

# **Cudgen Leagues Club Limited**

**ABN 18 001 518 574**

## **Financial Statements**

**For the Year Ended 31 December 2020**

# Cudgen Leagues Club Limited

ABN 18 001 518 574

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For the Year Ended 31 December 2020

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# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Directors' Report 31 December 2020

The directors present their report on Cudgen Leagues Club Limited for the financial year ended 31 December 2020.

### 1. General information

#### Directors

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

Names	Position	Appointed/Resigned
Peter J McConnell	Chairman	
Graeme M Lawrence	Treasurer	
Matthew N Prichard	Vice President	
Michael P Kennedy	Director	
Elizabeth A Fleming	Director	
Oscar N Gillie	Director	
John F Avery	Director	
Graeme D O'Grady	Director	Resigned 20th December 2020
Mark R Harrison	Director	Appointed 20th December 2020

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Peter J McConnell  
Qualifications Self Employed  
Experience 31 years

Graeme M Lawrence  
Qualifications Farmer  
Experience 14 years

Matthew N Prichard  
Qualifications Farmer  
Experience 4 years

Michael P Kennedy  
Qualifications Teacher  
Experience 24 years

Elizabeth A Fleming  
Qualifications Retired  
Experience 11 years

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Directors' Report

31 December 2020

### 1. General information

#### Information on directors

Oscar N Gillie

Qualifications Retired

Experience 4 years

John F Avery

Qualifications Retired

Experience 2 years

Mark R Harrison

Qualifications Self Employed

Experience 1 year

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Principal activities

The principal activity of Cudgen Leagues Club Limited during the financial year was to continue as a licensed club .

The following significant changes in the nature of the principal activities occurred during the financial year:

- Rebuild the premises due to a fire on the 4th of May 2020;
- Continue to service it's members with the limited resources available.

#### Short term objectives

The Company's short term objectives are to:

- To provide a licensed club and sporting facilities to specifically promoted the game of rugby league;
- To provide social, sporting activities, entertainment, and recreation opportunities ti members, their guests and to the broader community.

#### Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Obtain a level of operational profitability;
- develop a long term membership base that benefits from the club's success;
- regularly refine and enhance our strategic plan and;
- attract and retain quality staff and other support networks

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Directors' Report 31 December 2020

### 1. General information

#### Performance measures

The following measures are used within the Company to monitor performance:

- The Cudgen Leagues Club Ltd measures its performance by profit and patron satisfaction. Performance is also measured by monitoring actual results against budget forecasts.

#### Members' guarantee

Cudgen Leagues Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 1 for members that are corporations and \$ 3,200 for all other members, subject to the provisions of the company's constitution.

At 31 December 2020 the collective liability of members was \$ 3,200 (2019: \$ 3,200).

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Directors' Report

31 December 2020

### 2. Other items

#### Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Peter J McConnell	12	12
Graeme M Lawrence	12	12
Matthew N Prichard	12	12
Michael P Kennedy	12	12
Elizabeth A Fleming	12	12
Oscar N Gillie	12	12
John F Avery	12	12
Graeme D O'Grady	12	9
Mark R Harrison	1	1

#### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .....

Director: .....

Dated this ..... day of ..... 2020

Cudgen Leagues Club Ltd  
Auditor's Independence Declaration under section 307C of  
the Corporations Act 2001

28 July 2021

The Board of Directors  
Cudgen Leagues Club Ltd  
3 Wommin Bay Road  
KINGSCLIFF NSW 2487

This declaration is made in connection with our audit of the financial report of the Cudgen Leagues Club Ltd for the year ended 31 December 2020 and in accordance with the provision of the Corporations Act 2001.

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020 there have been:

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

Yours faithfully,

**WCA audit & assurance services pty ltd**  
Authorised Audit Company

Tania L Kirkland  
Director

**REGISTERED  
COMPANY  
AUDITORS**

GJ Smith  
BBus, LLB, CA, DipFP

SI Trustum  
BBus, CA, DipFP

TL Kirkland  
BBus, CA

**SMSF  
AUDITORS**

GJ Smith  
BBus, LLB, CA, DipFP

SI Trustum  
BBus, CA, DipFP

MJ Gahan  
BBus, CA, DipFP

**Lismore Office**

62 Woodlark St

PO Box 198

Lismore NSW 2480

† 02 6621 2581

**Ballina Office**

2/37-41 Cherry St

Ballina NSW 2478

† 02 6686 5655

© admin@wca.com.au

wca.com.au

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

Revenue - trading	4	518,731	2,204,559
Other revenue	4	273,121	264,695
Cost of sales		(149,679)	(679,959)
Direct Trading Expenses		(15,418)	(51,560)
Depreciation - ROU		(24,711)	(24,492)
Depreciation and Amortisation		(88,117)	(258,026)
Employee Benefits Expense		(478,438)	(692,249)
Finance costs		(9,226)	(14,666)
Other Expenses	5	(716,605)	(929,467)
<b>Profit before income tax</b>		<b>(690,342)</b>	<b>(181,164)</b>
Income tax expense		-	-
<b>Profit for the year</b>		<b>(690,342)</b>	<b>(181,164)</b>

The accompanying notes form part of these financial statements.



# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Statement of Financial Position

As At 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	591,685	31,036
Trade and other receivables	7	31,050	12,657
Inventories	8	6,931	52,436
<b>TOTAL CURRENT ASSETS</b>		<b>629,666</b>	<b>96,129</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	1,005,399	2,337,250
Right of use asset	10	18,115	99,048
Intangible assets	11	1,044	1,286
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,024,558</b>	<b>2,437,584</b>
<b>TOTAL ASSETS</b>		<b>1,654,224</b>	<b>2,533,713</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	397,086	563,924
Borrowings	13	107,089	12,227
Employee benefits	15	107,319	134,169
Other liabilities	14	-	3,584
Lease liability	10	27,396	33,775
<b>TOTAL CURRENT LIABILITIES</b>		<b>638,890</b>	<b>747,679</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	-	10,702
Employee benefits	15	-	1,026
Lease liability	10	-	68,631
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>80,359</b>
<b>TOTAL LIABILITIES</b>		<b>638,890</b>	<b>828,038</b>
<b>NET ASSETS</b>		<b>1,015,334</b>	<b>1,705,675</b>
<b>EQUITY</b>			
Retained earnings		1,015,334	1,705,675
<b>TOTAL EQUITY</b>		<b>1,015,334</b>	<b>1,705,675</b>

The accompanying notes form part of these financial statements.

**Cudgen Leagues Club Limited**

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**Statement of Changes in Equity  
For the Year Ended 31 December 2020**

2020

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 January 2020</b>	<u>1,705,675</u>
Net profit/(loss)	<u>(690,342)</u>
<b>Balance at 31 December 2020</b>	<u><u>1,015,334</u></u>

2019

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 January 2019</b>	<u>1,886,839</u>
Net Profit/(loss)	<u>(181,164)</u>
<b>Balance at 31 December 2019</b>	<u><u>1,705,675</u></u>

The accompanying notes form part of these financial statements.

# Cudgen Leagues Club Limited

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## Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	930,442	2,542,312
Payments to suppliers and employees	(1,504,210)	(2,485,678)
Interest received	25	2,703
Interest paid	(8,422)	(3,738)
Net cash provided by/(used in) operating activities	20 <u>(582,165)</u>	<u>55,599</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from disposal plant and equipment	1,100,000	37,540
Purchase of property, plant and equipment	(22,558)	(156,187)
Proceeds from sale of poker machine license	-	130,000
Net cash provided by/(used in) investing activities	<u>1,077,442</u>	<u>11,353</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	100,000	-
Repayment of borrowings	(15,839)	(54,254)
Payment of lease liabilities	(18,789)	(21,134)
Net cash provided by/(used in) financing activities	<u>65,372</u>	<u>(75,388)</u>
Net increase/(decrease) in cash and cash equivalents held	560,649	(8,436)
Cash and cash equivalents at beginning of year	<u>31,036</u>	<u>39,472</u>
Cash and cash equivalents at end of financial year	6 <u><u>591,685</u></u>	<u><u>31,036</u></u>

The accompanying notes form part of these financial statements.

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

The financial report covers Cudgen Leagues Club Limited as an individual entity. Cudgen Leagues Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Cudgen Leagues Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 28 July 2021.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

#### 2 Summary of Significant Accounting Policies

##### (a) Revenue and other income

###### Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### (b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (c) Goods and services tax (GST)

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 Australian Taxation Office (ATO).

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 2 Summary of Significant Accounting Policies

#### (c) Goods and services tax (GST)

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value.

#### (e) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### Land and buildings

Land and buildings are measured using the cost model.

##### Plant and equipment

Plant and equipment are measured using the cost model.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Land, Buildings & Improvements	Up to 13.3 years
Plant and Equipment	Up to 10 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### *Financial assets at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

##### *Available-for-sale financial assets*

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

###### **Financial assets**

business model for managing financial assets.

###### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

**Notes to the Financial Statements**  
**For the Year Ended 31 December 2020**

**2 Summary of Significant Accounting Policies**

**(f) Financial instruments**

**Financial assets**

*Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

*Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

**Financial liabilities**

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

**(g) 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.

**(h) Leases**

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.



## **Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

### **2 Summary of Significant Accounting Policies**

#### **(h) Leases**

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **(i) 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 the present value of the 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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### **(j) Going concern**

Notwithstanding the Company's deficiency in current asset to current liabilities and continued operating losses, the financial report has been prepared on the going concern basis. This basis has been adopted as the Directors believe that the Company can improve its financial position by management of expenses and increased revenues. The ability of the company to continue as a going concern is dependent upon the ongoing financial support of its' bankers, creditors and members. There is inherent uncertainty, in the absence of this support, that the company will be able to continue as a going concern and it may be required to realise its' assets and extinguish its' liabilities other than in the normal course of business and at amounts different from those stated in the financial statements. In such an event, provision may be required for any loss on realisation of the company's assets that may arise.

#### **(k) Economic dependence**

Cudgen Leagues Club Limited is dependent on funds from insurance claims, due to a fire on the 4th of May 2020. At the date of this report the directors have no reason to believe the insurance claim will not be successful and support Cudgen Leagues Club Limited

#### **(l) Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

##### Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### 4 Revenue and Other Income

##### Revenue from continuing operations

	2020	2019
	\$	\$
Bar Revenue	303,338	1,336,495
Poker Machine Revenue	207,042	821,801
Keno Commission	3,481	19,761
TAB Commission	4,870	26,503
<b>Total sales revenue</b>	<b>518,731</b>	<b>2,204,559</b>
	2020	2019
	\$	\$
Bowls income - green fees	17,325	21,088
Commissions	5,677	18,878
Interest received	25	2,703
Jobkeeper	222,450	13,897
Membership income	3,611	7,767
Gain on disposal of property, plant and equipment	-	166,410
Other income	24,033	33,952
<b>Total other revenue</b>	<b>273,121</b>	<b>264,696</b>

#### 5 Other Expenses

	2020	2019
	\$	\$
Other expenses:		
Accounting fees	14,539	13,200
Administration expense	79,586	144,694
Bad debts	8,065	-
Bowls	3,305	3,285

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Notes to the Financial Statements

For the Year Ended 31 December 2020

### 5 Other Expenses

	2020	2019
	\$	\$
Cleaning	4,859	11,191
Courtesy bus	5,283	2,428
Loss on disposal of assets	286,639	-
Member costs	19,853	189,753
Other expenses	-	13,532
Permits, licenses and fees	3,081	3,635
Promotions	44,109	134,381
Repairs and maintenance	90,884	152,269
Security costs	182	2,726
Staff expenses	5,584	3,824
Sundry expenses	11,336	1,969
Telephone and fax	9,065	10,903
TV, TAB and entertainment	30,434	92,254
Utilities	99,801	149,423
<b>Total other expenses</b>	<b>716,605</b>	<b>929,467</b>

### 6 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	591,685	31,036
<b>Total cash and cash equivalents</b>	<b>591,685</b>	<b>31,036</b>

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 7 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	31,050	12,657
<b>Total current trade and other receivables</b>	<b>31,050</b>	<b>12,657</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

#### 8 Inventories

	2020	2019
	\$	\$
CURRENT		
At cost:		
Finished goods	6,931	52,436
<b>Total inventories</b>	<b>6,931</b>	<b>52,436</b>

#### 9 Property, plant and equipment

	2020	2019
	\$	\$
Land, Buildings & Improvements		
At cost	1,268,626	3,501,722
Accumulated depreciation	(297,001)	(1,753,977)
<b>Total land, buildings and improvements</b>	<b>971,625</b>	<b>1,747,745</b>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	93,421	2,081,236
Accumulated depreciation	(59,647)	(1,491,731)
Total plant and equipment	33,774	589,505
<b>Total property, plant and equipment</b>	<b>1,005,399</b>	<b>2,337,250</b>

##### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

# Cudgen Leagues Club Limited

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## Notes to the Financial Statements For the Year Ended 31 December 2020

### 9 Property, plant and equipment

#### (a) Movements in Carrying Amounts

	Land, Buildings & Improvements \$	Plant and Equipment \$	Total \$
<b>Year ended 31 December 2020</b>			
balance at the beginning of the year	1,747,745	589,505	2,337,250
Additions	-	22,558	22,558
Disposals	(757,689)	(508,846)	(1,266,535)
Depreciation	(18,431)	(69,443)	(87,874)
<b>Balance at the end of the year</b>	<b>971,625</b>	<b>33,774</b>	<b>1,005,399</b>

### 10 Leases

#### Company as a lessee

The Company has leases over a range of assets including land, equipment and IT equipment.

The Company has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

#### Right-of-use assets

	Plant and Equipment \$	Office Equipment \$	Total \$
<b>Year ended 31 December 2020</b>			
Balance at beginning of year	32,604	66,444	99,048
Depreciation charge	(14,489)	(10,222)	(24,711)
Disposal of right-of-use assets	-	(56,222)	(56,222)
<b>Balance at end of year</b>	<b>18,115</b>	<b>-</b>	<b>18,115</b>

	Plant and Equipment \$	Office Equipment \$	Total \$
<b>Year ended 31 December 2019</b>			
Additions to right-of-use assets	43,467	80,073	123,540
Depreciation charge	(10,863)	(13,629)	(24,492)
<b>Balance at end of year</b>	<b>32,604</b>	<b>66,444</b>	<b>99,048</b>

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 10 Leases

##### Lease liabilities

	2020	2019
	\$	\$
CURRENT		
Lease liability	27,396	33,775
<b>Balance at end of year</b>	<b>27,396</b>	<b>33,775</b>
	2020	2019
	\$	\$
NON-CURRENT		
Lease liability	-	68,631
<b>Balance at end of year</b>	<b>-</b>	<b>68,631</b>

#### 11 Intangible Assets

	2020	2019
	\$	\$
Intangible assets		
Licence	10,647	10,647
Accumulated amortisation and impairment	(9,603)	(9,361)
<b>Net carrying value</b>	<b>1,044</b>	<b>1,286</b>
<b>Total Intangibles</b>	<b>1,044</b>	<b>1,286</b>

#### 12 Trade and Other Payables

	2020	2019
	\$	\$
Current		
Trade payables	108,461	224,470
Payables - poker machines	144,181	192,852
GST payable	108,289	81,432
Payroll liabilities - PAYG	3,176	31,254
Payroll liabilities - super	32,979	33,914
<b>Total payables</b>	<b>397,086</b>	<b>563,922</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

# Cudgen Leagues Club Limited

ABN 18 001 518 574

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 13 Borrowings

	2020	2019
	\$	\$
CURRENT		
Secured liabilities:		
Bank overdraft	-	3,255
Hire purchase - Two pros	10,702	8,972
NAB COVID support loan	96,387	-
<b>Total current borrowings</b>	<b>107,089</b>	<b>12,227</b>
NON-CURRENT		
Secured liabilities:		
Hire purchase - Two pros	-	10,702
<b>Total non-current borrowings</b>	<b>-</b>	<b>10,702</b>
<b>Total borrowings</b>	<b>107,089</b>	<b>22,929</b>

Leased liabilities are secured by the underlying leased assets.

### 14 Other Liabilities

	2020	2019
	\$	\$
CURRENT		
Members Subscriptions received in advance	-	3,584
<b>Total</b>	<b>-</b>	<b>3,584</b>

### 15 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Provision for employee benefits	107,319	134,169
<b>Total</b>	<b>107,319</b>	<b>134,169</b>
Non-current liabilities		
Provision for employee benefits	-	1,026
<b>Total</b>	<b>-</b>	<b>1,026</b>

## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 16 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 1 each towards meeting any outstandings and obligations of the Company. At 31 December 2020 the number of members was 3,200 (2019: 3,200).

#### 17 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Cudgen Leagues Club Limited during the year are as follows:

	2020	2019
	\$	\$
Short-term employee benefits	130,229	125,711
Post-employment benefits	11,339	11,569
<b>Total</b>	<b>141,568</b>	<b>137,280</b>

#### 18 Contingencies

##### Insurances Funds

After the fire on the 4th of May 2020, the company made substantial insurance claims due to the loss of the entity's buildings, plant and equipment and inventory. At reporting date the entity has received \$1,100,000 in insurance proceeds. It is expected the entity will be receiving additional \$500,000 insurance proceeds throughout the following financial year.

#### 19 Related Parties

(a) **The Company's main related parties are as follows:**

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) **Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.



## Cudgen Leagues Club Limited

ABN 18 001 518 574

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 20 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	\$
Profit for the year	(690,341)	(181,164)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	112,828	282,518
- net (gain)/loss on disposal of property, plant and equipment	286,639	(166,411)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(18,393)	17,848
- (increase)/decrease in inventories	45,505	2,100
- increase/(decrease) in trade and other payables	(286,941)	106,581
- (increase)/decrease in other liabilities	(3,584)	(639)
- increase/(decrease) in provisions	(27,877)	(5,234)
Cashflows from operations	<u>(582,165)</u>	<u>55,599</u>

#### 21 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 July 2021 by the Board of Directors.

##### Impact of fire Damage

On Monday the 4th of May 2020 a fire destroyed the entity's buildings, plant and equipment and inventory. The entity does have insurance against fire damage and loss of trading. In the directors opinion the entity remains a going concern.

##### COVID 19

As a result of the latest instances of the COVID-19 in the community, ongoing economic uncertainties have arisen which are likely to have a financial impact on the Entity. These additional financial impacts expected as a result of the spread of COVID-19 cannot be reliably measured at this time and are likely to be ongoing.

#### 22 Statutory Information

The registered office and principal place of business of the company is:

Cudgen Leagues Club Limited  
3 Wommin Bay Road  
Kingscliff  
NSW 2487

# Cudgen Leagues Club Limited

ABN 18 001 518 574

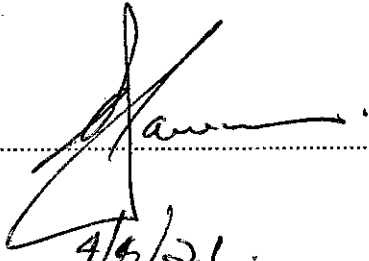
## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

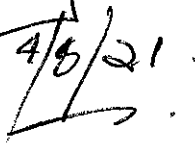
Director .....



Director .....



Dated



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUDGEN LEAGUES CLUB LIMITED

### Disclaimer of Opinion

We were engaged to audit the financial report of Cudgen Leagues Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this financial report.

### Basis for Disclaimer of Opinion

On 4<sup>th</sup> May 2020, the business premises of the Company were in part destroyed by a fire. This also resulted in the destruction of the financial records of the Company, especially those pertinent to the 2019 and 2020 financial year.

As a result, we are unable to confirm;

- Existence of Property plant and equipment and any accompanying impairment of those values, especially pending finalisation of the Company's insurance claim;
- Other balance sheet items relating to trading, vis payables, receivables and other balance sheet trading related items.

As a result of these matters, we were unable to express an opinion on the accompanying financial report of the Company.

### Emphasis of Matter

We draw attention to Note 2(i) of the financial statements which describes the adoption of the Going Concern basis of accounting and the inherent uncertainties applicable in the adoption of this assumption. Our opinion is not modified in respect of this matter.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2020 but does not include the financial report and our auditor's report thereon.

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

**REGISTERED  
COMPANY  
AUDITORS**

GJ Smith  
SBSA, LLB, CA, DIPP  
SI Truistum  
SBSA, CA, DIPP  
TL Kirkland  
SBSA, CA

**SMSF  
AUDITORS**

GJ Smith  
SBSA, LLB, CA, DIPP  
SI Truistum  
SBSA, CA, DIPP  
MJ Gahan  
SBSA, CA, DIPP

Lismore Office  
62 Woodlark St  
PO Box 198  
Lismore NSW 2480  
t 02 6621 2681

Ballina Office  
2/37-41 Cherry St  
Ballina NSW 2478  
t 02 6686 6665

admin@wca.com.au  
wca.com.au

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUDGEN LEAGUES CLUB LIMITED

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### Other Information Cont.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Directors for the Financial Report

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

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

### Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

[A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.]

wca audit & assurance services pty ltd  
Authorised Audit Company

Tania L Kirkland  
Director

REGISTERED  
COMPANY  
AUDITORS

GJ Smith  
BBus, LLB, CA, DipFP

SI Trustrum  
BBus, CA, DipFP

TL Kirkland  
BBus, CA

SMSF  
AUDITORS

GJ Smith  
BBus, LLB, CA, DipFP

SI Trustrum  
BBus, CA, DipFP

MJ Gahan  
BBus, CA, DipFP

Lismore Office  
62 Woodlark St  
PO Box 198  
Lismore NSW 2450  
t 02 6621 2581

Ballina Office  
2/37-41 Cherry St  
Ballina NSW 2478  
t 02 6686 5655

e admin@wca.com.au  
wca.com.au

**CUDGEN LEAGUES CLUB LTD**

**DIVISIONAL TRADING STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
Bar Income		303,338	1,336,495
<b>LESS COST OF GOODS SOLD</b>			
Opening Stock		52,436	54,536
Bar Purchases		149,679	675,753
		<u>202,115</u>	<u>730,289</u>
Closing Stock		6,931	52,436
		<u>195,184</u>	<u>677,853</u>
<b>GROSS PROFIT</b>		<u>108,154</u>	<u>658,642</u>
<b>GROSS PROFIT %</b>		35.65%	49.28%
<b>LESS DIRECT COSTS</b>			
Bar Sales Variances		-	46
Wages - Bar		114,575	371,143
Consumables		-	1,928
		<u>114,575</u>	<u>373,117</u>
<b>GROSS TRADING PROFIT</b>		<u><u>(6,421)</u></u>	<u><u>285,525</u></u>

The accompanying notes form part of these financial statements.

**CUDGEN LEAGUES CLUB LTD**

**DIVISIONAL TRADING STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
Keno Commissions Received		3,481	19,761
<b>LESS DIRECT COSTS</b>			
Keno Fee		354	1,537
<b>GROSS TRADING PROFIT</b>		<b>3,127</b>	<b>18,223</b>

The accompanying notes form part of these financial statements.

**CUDGEN LEAGUES CLUB LTD**

**DIVISIONAL TRADING STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
Poker Machine Income		189,862	804,621
Government GST Compensation		17,180	17,180
		<u>207,042</u>	<u>821,801</u>
<b>LESS DIRECT COSTS</b>			
Licences Service & Support		5,322	25,656
Monitoring Fees		8,507	19,512
		<u>13,829</u>	<u>45,168</u>
<b>GROSS TRADING PROFIT</b>		<u><b>193,213</b></u>	<u><b>776,633</b></u>

The accompanying notes form part of these financial statements.

## CUDGEN LEAGUES CLUB LTD

### DIVISIONAL TRADING STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
TAB Commissions Received		4,870	26,503
<b>LESS DIRECT COSTS</b>			
TAB Wages		-	7,421
TAB Expenses		1,235	4,854
		<u>1,235</u>	<u>12,275</u>
<b>GROSS TRADING PROFIT</b>		<u><b>3,635</b></u>	<u><b>14,228</b></u>

The accompanying notes form part of these financial statements.



## CUDGEN LEAGUES CLUB LTD

### PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
<b>INCOME</b>			
Gross Profit from Trading		193,554	1,094,609
Interest Received		25	2,701
Profit on Sale of Asset		-	166,410
Other Revenue			
- Bowls Income		17,325	21,088
- Commissions		5,677	18,878
- Functions		18,011	21,903
- Jobkeeper		222,450	-
- Memberships		3,611	7,767
- Other Income		14,079	14,954
- Raffle Income		364	10,993
		475,096	1,359,304
<b>LESS EXPENDITURE</b>			
Advertising		6,353	21,314
Auditors' Remuneration		13,200	13,200
Bank Charges		804	5,018
Bowls Expenses		2,591	3,285
Bus Operating Costs		5,283	2,428
Business Insurance		68,543	59,429
Catering & Functions		182	2,726
Cleaning		4,859	11,191
Club Promotions		44,109	134,381
Computer Expenses/ Software		6,978	6,245
Coffee Machine Supplies		6,600	99
Depreciation		112,585	282,518
Donations		-	33,545
Employment Expenses		326,380	313,685
Entertainers		16,200	50,665
Fees Licences and Subscriptions		4,509	4,298
Foxtel		8,765	22,145
Hire of Equipment		4,736	1,870
Interest Paid		9,422	9,648
Legal Costs		1,339	-
Loss on Sale of Assets		286,639	-
Member Expenses		19,853	189,752
Printing, Stationery & Stamps		4,704	23,499
Rates Water & Utilities		99,801	149,423
Repairs & Maintenance		90,884	152,269
Sky Channel		5,469	19,575
Sporting Grants		-	13,532
Staff Training & Welfare		5,584	3,824
Telephone		9,065	10,903
		1,165,438	1,540,468
<b>NET OPERATING PROFIT (LOSS)</b>		(690,342)	(181,164)

The accompanying notes form part of these financial statements.

