A.B.N 25 000 512 505**

In the Directors opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting standards– Reduced Disclosure requirements, the corporations Regulations 2001 and other mandatory professional reporting requirements.
- The attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the financial year ended on that date; and
- 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 made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

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Ben Newcombe  
President

21 May 2018

**Maitland District Leagues Club Limited**  
**Directors' Declaration**  
**31 December 2017**

**A.B.N 25 000 512 505**

**Report on the Financial Report**

We have audited the accompanying financial report of Maitland District League Club Limited (the company), which comprises the Directors' Declaration, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes In Equity, a summary of significant accounting policies and other explanatory notes for the financial year ended 31 December 2017.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Maitland District League Club Limited on 31 December 2017 would be in the same terms if provided to the directors as at the time of this auditor's report.

**Maitland District Leagues Club Limited**

**Compilation Report**

**31 December 2017**



**Opinion**

In our opinion:

- a. the financial report of Maitland District Leagues Club Limited is in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;
- b. The financial report also complies with International Financial Reporting Standards.
- c. As to address in the auditor report issued for the year ended 31 December 2016, point C of our opinion, we stated per the report " due to current liabilities being greatly exceeding current assets, therefore the company may not be able to pay debts as and when due for payment if the bank declines renewal of the loan" subject to that the club is placed into voluntary administration on 11 March 2018, Shaw Gidley was appointed. Subsequent to that, we understand that the agreement has been reached to cease its current operations as such reform in new structure for future years.

Signed on 29 June, 2018:

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Lindsay Karathanassis, Director Registered Company Auditor Licence No. 328217  
The Linkara Group Pty Ltd  
3/91 Frederick Street MEREWETHER NSW 2291



**Maitland District Leagues Club Limited**

**Compilation Report**

**A.B.N 25 000 512 505**

We have compiled the accompanying general purpose financial statements of Maitland District Leagues Club Ltd which comprise the Statement of Financial Position as at 31 December 2017, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 31 December 2017, a summary of significant accounting policies and other explanatory notes.

These have been prepared in accordance with the Financial Reporting framework described in Note 1 to the Financial Statements.

**The Responsibility of Directors**

The directors are solely responsible for the information contained in the general purpose financial statements and has determined that the financial reporting framework used is appropriate to meet their needs and for the purpose for which the financial statements were prepared.

**Our Responsibility**


On the basis of information provided by the directors, we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No Audit or review has been performed and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the content of the general purpose financial statements.

**Name of Firm:** Blackburn Business Advisers Chartered Accountants

**Name:**

  
\_\_\_\_\_  
Aaron Jupp

**Address:**

Suite 116/10 Kenrick Street, The Junction NSW 2291

**Dated this:**

17<sup>th</sup> April 2018



16 May 2018

Maitland District Leagues Club Limited  
8 Bulwer Street  
MAITLAND NSW 2320

Dear Directors,

**2017 FINANCIAL STATEMENTS AND TAX RETURN**

Your 2017 Financial Year-End documents are complete and ready for your endorsement.

This package contains:

1. Financial Statements
2. Income Tax Return
3. Letter of recommendations
4. Blackburn Business & Financial Services' Account

**Please examine the enclosed documents and when you are satisfied the details are correct, sign where indicated and return them to my office for lodgement with the Taxation Office.**

**1. Tax Position**

Company

Based on the information contained in the taxation return for Maitland District Leagues Club Ltd I have calculated that the Company will have no tax payable or refundable for the year.

The club will carry forward \$248,271 of tax losses and \$4,730,866 of Capital Losses.



## 2. Summary of Financial Data

### Maitland District Leagues Club Limited

	June 17 (12 months)	June 16 (12 months)
	\$	\$
Revenue	2,555,607	2,305,943
Other Income	<u>71,313</u>	<u>26,257</u>
Total Income	2,626,920	2,332,200
<u>Less:</u>		
Depreciation Expense	84,509	98,227
Salaries & Wages	697,007	593,123
Insurance	77,146	78,985
TGS Service Fees	787,894	569,232
Other Expenses	<u>1,468,749</u>	<u>1,231,759</u>
Total Expenses	<u>3,115,305</u>	<u>2,571,326</u>
Net Profit / (Loss)	<u>(488,385)</u>	<u>(239,126)</u>

Should you have any queries relating to the above please do not hesitate to contact my office.

Yours faithfully,



**Aaron Jupp**

BP:JD