



ANNUAL REPORT

FOR THE YEAR ENDED 31 OCTOBER 2023

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ABOUT HOLMAN BARNES GROUP (HBG)

Established in October 1955 to support the Western Suburbs District Rugby League Football Club, Holman Barnes Group has steadily grown from its very small beginnings. Commencing operations in a small building located on what is now one of our carparks, we grew and underwent our first major redevelopment in the early 60s and in October 2002, operations moved into the current Wests Ashfield building.

Our three clubs (Wests Ashfield, Croydon Sports and Markets Club) are conveniently located, providing a large variety of entertainment facilities, including function rooms and state-of-the-art dining options.

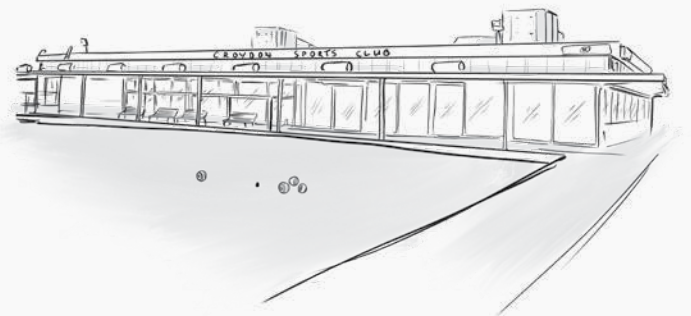
Holman Barnes Group is committed to providing high standards of service delivery, ongoing support to the local community and providing the best general entertainment and hospitality services for our diverse membership.

Our membership has grown steadily over the years and is now recognised as one of the most culturally diverse of any club. With a proud tradition of providing quality service, we have a strong commitment to improving and expanding business operations and extending the range and quality of services we offer.

WESTS ASHFIELD



CROYDON SPORTS



MARKETS CLUB



KEITH HOLMAN



Keith Victor Holman, MBE (11 September 1927 – 11 October 2011) was an Australian Rugby League footballer, a national and state representative halfback whose club career was with Western Suburbs from 1948 to 1961. He has

been named as one of the nation's finest footballers of the 20th Century. After retiring as a player, Holman was coach of Wests and later became one of the game's top-level referees.

He was appointed a Member of the Order of the British Empire (MBE) in 1977. He had the rare honour of being made a Life Member of Western Suburbs while still playing and was awarded Life Membership of the New South Wales Rugby League in 1983. He was later selected in the Wests Tigers' Team of the Century and the Western Suburbs Magpies Team of the Century.

In 2003, he was admitted into the Australian Rugby League Hall of Fame and in 2007, he was selected by a panel of experts as the halfback in the Australian 'Team of the 50s'. In February 2008, Holman was named in the list of Australia's 100 Greatest Players (1908–2007), which was commissioned by the NRL and ARL to celebrate the code's centenary year in Australia. In 2008, the Western Suburbs Magpies celebrated their centenary by inducting six inaugural members into the club's Hall of Fame. These six included Holman.

KEITH BARNES



William Keith Barnes AM (born 30 October 1934), also known by the nickname of "Golden Boots", is a Welshborn Australian Rugby League footballer who played in the 1950s and 1960s, and coached in the 1960s, 1970s

and 1980s. He was a fullback for the Australian national team and for the Balmain Tigers. He played in 14 Tests between 1959 and 1966 and as national captain on 12 occasions. After his playing days, Barnes became an outstanding administrator with the Balmain Club, as well as co-commentating on the Amco Cup on Network Ten with Ray Warren in the 1970s.

An excellent goal kicker, he is considered one of the nation's finest footballers of the 20th Century. At the turn of the century, Barnes was honoured with selection in the Balmain's Team of the Century and in the Wests Tigers' Team of the Century. The Wests Tigers annual Best Player Award is the Kelly-Barnes Award. In 2007, he was inducted into the Australian Rugby League Hall of Fame.

In February 2008, Barnes was named in the list of Australia's 100 Greatest Players (1908–2007) which was commissioned by the NRL and ARL to celebrate the code's centenary year in Australia. On 26 January 1996, he was named a Member of the Order of Australia in "recognition of service to rugby league as a player and administrator". On 24 October 2000, he was awarded the Australian Sports Medal for his rugby league achievements.

BEHIND THE NAME

Beyond their masterful rugby league talents, Keith Holman and Keith Barnes were men of integrity.

They achieved acknowledgement from their respective countries for their contributions both on and off the field. They were men of honour, pride and commitment. They represented the best in their sport and in the game.

We pay homage to their courage and determination, unflagging spirit and ability to bring people together in support of their team.

It's our desire to harness that same spirit and forge a partnership that will acknowledge them now and for a long time into the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Following an initiative led by the Board of Directors, the Executive team have commenced a series of workshops aimed at defining and identifying the role of Environmental, Social, and Governance (ESG) within the Company. ESG prospects, risks, and reporting will be the main topics of the first ESG strategy. After that, the ESG working group will create a roadmap and solutions to create an efficient, real, and open ESG strategy.

To generate value and optimise risk and opportunity, HBG will dedicate itself to integrating ESG into our Company operations, management systems, and decision-making procedures.

To achieve our commitment to ESG, the workshop will focus on three key pillars:

01 Environmental:

This pillar encompasses efforts to reduce carbon emissions, conserve resources, and mitigate environmental impact. Initiatives may include adopting renewable energy sources, implementing waste reduction strategies, and promoting eco-friendly practices throughout operations.

02 Social:

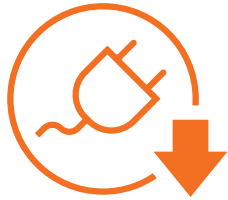
HBG aims to address social issues such as diversity, equality, inclusion, and community engagement. This pillar emphasises fostering a diverse and inclusive workplace, supporting local communities through philanthropy and volunteerism, and ensuring fair labour practices across the supply chain.

03 Governance:

Good governance practices are vital for ensuring transparency, accountability, and ethical decision-making within the organisation. This pillar involves establishing robust corporate governance structures, adhering to regulatory compliance standards, and maintaining integrity in all business dealings.

By focusing on these key pillars and objectives, Holman Barnes Group can demonstrate its commitment to sustainability, responsible business practices, and long-term value creation for both stakeholders and society as a whole.

For the 12 months of 2023, Holman Barnes Group reduced their energy consumption by...

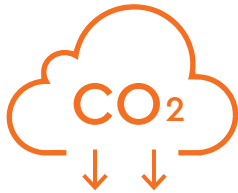


338,284kWh

or

9.1%

compared to 2019



This equates to

267 tonnes

in CO₂ emissions



This is equivalent to planting

8,300 trees

per year

Furthermore, your Club reduced their energy costs by...



\$72,000

compared to 2019

This equates to

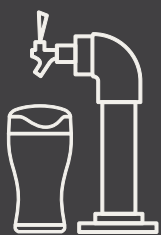
13.6%

savings

*2023 Figures reflected are in comparison to FY 2019, due to two shutdowns of our venues over 2020 & 2021 caused by Covid-19 lockdown measures

FACTS & FIGURES

2022/23



232,145

Units of tap beer sold



34,139

Units of wine sold



69,296

Main meals served



392,947

Visitation



35

Intra Clubs



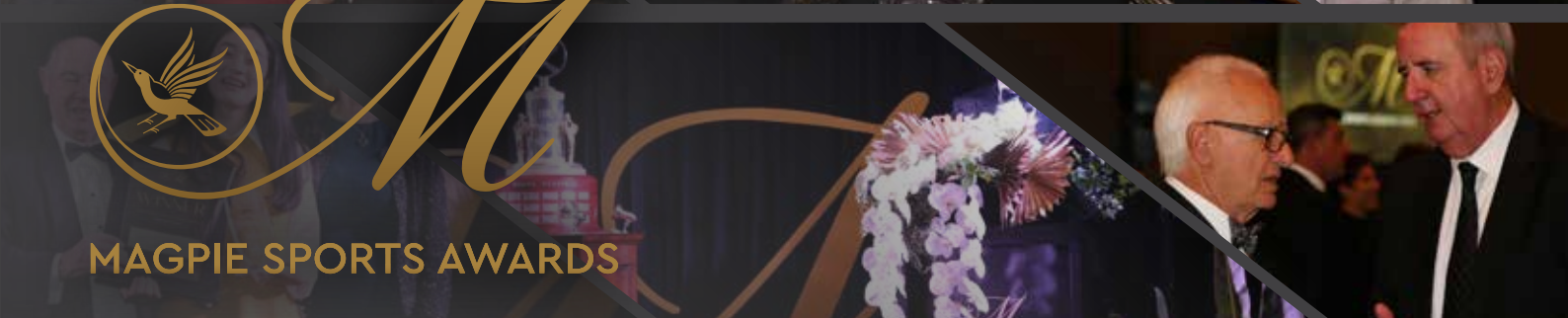
27,524

Members



\$3,392,652

ClubGRANTS funding issued



MAGPIE SPORTS AWARDS

BOARD OF DIRECTORS



TONY ANDREACCHIO

CHAIRMAN

With almost three decades' experience in local business (the past 23 as Principal of Raine & Horne Real Estate Ashfield), over 30 years membership of Wests Ashfield and a lifelong passion for rugby league, Tony Andreacchio is a true local.

For more than a decade, Tony has been an executive of the Ashfield Chamber of Commerce; Area Chairman of the Ashfield Salvation Army Red Shield Appeal and a conference member of the Ashfield St Vincent's De Paul Society.

His many and varied social and community interests include financial support of the Reverend Bill Crews' Exodus Foundation, Father Chris Riley's Youth Off the Streets, APIA Leichhardt Tigers Soccer Club and inner west sport.

Tony is a long-time member of the Pratten Park Magpies and was appointed to the Board of Western Suburbs District Rugby League Football Club in 2014. Tony is committed to the integration of the Wests family, while maintaining the Magpie heritage and identity.

He has been a Board member of the NRL Wests Tigers.

Raised in Summer Hill, Tony has lived in the inner west his whole life and has passionately followed rugby league, supporting the Western Suburbs Magpies since their days at Pratten Park and now the Wests Tigers.

With his hands-on local business knowledge and active membership of more than a dozen social and sporting clubs and organisations, Tony brings to Wests Ashfield real-world financial acumen, competitive insight and enthusiasm. Tony is also a member of the Australian Institute of Company Directors.



JULIE ROMERO

DEPUTY CHAIR

Julie Romero was elected to the Holman Barnes Group (HBG) Board of Directors in 2020 and is the first female Director and Deputy Chair in the Club's history; a significant achievement. Julie is also Chair of the Group's Board Audit and Risk Committee, Building and Future Projects Committee and a member of the Governance Committee. She has previously been Deputy Chair of Wests Magpies and a Director of Wests Tigers.

Julie was introduced to the Club through her love of Wests Magpies and Wests has been a part of Julie's life for as long as

she can remember. She is a lifelong Wests Magpies supporter who started attending games when she was just 3 years old. When Wests Magpies relocated to Campbelltown in 1987, Julie volunteered her time as the founding Secretary of the official Western Suburbs Magpies Supporters Club. The Supporters Club raised valuable funds for the football club for many, many years.

A longstanding Leagues Club member, Julie became a Debenture Holder in January 2009. Julie was the Debenture Holder Secretary from February 2010 to December 2012 and in February 2014, was elected Chairperson, a role she held until February 2020, when nominated for election to the Board of Directors. Being a Director of HBG has been a lifelong ambition of Julie's and the driving force behind her application for a Debenture.

Aside from Wests, Julie is passionate about her family, friends and career and has many other varied interests, ranging from animal welfare, climate change and sustainability through to sports, reading and arts and crafts. She has a 35+ year career in the insurance industry and has worked for Australia's largest insurer, as well as one of the largest global insurance brokerages. She has held leadership and managerial roles and worked extensively in business development, sales and marketing, corporate governance, relationship and account management. Julie has strong business acumen and skills, including experience managing organisational P&L, identifying and implementing risk management and minimisation strategies, and designing organisational process and policy.

The ethics and values held by Julie include honesty, respect, courage, authenticity and open- mindedness. Julie greatly values and admires the work Holman Barnes Group does in the community and has a keen interest in diversification of income streams and sound governance to protect the Group's future and preserve its rich history and tradition.



DENNIS BURGESS (OAM)

DIRECTOR

Dennis has been a Director of Western Suburbs Leagues Club Ltd/Holman Barnes Group for the past 23 years and a Debenture Holder since 1996. He is the current Chairman of Western Suburbs Magpies (Western Suburbs District Rugby League Football Club Ltd) and is the Songwriter/Performer of one of Wests Magpies Club Songs – 'Glory

Boys'. Dennis has spent time on the Board of Wests Tigers, and currently Chairs Wests Ashfield's Community Engagement Committee, as well as sitting on the Club's Judiciary Committee and Heritage Committee.

Dennis is a Professional Musician and Managing Director of Burgess Ventures, which encompasses Regal Records, A Red Letter Day (Event Management), UBERfest Music Festivals, Burgess Bookings and Above All Secretarial. He is vocalist/bass player in 'Dead Singer Band – Lost Legends Showcase' and the vocalist in duo 'Double D'. Through Denny Burgess Management, he looks after the affairs of various Australian artists.

Other business involvements include Dennis being Chairman of the 'Australian Songwriters Association' (ASA), Patron of the 'Association of Artists Managers' (AAM) and MusicOz, past Director of the 'Australian Songwriters Official National Group' (ASONG), and an active member of both the 'Association of Independent Record Labels' (AIR) and 'Support Act Limited' (SAL).

Born and raised in Wests territory, Dennis was educated at Christian Brothers College, Burwood. He is married to Clare and father to 23 year old son Cole. Dennis is passionate about Holman Barnes Group and all aspects of Wests; its past, its present and its future.

On Australia Day 2024, Dennis was awarded an Order of Australia Medal (OAM) for services to the Performing Arts and the Music Industry.



RICK WADE

DIRECTOR

Raised in Lidcombe and residing in Croydon for the past 16 years, Rick has followed the fortunes of the Western Suburbs Rugby League team (Wests Magpies) and witnessed the evolution of Wests Ashfield Leagues Club since his earliest days.

He initially became a Football Club Official in 1981 and was appointed as the Magpies' first full-time General Manager in 1983. Subsequently, Rick has served on a variety of Wests Boards, initially elected as a Director of Wests Ashfield Leagues Club in 1984.

Rick has been employed in a variety of other roles with sporting and business bodies, including being appointed as South Sydney Rugby League Club's inaugural Marketing Director. Along with a long term involvement in broadcasting including stints at several prominent Sydney radio stations, Rick also served as National Advertising Manager for Festival Records for eight years, until 1983.

The continued development of Wests Ashfield Leagues Club, The Markets Club at Flemington and Wests Sports Croydon plus the exciting new development at Rozelle, as first class amenities for Members and guests, remains a priority for Rick. His Club activities include organising and compering on occasion, fundraising initiatives for both the Wests Magpies (e.g., 'Magpie Heritage Night') and the Western Suburbs District Cricket Club, where Rick is currently Vice President. As Chair of the Heritage Committee and Wests Tigers Foundation, Rick is also responsible for co-ordinating the activities of Wests Archives.



VINCE TROPICANO

DIRECTOR

Appointed to the Board of Directors in July 2020, Vince Tropicano has been a member of the Club since the late 1980's and a Debenture Holder since February 1996.

Vince has recently retired from the motor vehicle industry after serving 48 successful years in senior leadership positions within the Australian Ford Motor Company.

During this period, Vince served as the President for the Service Managers Association and also as the Delegate for the NSW Service Managers Association.

He has been awarded and decorated with honours such as the prestigious Ford Motor Company Presidents' Award on 16 occasions and has won Platinum and Gold Awards for Highest Growth Achiever in Sales and Excellence in Customer Service.

His management abilities have seen him train and lead 500 Apprentices and 400 Technicians. He has an obsession for customer service and the ability to lead by example, whilst delivering immediate and sustainable results.

Vince's professional qualifications include – Diploma in Sales & Marketing, ClubsNSW Certificate in Finance for Club Boards and ClubsNSW Certificate in Director Foundation and Management Collaboration.

Vince's success comes from his devotion to family, friends and the Western Suburbs Football Club.



DAVID GILBERT

DIRECTOR

David has over 30 years sports administration experience in Australia and the UK, which includes 12 years as the Chief Executive Officer of Cricket NSW (2001–2013).

He has served as a Board Director for the

Bradman Foundation, NSW Business Chamber and the Sydney Cricket and Sports Ground Trust during this period. He served as the President of the Western Suburbs District Cricket Club between 2014–2018.

David's connection with Wests Ashfield Leagues Club stretches back to the 1980's and its sponsorship of WSDCC at Pratten Park, whom he played for. He enjoyed a decade-long playing career at State level for NSW and Tasmania and represented Australia in 9 Test matches and 14 One-Day Internationals before retiring in 1992. He is a lifelong sports fan, with a particular passion for golf and is a Concord Golf Club Member.

A Wests Ashfield Leagues Member since 2014, David became a Debenture Holder in 2019 and was appointed to the Club's Board in August 2021 to fill the casual vacancy caused by the passing of former Chairman, Mike Bailey OAM. He was subsequently re-elected Director for a 3-year term in March 2022.

David is the Chair of the Club's Governance Committee and also serves on the Community Engagement /ClubGRANTS and Future Projects/ Building Committees.

Since 2018, David has been employed by Cricket Australia as a Match Referee for their male & female national competitions. He also performs the same role for the International Cricket Council for tournaments played in the Asia/Pacific region under their control.



STEPHEN MONTGOMERY

DIRECTOR

Steve has had an association with the Club since the 1990's and was appointed to the Board of Directors in March 2023.

Originally from rural NSW, Steve went to school in Wests heartland of Campbelltown and now resides in the

inner west. His formal qualifications include a Bachelor of Science Degree (Agriculture), Diploma in Education, Diploma in Legal Practice and an Honours Degree in Law.

A lawyer by profession, he was admitted as a barrister in 1991 and has held a solicitor's practicing certificate for about 30 years. Steve has conducted his own law practice for about 25 years after serving in several senior public service positions, where his expertise was rewarded with a Premier's public sector management award.

Steve was also previously a schoolteacher and a farmer.

For much of the last 20 years, Steve has held a range of judicial and quasi-judicial positions, where his speciality is administrative law; he is currently a Senior Member of the New South Wales Civil and Administrative Tribunal.

Away from work, Steve has a passion for music and is a keen rugby league follower. Steve's many and varied roles in his working life means he brings to the Board many different skills such as strategic planning, analytical thinking, evidence-based decision-making and as with most folk reared in rural areas, a healthy dose of common sense.

The future growth and development of the Holman Barnes Group is Steve's priority in his role as a Director.



IN MEMORY OF

PETER HARDGROVE

16/11/1950 – 15/12/2023

Just prior to Christmas 2023 we were saddened to learn of the passing of past Wests Ashfield Chairman, Mr Peter Hardgrove. A member of the Club since 1979, Peter was elected to the Board of Wests Ashfield Leagues in 1988 and assumed the role of Chairman in 2001, serving in that role until 2011. He was awarded Life Membership of the Club in 2001.

Peter was also a Director of Wests Tigers Rugby League Football Club, and was a proud Chairman as they tasted premiership success in 2005. Peter was awarded Life Membership in 2021. That same year, following his long involvement with Leagues Clubs Australia (formerly Leagues Clubs Association NSW), Peter became President of the Association, a position he held until his passing. He was also awarded Life Member of the Association.

As a keen golfer, Peter has had an association with Wests Ashfield Men's Golf Club for over 50 years,

and is a Life Member and past President of Wests Ashfield Men's Golf Club and was long-time Patron of Wests Ashfield Ladies Golf Club.

In later years, Peter involved himself more with his "local", Croydon Sports, where he has served on the Western Suburbs Leagues Men's Bowling Club Committee. He was Chairman of the Bowling Club for many years. Peter was also awarded Life Member of the Bowling Club in 2019.

Peter was a retired Police Officer, with a career spanning over 30 years as a member of the NSW Police Force.

Peter is survived by children, Josh and Lauren and grandchildren Billie and Ella. Our thoughts and sympathies remain with them, their partners, Peter's partner Julie Romero and brother and former Wests Ashfield Leagues Director, John. May he rest in peace.



IN MEMORY OF **MICHAEL BTAICHE**

04/04/1973 – 17/02/2024

Staff and patrons of HB Group were rocked by the passing of the group's Business Analyst, Michael Btaiche in mid-February 2024, after a period of illness. Michael joined us from Star Casino in 2017, and his ability to provide the reports, analysis and forecasting to the group played an integral part in our success over this period.

Whilst Michael was respected and appreciated for his brilliant analytical skills, he was a much loved member of the HB "family" who lived life to the full, dedicated to his partner Mandy; pumping iron, racehorses (often slow ones), St George Dragons (with a soft spot for the Wests Tigers), and Al Jannah Chicken!

Michael was a gentle giant whose imposing stature belied a heart of gold, which made him extremely popular with our patrons, of which he was particularly caring towards the elderly and vulnerable. To Mandy and Michael's family, we offer our sincere condolences. May he Rest in Peace.

CHAIRMAN'S REPORT

On behalf of your Board of Directors, I am delighted to be given the privilege to present for your approval and adoption, the Holman Barnes Group (HBG) Annual Report for the year ending 31 October 2023. As can be seen by the figures contained within this report, the Group has recorded another successful trading year, despite the trying economic circumstances impacting many parts of the community. My congratulations go to all concerned in achieving these results.

The positive outcome of the financial year played a pivotal role in HB Group's significant contribution to the community across numerous domains. Our ClubGRANTS funding across three categories reached an impressive total of \$3,392,652 marking an increase of \$176,885 compared to the previous year.

Category 1 funding once again proved instrumental in benefiting numerous deserving charity and welfare organisations, including but not limited to, Women's Justice Network, Child Abuse Prevention, Vision Australia, Karitane and Learning Links.

Category 2 extended financial support to several local schools and sporting organisations, in addition to sponsoring cultural and community events organised by Inner Wear Council. Further details on these initiatives can be explored in the Community Stories section on page 24.

It gives me immense pleasure to also share with you the success and joy surrounding the long-awaited return of the 61st Magpie Sports Awards that took place on Friday, 26 May 2023. Following a three-year hiatus imposed by the pandemic, this iconic event once again illuminated



our community with the celebration of outstanding sporting organisations, champions and volunteers.

This year, a total of \$20,000 in prize money was distributed among the deserving recipients and their respective sporting organisations. Additionally, the Magpie Team Award winners were treated to an exclusive tour of the Wests Tigers Centre of Excellence.

The gala night, held at Wests Ashfield was a night to remember, emceed by Stephanie Brantz who also was the moderator of the panel discussion with sports stars John Skandalis, Rhianna Pollicina, and Botille Vette-Welsh.

As we look forward to the continued success of our local sporting community, we express gratitude to all participants, winners, and supporters who make events like the Magpie Sports Awards a resounding success.

Expectations are high for the Wests Tigers in 2024, after a difficult period where wins were hard to come by. As has been well documented, HB Group commissioned an independent review into the governance structure of the organisation, with initial recommendations implemented in the best interests of the Club. With the new hierarchy undertaking a judicious recruitment program, complimented by a promising crop of home-grown youngsters, hopes are high that new coach and Club legend, Benji Marshall, can steer the Wests Tigers back into contention for finals football, prior to the arrival of three-time premiership winner, Jarome Luai.



It was also great to see the Wests Magpies continue to honour past greats, with the 2023 Heritage Night paying tribute to the many notable Queenslanders who have worn the black and white with distinction. The current day Magpies are now well entrenched back at their spiritual home of Lidcombe Oval, where our Wests diehards gather in increasing numbers as more folk discover the retro delights of a pie and a beer on the hill, whilst cheering on their favourite footy team! What better way to watch the current crop of Magpies continue to honour the coveted jersey.

In closing, may I thank my fellow Board members for your dedication, loyalty and commitment to providing our members and community with the very best of facilities in a secure, welcoming environment whilst ensuring adherence to corporate governance guidelines.

I also must express my sincere appreciation to our CEO Simon Cook, his Executive and Management teams, and all our diligent, welcoming staff. On behalf of the Board, I thank them for yet another a successful year in supporting our objectives. I speak for all members of the Board when I express the pride we take in our fantastic staff and the service they provide.

Finally, but not least, thank you to our members for your loyalty and continuing support of the Club. We wish you all the very best of health and happiness for 2024 and beyond.

CEO'S REPORT



I am pleased to provide you with an overview of Holman Barnes Group's performance for the financial year ending 31 October 2023. What proved to be a strong financial result, was made more pleasing by the record amount of community support we were able to offer through our ClubGRANTS funding, as outlined in more detail in the Chairman's report.

As demonstrated in the Financial Report, Wests Ashfield, the registered club in conjunction with Croydon Sports and Markets Club at Flemington, produced revenue of \$45.6M and a net profit of \$7.2M. This is a 23% reduction on the prior year's record profit result.

Wests Ashfield maintains cash and cash equivalents of \$21.6M which is a 33% increase on the prior year and Net Assets of \$78.4M, although the current market valuation of Assets including land and buildings and plant and equipment sits at \$105M.

The consolidated entity (Western Suburbs Leagues Club Limited, Western Suburbs District Rugby League Football Club Limited and Wests Tigers Rugby League Football Pty Ltd) produced revenue of \$80.8M which is a 2% reduction on the prior year revenue and a consolidated net profit of \$6.7M.

This positive financial result enabled us to continue with the refurbishment program across our three venues, ensuring that comfort and ambience standards are maintained.

At Wests Ashfield, an area of the Garden Restaurant was transformed into an intimate cocktail area. With elegant fittings and mood lighting, it is the ideal environment for pre and post-dining cocktails or your favourite tippie from the bar. The frontage of our Liverpool Road Co-ee

Car Park was converted to a state-of-the-art gymnasium and fitness centre, CSP, with a variety of classes available under the watchful eye of former Wests Tigers star Bronson Harrison, who manages the facility.

There are also exciting plans for our satellite clubs, with the Markets Club at Flemington having a Development Application submitted for additional space that will see the trading area spread across two floors. The next stage of works at Croydon Sports will see resurfacing of the car park and regeneration of the surrounding gardens and landscaping.

In addition to the above, the Wests Magpies Archives will move from their converted house on Liverpool Road, into a purpose-built facility within the Wests Ashfield premises, that will assist in maintaining the condition of the treasure trove of relics and memorabilia of Magpie history, collected for more than a century.

Holman Barnes Group (HB Group) will always strive to go above and beyond for our community and 2022/2023, showcased a number of initiatives to support the local schools, charities and other organisations.

I am honoured to introduce the Holman Barnes Group University Scholarship. This Scholarship has been specifically designed to be "life changing" for up to three local high school graduates who display notable and consistent academic performance, coupled with quality leadership acumen and is set to become a significant feature of our annual financial commitment to the Community. The Scholarship will be covering full university tuition fees, exam expenses, books and more for the entirety of their chosen degree. Additionally, HB Group will provide paid work opportunities across our three venues.

I would like to congratulate the inaugural recipients, Nicolas McCoy and William Deller from Ashfield Boys High, who have been selected for their remarkable achievements. This is just the beginning of a legacy that will inspire generations to come.

Some other highlights of the year included the Magpie Sports Awards, Secondary School Scholarship Program, Community BBQ at Rev. Bill Crews Foundation, large community events such as Marrickville Music Festival, Bay Run Fun Run and the Ashfield Community Market to name but a few. Please see our Community Stories on page 24 for further information.

HB Group commenced 2023 supporting 32 sporting organisations within its Intra Club portfolio. By the year's conclusion, following the annual sports submission review and assessment process, this number grew to 36.

HB Group takes pride in supporting a diverse range of sporting organisations encompassing cricket, water polo, basketball, rugby union and many more. In line with this commitment, we initiated the "Empowering Future Champions" campaign, aiming to boost youth and female participation in sports. Collaborating with our talented sporting clubs, the campaign emphasises not only financial assistance but also a broader

community impact achieved through mutual support initiatives.

As we move forward, our goal is not just to provide financial aid but to foster a sense of community and collaboration among these organisations.

Before closing, I must first thank our wonderful staff who were an integral contributor to the success of the HB Group over the course of the year. Their exceptional service standards and enthusiasm, are much appreciated by our members.

To my energetic and supportive Management team, thank you for your loyalty and adaptability that helped us achieve such outstanding results.

My sincere gratitude also goes to Chairman, Tony Andreacchio and the Board of Directors for your guidance, progressive approach and vision that all contribute to the HB Group's success.

Finally, thank you to our loyal members who continue to support the HB Group through their patronage of our three venues. Please know that we are committed to providing you with the best of facilities, service, activities and entertainment.



GIVING BACK VIA ClubGRANTS



\$3,392,652

was donated by Holman Barnes Group*
across all categories in the ClubGRANTS
scheme to support community projects

***DONATED BETWEEN 01/11/2022 – 31/10/2023**



CLUBGRANTS – CATEGORY 1



Mercy Works Limited
\$3,000



Solve-TAD Limited
\$3,000



Community Restorative
Centre
\$5,000



Gunawirra
\$5,000



Newtown
Neighbourhood Centre
\$5,000



PCYC Glebe Leichardt
\$5,000



The Royal Society for the
Prevention of Cruelty to
Animals
\$5,000



Dandelion Support
Network Inc
\$7,500



Sanctuary Housing
\$8,000



Infants Home Ashfield
\$20,235



Autism Spectrum
Australia (Aspect)
\$9,700



Feel The Magic
\$10,000



Raise Foundation
\$10,000



Refugee Advice &
Casework Service
\$10,000



The Shepherd Centre –
For Deaf Children
\$10,537



St Anthony's
Family Care
\$11,250



Child Abuse
Prevention Service
\$13,968



Vision Australia
\$14,585



Women's Justice
Network
\$20,000



Learning Links
\$50,350



3Bridges Community
\$32,400



The Exodus Foundation
\$50,000



St. Vincent's College
Ashfield
\$5,000



Burwood Girls High
School
\$5,000



Ashfield Boys High
School
\$5,000

CATEGORY 1 TOTAL \$324,525

CLUBGRANTS – CATEGORY 2 • PART 1



Inner West Council
\$10,000



Ashfield Public School
\$6,000



KARITANE
\$10,000

Bowling Green
Maintenance
\$129,172



The Salvation Army
\$1,000



Sydney Markets
\$30,000



Other
\$108,491

CATEGORY 2 PART 1 TOTAL \$294,663

* Not all Category 2 Part 1 recipients are displayed above

CLUBGRANTS – CATEGORY 2 • PART 2



A.P.I.A. Leichhardt
Tigers FC
\$80,000



ACC Cricket
Club
\$7,500



Australian Songwriters
Association
\$8,400



Balmain Touch
Association
\$10,000



Burwood
Football Club
\$7,500



Concord Burwood
Wolves JRLFC
\$15,000



Enfield Federals
JRLC
\$10,000



Federation of Italian
Rugby League (FIRL)
\$12,500



Inner West Netball
Association
\$15,000



Inner West Bulls
Basketball Association
\$20,000



Leichhardt
Juniors RLFC
\$10,000



Leichhardt
Wanderers JRLC
\$15,000



Leichhardt Wanderers
Netball Club
\$10,000



Petersham
Junior Rugby
\$10,000



Pratten Park Community
Sports & Bowling
\$10,000



Pratten Park
Magpies
\$12,500



St Patricks
Football Club
\$12,000



St Patricks Rugby
Club Strathfield
\$8,000



Strathfield Raiders
JRLFC
\$15,000



UNSW Wests
Water Polo
Club
\$40,000



Western Subs
Leagues Men's
Bowling Club
\$30,000



Western Subs
Women's Bowling
Club
\$15,021



Western Suburbs
District Cricket Club
\$80,000



Western Suburbs
Lawn Tennis Assoc
\$7,500



Wests Ashfield
Ladies Golf Club
\$1,500



Wests Touch
Association
\$18,000



Wests Ashfield
Mens Golf Club
\$7,523



Wests Ashfield
Oz Tag
\$3,120



Wests
Backgammon Club
\$3,000



Wests Boomers
Baseball Club
\$10,000



Wests Junior
Rugby Club
\$5,000



Wests District
Hockey Club
\$3,000



Wests Magpies
\$227,394



Balmain Tigers RLFC
\$274,776



Wests Tigers
\$1,500,000

C2 PART 2 TOTAL \$2,514,234

CATEGORY 2 TOTAL \$2,808,897

CLUBGRANTS *IN KIND

IN KIND TOTAL \$120,438

CLUBGRANTS CATEGORY 3

CATEGORY 3 TOTAL \$138,792

*In Kind donations are non-cash transactions, this support represents areas such as Room Hire, Vouchers, Marketing and materials
**The Category 3 ClubGRANTS Fund has been established by the NSW Government as a Statewide funding pool for large scale projects associated with sport, health and community infrastructure.



OUR COMMUNITY



INTRA CLUB INFORMATION NIGHT

The Information Night served as a valuable platform for the 35 club representatives to connect. Notable guest speaker Olivia Simpson, Manager of Policy & Government Relations at ClubsNSW, provided essential updates on grant application policy changes for our sporting clubs.

The event also acknowledged outstanding engagement of APIA Leichhardt FC and Concord Burwood Wolves with HBG. Insightful tips and tricks were shared by Matteo Maiorana, GM of APIA FC, and Kirsty Lucas, Secretary of Concord Burwood Wolves, with both of these officials contributing to an enriching exchange of knowledge among the intra club community.



MARRICKVILLE MUSIC FESTIVAL

The Marrickville Music Festival marked its return after the pandemic, the streets buzzed with local creators, shoppers, dancers, and diners, highlighting the area's diversity.

Our Club hosted a sausage sizzle at the festival to raise funds for the Rev. Bill Crews Foundation, who are renowned for their dedication to addressing homelessness and poverty.

The Marrickville Music Festival served as a unifying force, echoing our motto of "Bringing People Together," fostering creative participation and offering a space for community celebrations.

MEMBERS KID'S CHRISTMAS FESTIVAL

The Members Kids Christmas Festival marked a joyous day at Wests Ashfield, where staff, management, and Directors warmly welcomed members' and their families. The Club offered members families a stress-free Christmas celebration, covering all event expenses. The Club sparkled with festive lights while Santa and his elves delighted 220 children with a petting zoo, jumping castles, pantomime shows, fairy floss, face painting, and more. Wests Tiger NRL players Tukimihia Simpkins and Christian Ma'anaima spent time with the big and little kids, providing expert tips at the "pass the ball" stand, signing posters and handing out giveaways for the Wests Tigers fans. Laughter filled the air as happy families enjoyed the day, defining the event's success and affirming Wests Ashfield of HBG as the heart of the community.



LEADERSHIP PROGRAM

HBG's unique leadership development program is a biannual initiative catering to our staff. Held against the breathtaking backdrop of the historical Howqua Hills of Victoria, participants embark on a transformative five-day journey on horseback. Beyond the picturesque scenery, this program symbolises HBG's commitment to fostering the growth and development of our employees. It is more than just a training session; it is a vital component

in shaping the company's culture. By delivering essential skills and promoting mentorship, the program serves as a cornerstone for cultivating the leaders of tomorrow within the organisation. HBG takes pride in this initiative, recognising its capacity to not only empower our people but also to instil a sense of purpose and direction in its workforce.



MOTHER'S DAY HIGH TEA – KARITANE

HBG hosted the Mother's Day High Tea in partnership with Karitane, a distinguished not-for-profit organisation with a rich history spanning over a century. Karitane has played a pioneering role in offering expert parental support, education, and advice, establishing itself as a recognised leader in guiding mothers through the first 2,000 days of their child's life. The event celebrated the dedication of mothers who selflessly prioritise the need of others over their own. HBG takes pride in providing a platform for an organisation such as Karitane. Special thanks to Grainne O'Loughlin the CEO of the not-for-profit for joining us on the day. HBG was also their corporate sponsor for their Centenary Gala Dinner. Through these two events, Karitane raised a total of \$75,000, that will directly help families across NSW receive the vital parenting support they need.



HBG COMMUNITY BBQ

In support of the Rev. Bill Crews Foundation that provides direct assistance to address the cause and effect of homelessness, poverty and those that are disadvantaged, HBG launched a new initiative, orchestrating the monthly community barbecue held at their site, which not only covers all expenses but also supplies staff volunteers for the event. The day is enriched by live music, creating a festive atmosphere where the guests joyfully sing along as they enjoy their delicious barbecued treats.



BAYRUN FUNRUN

HBG was the proud platinum sponsor of the 2023 Bay Run, a vibrant community event held at the scenic Iron Cove Bay. The Bay Run not only promotes physical and mental health but also highlights the importance of community participation. Sydney's favourite family fun run drew over 1,500 participants for the 7km (adult) and 2km (kids) runs, many using the race as a warmup to the City to Surf.

The event day featured our lively HBG booth with Spin the Wheel prizes, a Magpie Mascot, an open-air photo booth and the gelato cart, that was hit with the kids. All proceeds raised at the event was directed towards Dobroyd Point Public School and other local primary schools.



ASHFIELD PUBLIC SCHOOL MARKET

The inaugural Ashfield Market took place at Ashfield Public School, marking a successful debut with an unexpectedly large turnout that pleasantly surprised the organisers. Notably, many parents and families from the Ashfield community enthusiastically participated in the market. HBG, a proud sponsor of the event, actively

contributed to its success. Our staff organised a sausage sizzle, raising \$1,600 in funds for the school's benefit. Beyond fundraising, HBG also organised a membership activation and re-engagement activity, encouraging attendees to explore the offerings next door at Wests Ashfield.



SCHOOL ARTS COMPETITION & TRASHION SHOW

The 2023 School Arts Competition embraced the theme of Environmental Sustainability, inviting students to creatively depict the elements of nature – water, minerals, fire and air. We received over 50 entries from a range of enthusiastic applicants, that saw prizes distributed to the value of \$6,700, including art supplies, vouchers, and memberships to the Museum of Contemporary Art, recognizing the outstanding efforts of participating schools and students.

Judged by Clare Burgess, an expert in Arts and Culture, and Michelle Nielsen, Executive Manager-HR/People and Culture of HBG, the competition highlighted diverse perspectives on environmental responsibility. The highlight of the event was the remarkable "Trashion Show" presented by Ashfield Public School students. Choreographed by Art Teacher Karen Manning, the show featured handmade garments crafted from recycled materials, promoting awareness of environmental sustainability.

The reception area at Wests Ashfield was transformed into a vibrant pop-up art gallery, showcasing the creative brilliance of both primary and secondary school students.





LIFE MEMBERS

WESTERN SUBURBS LEAGUES CLUB LIMITED

(HOLMAN BARNES GROUP)

CURRENT LIFE MEMBERS

ROBERT CARTER

JOHN DONNELLAN

GEORGE GRIMMOND

KEVIN HAMMOND

RUSSELL SMITH

DECEASED* LIFE MEMBERS

NEVILLE BAYFIELD*

ARTHUR BRAZIER*

ALLAN COOPER*

ALAN CLARKE*

CECIL HILLIER*

WILLIAM KEATO*

EDWARD KEMP*

GEORGE MUNRO*

JOCK PURCELL*

JOHN RANKIN*

BRUCE SACRE*

RON POWELL*

PETER HARDGROVE*



LIFE MEMBERS

BALMAIN LEAGUES CLUB

CURRENT LIFE MEMBERS

KEITH BARNES

MARK CROWE

JOHN GARVEY

JOHN STAPLETON

DAVID TRODDEN

DECEASED* LIFE MEMBERS

KEITH AGGETT*

DAVID BOLTON*

ROBERT BURNS*

ALAN MASON*

KEVIN ROONEY*

Western Suburbs Leagues Club Limited
and its Controlled Entities
ABN 69 000 154 736

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 OCTOBER 2023

CONTROLLED ENTITIES INCLUDE:

- Wests Magpies Pty Limited
- Western Suburbs District Rugby League Football Club Limited
- Wests Tigers Rugby League Football Pty Ltd

DIRECTORS' REPORT

Directors

The directors present their report, together with the financial report of Western Suburbs Leagues Club Limited ('the company') and its controlled entities ('the consolidated entity'), for the year ended 31 October 2023.

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

| Name | Occupation | Date of Appointment |
|----------------------|--------------------------------|------------------------|
| Dennis Burgess (OAM) | Business and Music Manager | March 2001 |
| Anthony Andreacchio | Principal - Real Estate Agency | March 2012 |
| Frederick Wayde | Director | March 2012 |
| Michael Liubinskas | IT Manager | March 2014 |
| | | Resigned 25 March 2023 |
| Julie Romero | Director | July 2020 |
| Vince Tropiano | Director | July 2020 |
| David Gilbert | Director | August 2021 |
| Stephen Montgomery | Director | March 2023 |

Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the company during the financial year are:

| Director | Number of meetings attended | Number of meetings held * |
|----------------------|--------------------------------|------------------------------|
| Dennis Burgess (OAM) | 16 | 16 |
| Anthony Andreacchio | 15 | 16 |
| Frederick Wayde | 16 | 16 |
| Michael Liubinskas | 3 | 4 |
| Julie Romero | 15 | 16 |
| Vince Tropiano | 15 | 16 |
| David Gilbert | 16 | 16 |
| Stephen Montgomery | 12 | 12 |

* Number of meetings held during the time the director held office during the year.

DIRECTORS' REPORT

Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 31 October 2023 and the comparison with last year is as follows:

| | 2023 | 2022 |
|-------------------|--------|--------|
| General Members | 178 | 177 |
| Life Members | 6 | 6 |
| Perpetual Members | 389 | 389 |
| Social Members | 26,951 | 33,191 |
| | <hr/> | <hr/> |
| | 27,524 | 33,763 |
| | <hr/> | <hr/> |

Members' limited liability

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 is a member or within one year thereafter. The total amount that the members of the company are liable to contribute if the company is wound up is \$110,096 (2022: \$135,052) based on members 27,524 (2022: 33,763).

Operating result

The table below shows a reconciliation of the earnings before interest, income tax, depreciation, amortisation, impairment expense and gain on disposal of land and property of Western Suburbs Leagues Club Limited (the parent company only). This is referred to as EBITDAIG.

| | The Parent | |
|---|------------|------------|
| | 2023 | 2022 |
| | \$ | \$ |
| Net profit after income tax expense | 7,157,982 | 9,259,827 |
| Add back: | | |
| Depreciation | 4,301,334 | 4,347,801 |
| Finance cost | 52,214 | 80,462 |
| Income tax expense | 487,289 | 134,430 |
| Impairment Expense | 2,122,558 | 1,970,720 |
| Profit on disposal of property, plant and equipment | (55,400) | (4,156) |
| | <hr/> | <hr/> |
| EBITDAIG - Parent | 14,065,977 | 15,789,084 |
| | <hr/> | <hr/> |

DIRECTORS' REPORT

Operating result (continued)

The table below shows a reconciliation of the Group's EBITDAIG (as defined on the previous page) adjusted for the extraordinary items of revenue and expenses in connection with the construction of the Centre of Excellence facility. This is referred to as Normalised EBITDAIG.

| | Consolidated | |
|---|--------------|-------------|
| | 2023 | 2022 |
| | \$ | \$ |
| Net profit after income tax expense | 6,653,071 | 1,347,169 |
| Add back: | | |
| Depreciation | 5,367,383 | 4,809,164 |
| Finance cost | 149,347 | 86,579 |
| Income tax expense | 487,289 | 134,430 |
| Allowance for expected credit losses | - | 96,944 |
| Profit on disposal of property, plant and equipment | (55,400) | (4,156) |
| Grants - Centre of Excellence | (600,000) | (7,900,000) |
| Impairment - Centre of Excellence | - | 13,599,767 |
| | | |
| Normalised EBITDAIG - Group | 12,001,690 | 12,169,897 |

Objectives

Short term

The short term objective of the organisation is to continue to grow revenue and other income to facilitate an improved customer experience for our members and guests. Furthermore, through the improved profitability the Club is in a position to continue to make significant contributions to the community, charitable organisations, Rugby League and a range of other sports at varying levels.

Long term

The long term vision of success for the Club is driven through four main quadrants:

- Creating experiences and generating pride among our members and guests,
- Being primarily known for our contribution to the inner west community,
- A platform to a better future for our employees, and;
- Respecting tradition and embracing the future of Rugby League.

DIRECTORS' REPORT

Objectives (continued)

This vision is supported by our values of accountability, authenticity, social responsibility, continual improvement and a dedication to being passionate.

Through the success of these visions and values the Club will be in a position to ensure that the expanded facilities and improved customer experience will continue to evolve for many years to come.

Strategy for achieving the objectives

The primary strategies for achieving these objectives are marketing campaigns in conjunction with a refurbishment of all properties to expand and improve our food and beverage offering to members and guests. These strategies are supported by sound financial management and a strong executive management team dedicated to the implementation of the Clubs' business and strategic plan.

Principal activities

The principal activities of the entity during the year have continued to be the operator of 3 licensed venues, and the propagation and promotion of sporting activities.

No other significant change in the nature of these activities has occurred during the year.

How these activities assist in achieving the objectives

These activities assist in generating revenue to fund the ever improving facilities provided to members and guests, support charitable organisations and facilitate the propagation of Rugby League and other sports.

Performance measurement and key performance indicators

A suite of key performance indicators are analysed in order to measure the performance of the business. These include Normalised EBITDAIG, gross profit percentages, expense to sales percentages, average weekly earnings, available cash flow and asset and debt ratios. The financial results of the Club are incorporated into an executive board report that is reviewed by Executive Management and the Board of Directors each month.

DIRECTORS' REPORT

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the directors.

Dated at Ashfield this 25th day of January 2024.



Tony Andreacchio
Director

DIRECTORS' DECLARATION

DECLARATION OF INDEPENDENCE BY ELYSIA ROTHWELL TO THE DIRECTORS OF WESTERN SUBURBS LEAGUES CLUB LIMITED

As lead auditor Western Suburbs Leagues Club Limited for the year ended 31 October 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Western Suburbs Leagues Club Limited and the entities it controlled during the period.

Elysia Rothwell

Director



BDO Audit Pty Ltd

Sydney

25 January 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Western Suburbs Leagues Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Western Suburbs Leagues Club Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 October 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Western Suburbs Leagues Club Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 31 October 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 Group 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 also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

INDEPENDENT AUDITOR'S REPORT

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, 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.

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 on the other information obtained prior to the date of this auditor's report, 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 the 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 - Simplified Disclosures 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 ability of the group 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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 this financial report.

A further description of our responsibilities for the audit of the financial report at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd




Elysia Rothwell
Director

Sydney, 25 January 2024

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial report and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards - Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial report and notes give a true and fair view of the consolidated entity's financial position as at 31 October 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the consolidated entity 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



Tony Andreacchio
Director

Dated at Ashfield this 25th day of January 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the Year ended 31 October 2023

| | Note | Consolidated | | Parent | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | \$ | \$ | \$ | \$ |
| Revenue | | | | | |
| Sale of goods | | 5,822,174 | 5,149,566 | 4,385,461 | 4,019,126 |
| Rendering of services | | 44,958,355 | 45,745,663 | 40,499,506 | 41,655,904 |
| Other revenue | | 29,833,822 | 31,488,473 | 668,044 | 133,763 |
| Other income | | 156,459 | 115,269 | 55,400 | 4,157 |
| Total revenue and other income | 2 | 80,770,810 | 82,498,971 | 45,608,411 | 45,812,950 |
| Expenses | | | | | |
| Raw materials and consumables used | | (2,763,786) | (2,352,927) | (1,714,724) | (1,569,351) |
| Football development expenses | | (1,194,043) | (2,974,407) | - | - |
| Entertainment, marketing, and promotional costs | | (5,783,410) | (5,505,583) | (2,584,548) | (2,076,022) |
| Employee benefits expense | | (36,607,414) | (33,145,552) | (10,494,635) | (9,786,611) |
| Poker machine licences and taxes | | (9,557,294) | (10,100,384) | (9,557,294) | (10,100,384) |
| Occupancy expenses | | (4,905,749) | (4,352,682) | (4,085,029) | (3,927,393) |
| Depreciation | 3 | (5,367,383) | (4,809,164) | (4,301,334) | (4,347,801) |
| Membership costs and facilities | | (51,659) | (38,108) | (45,786) | (32,993) |
| Donations and welfare | | (1,020,015) | (1,038,535) | (950,000) | (1,006,837) |
| Operating lease expense | | (7,540) | (8,127) | (7,540) | (8,127) |
| Finance costs | 3 | (149,347) | (86,579) | (52,214) | (80,462) |
| Other expenses | | (3,906,789) | (2,908,613) | (2,047,478) | (1,511,992) |
| Impairment expenses | | (2,316,021) | (13,696,711) | (2,122,558) | (1,970,720) |
| Total expenses | | (73,630,450) | (81,017,372) | (37,963,140) | (36,418,693) |
| Profit before income tax | | 7,140,360 | 1,481,599 | 7,645,271 | 9,394,257 |
| Income tax expense | 4(a) | (487,289) | (134,430) | (487,289) | (134,430) |
| Net profit after income tax | | 6,653,071 | 1,347,169 | 7,157,982 | 9,259,827 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the year | | 6,653,071 | 1,347,169 | 7,157,982 | 9,259,827 |
| Profit for the year is attributable to: | | | | | |
| Non-controlling interest | | (221,859) | (965,613) | | |
| Members of Western Suburbs Leagues Club Limited | | 6,874,930 | 2,312,782 | | |
| | | <u>6,653,071</u> | <u>1,347,169</u> | | |

The above statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the Year ended 31 October 2023

| | Note | Consolidated | | Parent Entity | |
|---|------|-------------------|-------------------|-------------------|-------------------|
| | | 2023 \$ | 2022 \$ | 2023 \$ | 2022 \$ |
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 5 | 22,309,337 | 18,174,703 | 21,587,891 | 16,240,831 |
| Trade and other receivables | 6 | 821,877 | 4,231,410 | 105,812 | 206,085 |
| Inventories | | 374,686 | 204,818 | 152,141 | 133,412 |
| Other current assets | 7 | 1,296,477 | 1,070,210 | 461,257 | 373,322 |
| Income tax receivable | 4(b) | - | 22,003 | - | 22,003 |
| TOTAL CURRENT ASSETS | | 24,802,377 | 23,703,144 | 22,307,101 | 16,975,653 |
| Non-current assets | | | | | |
| Property, plant and equipment | 8 | 61,838,821 | 60,064,568 | 60,316,839 | 58,395,205 |
| Right of use assets | 9 | 4,971,803 | 3,997,125 | 1,262,767 | 1,446,357 |
| Intangible assets | 10 | 2,772,000 | 2,772,000 | 2,772,000 | 2,772,000 |
| Deferred tax assets | 4(c) | - | 135,877 | - | 135,877 |
| TOTAL NON-CURRENT ASSETS | | 69,582,624 | 66,969,570 | 64,351,606 | 62,749,439 |
| TOTAL ASSETS | | 94,385,001 | 90,672,714 | 86,658,707 | 79,725,092 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 11 | 7,170,308 | 11,596,678 | 4,360,555 | 4,546,774 |
| Financial liabilities | 12 | 2,000 | 2,000 | 2,000 | 2,000 |
| Employee benefits | 13 | 2,574,440 | 2,450,666 | 2,146,603 | 2,125,382 |
| Revenue received in advance | 14 | 1,957,481 | 1,855,619 | - | - |
| Income tax payable | 4(b) | 79,052 | - | 79,052 | - |
| Lease liability | 15 | 630,198 | 241,396 | 183,681 | 179,172 |
| TOTAL CURRENT LIABILITIES | | 12,413,479 | 16,146,359 | 6,771,891 | 6,853,328 |
| Non-current liabilities | | | | | |
| Employee benefits | 13 | 119,877 | 180,927 | 114,905 | 108,968 |
| Revenue received in advance | 14 | 158,133 | 155,254 | 158,133 | 155,254 |
| Deferred tax liability | 4(c) | 28,850 | - | 28,850 | - |
| Lease liability | 15 | 2,736,626 | 1,915,209 | 1,174,191 | 1,354,787 |
| TOTAL NON-CURRENT LIABILITIES | | 3,043,486 | 2,251,390 | 1,476,079 | 1,619,009 |
| TOTAL LIABILITIES | | 15,456,965 | 18,397,749 | 8,247,970 | 8,472,337 |
| NET ASSETS | | 78,928,036 | 72,274,965 | 78,410,737 | 71,252,755 |
| MEMBERS' FUNDS | | | | | |
| Retained earnings | | 79,611,635 | 72,736,705 | 77,629,677 | 70,471,695 |
| Reserves | 16 | 781,060 | 781,060 | 781,060 | 781,060 |
| Funds attributable to the members of Western Suburbs Leagues Club Limited | | 80,392,695 | 73,517,765 | 78,410,737 | 71,252,755 |
| Non-controlling interest | 23 | (1,464,659) | (1,242,800) | - | - |
| TOTAL MEMBERS' FUNDS | | 78,928,036 | 72,274,965 | 78,410,737 | 71,252,755 |

The above statements of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' FUNDS

For the Year ended 31 October 2023

| Consolidated | Reserves | Retained earnings | Non-controlling interest | Total Members' funds |
|---|----------|-------------------|--------------------------|----------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 November 2021 | 781,060 | 70,423,923 | (277,187) | 70,927,796 |
| Net profit/(loss) after income tax expense for the year | - | 2,312,782 | (965,613) | 1,347,169 |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | 2,312,782 | (965,613) | 1,347,169 |
| Balance at 31 October 2022 | 781,060 | 72,736,705 | (1,242,800) | 72,274,965 |
| Net profit/(loss) after income tax expense for the year | - | 6,874,930 | (221,859) | 6,653,071 |
| Other comprehensive income for the year | - | - | - | - |
| Total comprehensive income for the year | - | 6,874,930 | (221,859) | 6,653,071 |
| Balance at 31 October 2023 | 781,060 | 79,611,635 | (1,464,659) | 78,928,036 |

The above statements of Changes in Members' Funds should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' FUNDS

For the Year ended 31 October 2023

| Parent Entity | Reserves | Retained earnings | Total Members' funds |
|---|----------------|-------------------|----------------------|
| | \$ | \$ | \$ |
| Balance at 1 November 2021 | 781,060 | 61,211,868 | 61,992,928 |
| Net profit after income tax expense for the year | - | 9,259,827 | 9,259,827 |
| Other comprehensive income for the year, net of tax | - | - | - |
| Total comprehensive income for the year | - | 9,259,827 | 9,259,827 |
| Balance at 31 October 2022 | 781,060 | 70,471,695 | 71,252,755 |
| Net profit after income tax expense for the year | - | 7,157,982 | 7,157,982 |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | - | 7,157,982 | 7,157,982 |
| Balance at 31 October 2023 | 781,060 | 77,629,677 | 78,410,737 |

The above statements of Changes in Members' Funds should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year ended 31 October 2023

| | Note | Consolidated | | Parent Entity | |
|---|----------|--------------------|---------------------|--------------------|--------------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | |
| Receipts from customers (inclusive of GST) | | 68,010,570 | 63,585,931 | 49,749,765 | 52,100,814 |
| Grants received | | 21,627,832 | 21,271,413 | - | - |
| Payments to suppliers and employees (inclusive of GST) | | (78,736,335) | (62,832,098) | (38,388,648) | (36,047,769) |
| Interest received | | 69,267 | 9,143 | - | - |
| Finance costs paid | | (149,347) | (86,579) | (14,091) | (80,462) |
| Income tax paid | | (221,507) | (228,627) | (221,507) | (228,627) |
| Net cash from operating activities | | 10,600,480 | 21,719,183 | 11,125,519 | 15,743,956 |
| Cash Flows from Investing Activities | | | | | |
| Proceeds from sale of plant and equipment | | 20,520 | 4,156 | 55,400 | 4,156 |
| Payment for property, plant and equipment | | (6,346,623) | (7,305,337) | (6,040,011) | (5,715,566) |
| Payments for Centre of Excellence right to use | | - | (12,545,295) | - | - |
| Investment in related parties | | - | - | - | (1,747,714) |
| Interest received from term deposits | | 419,728 | - | 419,728 | - |
| Net cash used in investing activities | | (5,906,375) | (19,846,476) | (5,564,883) | (7,459,124) |
| Cash Flows from Financing Activities | | | | | |
| Receipt of loan repayment from related parties | | - | - | - | 1,747,714 |
| Principal repayments of lease liabilities | | (559,471) | (384,891) | (213,576) | (171,559) |
| Proceeds from borrowings | | - | 200 | - | 200 |
| Net cash (used in)/from financing activities | | (559,471) | (384,691) | (213,576) | 1,576,355 |
| Net increase in cash and cash equivalents | | 4,134,634 | 1,488,016 | 5,347,060 | 9,861,187 |
| Cash and cash equivalents at the beginning of the financial year | | 18,174,703 | 16,686,687 | 16,240,831 | 6,379,644 |
| Cash and cash equivalents at the end of the financial year | 5 | 22,309,337 | 18,174,703 | 21,587,891 | 16,240,831 |

The above statements of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

1 About This Report

Western Suburbs Leagues Club Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a not-for-profit entity for the purposes of preparing the financial report. The financial report covers Western Suburbs Leagues Club Limited as a consolidated entity, consisting of Western Suburbs Leagues Club Limited and the entities it controlled at the end of, or during the financial year.

The financial report was approved for issue by the Directors on 25th January 2024.

The financial report is a general purpose financial report which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australia Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB');
- has been prepared under the historical cost convention;
- is presented in Australian dollars, which is the functional and presentation currency of the consolidated entity; and
- has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for a period of at least one year from the date of this report.

The notes to the consolidated financial report

The notes include information which is required to understand the financial report and is material and relevant to the operations, financial position and performance of the consolidated entity. Information is considered material and relevant if, for example:

- The amount in question is significant because of its size or nature;
- It is important for understanding the results of the consolidated entity;
- It helps to explain the impact of significant changes in the consolidated entity's business - for example, acquisitions and impairment write downs; and
- It relates to an aspect of the consolidated entity's operations that is important to its future performance.

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial report are provided throughout the notes to the financial report.

New or amended Accounting Standards and Interpretations adopted

The Consolidated entity has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

1 About This Report (continued)

Principles of Consolidation and Parent Company inclusion

The consolidated financial report incorporates the assets and liabilities of all subsidiaries of Western Suburbs League Club Limited as at 31 October 2023 and the results of all subsidiaries for the year then ended. Western Suburbs League Club Limited and its subsidiaries together are referred to in these financial report as ‘the consolidated entity’.

Subsidiaries are all those entities over which the consolidated entity has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 22 to the financial report.

Intercompany transactions, balances and unrealised gains on transactions have been eliminated in full and the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

ASIC Class Order [CO 10/654] has been adopted in the preparation of these financial statements. This class order allows companies that present consolidated financial statements to include parent entity financial statements as part of their financial report. Entities taking advantage of the relief are not required to present the summary parent entity information otherwise required.

Comparative period

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the consolidated entity’s accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial report include:

| | |
|--------------------------------------|-------------|
| Estimation of useful lives of assets | Note 8 |
| Intangible assets | Note 10 |
| Long service leave provision | Note 13 |
| Rights-of-use assets and Leases | Note 9 & 15 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

2 Revenue and Other Income

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|------------|---------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Revenue | | | | |
| Sale of Goods | | | | |
| Bar sales | 3,667,383 | 3,589,902 | 3,667,383 | 3,589,902 |
| Catering sales | 542,363 | 466,581 | 469,841 | 427,097 |
| Merchandise sales | 1,612,428 | 1,093,083 | 248,237 | 2,127 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 5,822,174 | 5,149,566 | 4,385,461 | 4,019,126 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Rendering of Services | | | | |
| Poker machine - net clearances | 39,922,887 | 41,019,947 | 39,922,887 | 41,019,947 |
| Members' subscriptions | 1,371,878 | 1,414,432 | 56,292 | 82,710 |
| TAB commission | 142,934 | 156,755 | 142,934 | 156,755 |
| Keno sales | 69,347 | 70,778 | 69,347 | 70,778 |
| Other commission received | 284,538 | 281,016 | 221,004 | 230,016 |
| Green fees | 21,936 | 16,868 | 21,936 | 16,868 |
| Corporate hospitality | 322,119 | 445,037 | - | - |
| Ticketing | 2,757,610 | 2,251,569 | - | - |
| Other | 65,106 | 89,261 | 65,106 | 78,830 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 44,958,355 | 45,745,663 | 40,499,506 | 41,655,904 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other Revenue | | | | |
| Grants - NRL | 19,799,554 | 16,115,640 | - | - |
| Grants - Wests Tigers Centre of Excellence | 600,000 | 7,900,000 | - | - |
| Grants - other | 1,097,470 | 884,659 | - | - |
| Sponsorship | 6,730,024 | 5,956,005 | - | - |
| Interest received | 488,995 | 9,143 | 419,728 | - |
| Rent received | 183,316 | 108,763 | 183,316 | 108,763 |
| Other | 934,463 | 514,263 | 65,000 | 25,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 29,833,822 | 31,488,473 | 668,044 | 133,763 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenue | <hr/> | <hr/> | <hr/> | <hr/> |
| | 80,614,351 | 82,383,702 | 45,553,011 | 45,808,793 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

| | | | | |
|--------------------------------------|------------|------------|------------|------------|
| <i>Timing of revenue recognition</i> | | | | |
| Goods transferred at a point in time | 72,512,449 | 75,013,265 | 45,496,719 | 45,726,083 |
| Services transferred over time | 8,101,902 | 7,370,437 | 56,292 | 82,710 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 80,614,351 | 82,383,702 | 45,553,011 | 45,808,793 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

2 Revenue and Other Income (continued)

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|------------|---------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Other Income | | | | |
| Net gain on sale of other non-current assets | 20,521 | 4,155 | 55,400 | 4,156 |
| Government subsidies | 130,808 | 111,114 | - | - |
| Other Income | 5,130 | - | - | - |
| Total other income | 156,459 | 115,269 | 55,400 | 4,156 |
| Total revenue and other income | 80,770,810 | 82,498,971 | 45,608,411 | 45,812,950 |

Recognition and Measurement

Under the revenue recognition model applicable to not-for-profit entities, an entity shall first determine whether an enforceable agreement exists and, whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Consolidated entity applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the consolidated entity shall consider whether AASB 1058 applies.

The consolidated entity's new accounting policies for revenue and other income recognition are detailed as follows:

Sale of Goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) on the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at the point in time through profit and loss when the services are provided. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred, or to be incurred, or revenue cannot be measured reliably.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Rent Revenue

Rent revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

2 Revenue and Other Income (continued)

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

Grants and Government Grants

Grants and Government Grants where the promise to transfer goods or services to the customer are 'sufficiently specific' and an enforceable agreement exists are recognised over time as the grant funds are expended. Where there are no sufficiently specific performance obligations or conditions are not met, revenue is recognised at the point in time that the revenue is either received or the right to receive payment is established.

Sponsorship and events revenue

Revenue from sponsorship agreements are recognised when the consolidated entity has met its performance obligations under each contract and it is probable that the consolidated entity will receive the revenue. If there are performance obligations attached to the sponsorship, the recognition of the revenue is deferred until these conditions have been satisfied.

Revenue from events is recognised at the time that the event occurs. If revenue is received in advance of the event then the recognition of revenue is deferred until such time that it takes place.

Donations revenue

Donations received are recognised under AASB 1058 when received, unless there are specific performance conditions attached to the amount received, in which case, revenue is deferred until such time as the performance conditions have been met.

Other revenue

Other revenue is recognised at the point in time when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of goods and services tax (GST) with any unfulfilled performance obligations at the period end recognised within revenue in advance in the statement of financial position as a liability until these conditions are satisfied.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

3 Expenses

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Profit before income tax includes the following specific expenses: | | | | |
| Finance costs | | | | |
| Interest and finance charges paid/payable | 100,375 | 37,048 | 3,242 | 30,931 |
| Interest and finance charges paid/payable on lease liabilities | 48,972 | 49,531 | 48,972 | 49,531 |
| | <u>149,347</u> | <u>86,579</u> | <u>52,214</u> | <u>80,462</u> |
| Depreciation | | | | |
| Buildings and improvements | 1,463,180 | 1,441,263 | 1,456,481 | 1,437,211 |
| Plant and equipment | 1,533,291 | 1,475,713 | 1,119,638 | 1,152,867 |
| Motor vehicles | 41,020 | (81,054) | 14,530 | 16,937 |
| Poker machines | 1,527,729 | 1,557,852 | 1,527,729 | 1,557,852 |
| Rights of use assets | 802,163 | 415,390 | 182,956 | 182,934 |
| | <u>5,367,383</u> | <u>4,809,164</u> | <u>4,301,334</u> | <u>4,347,801</u> |
| Total depreciation (refer note 8 and note 9) | | | | |
| | <u>5,367,383</u> | <u>4,809,164</u> | <u>4,301,334</u> | <u>4,347,801</u> |
| Defined contribution superannuation expense | 2,370,340 | 2,061,910 | 814,385 | 697,611 |
| | <u>2,370,340</u> | <u>2,061,910</u> | <u>814,385</u> | <u>697,611</u> |

Recognition and Measurement

Finance costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges. Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets.

Defined contribution superannuation expense

The consolidated entity is under a legal obligation to contribute between 10.5% to 11% of each employee's base salary to a superannuation fund.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

4 Income Tax

(a) Income Tax Expense

Under the concept of mutuality, Western Suburbs Leagues Club Limited is liable for income tax only on income derived from non-members and from outside entities under the Income Tax Assessment Act, 1997 (amended).

Western Suburbs District Rugby League Football Club Limited is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997.

Wests Tigers Rugby League Football Pty Ltd is a non-profit organisation established for sports administration and training for a professional rugby league team. It is prohibited from declaring a dividend and is exempt from tax.

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

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|-------------|---------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Proportion of income attributable to non-members | 6,938,268 | 7,332,089 | 6,938,268 | 7,332,089 |
| Less: Proportion of expenses attributable to non-members | (5,285,505) | (5,160,327) | (5,285,505) | (5,160,327) |
| Add: Other taxable income | 693,309 | 613,302 | 693,309 | 613,302 |
| Less: Other deductible expenses | (1,602,745) | (2,236,615) | (1,602,745) | (2,236,615) |
| Net profit subject to tax | 743,326 | 548,449 | 743,326 | 548,449 |
| Current income tax applicable to above at rate of 30% | 222,998 | 164,535 | 222,998 | 164,535 |
| Under provision in prior years | 99,562 | 23,560 | 99,562 | 23,560 |
| Decrease/(increase) in deferred tax assets | 164,729 | (53,665) | 164,729 | (53,665) |
| Income tax expense | 487,289 | 134,430 | 487,289 | 134,430 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

4 Income Tax (continued)

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|-----------|---------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| (b) Current Tax (Liability)/Receivable | | | | |
| Movements during the year: | | | | |
| Balance at beginning of year | 22,002 | (18,512) | 22,002 | (18,512) |
| Income tax paid | 221,506 | 228,627 | 221,506 | 228,627 |
| Under provision in prior years | (99,562) | (23,578) | (99,562) | (23,578) |
| Current year income tax expense | (222,998) | (164,535) | (222,998) | (164,535) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Current tax (liability)/receivable | (79,052) | 22,002 | (79,052) | 22,002 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| (c) Deferred Tax Liability | | | | |
| The balance comprises temporary differences attributable to: | | | | |
| <i>Amounts recognised in profit or loss</i> | | | | |
| Provisions | 119,201 | 117,083 | 119,201 | 117,083 |
| Accruals | 12,955 | 14,883 | 12,955 | 14,883 |
| Prepayments | (30,690) | - | (30,690) | - |
| Property, plant and equipment | (134,406) | - | (134,406) | - |
| Leases | 4,090 | 3,911 | 4,090 | 3,911 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net deferred tax (liability)/asset | (28,850) | 135,877 | (28,850) | 135,877 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Movements | | | | |
| Opening balance | 135,877 | 82,212 | 135,877 | 82,212 |
| Debited to profit or loss | (59,840) | 13,902 | (59,840) | 13,902 |
| (Under)/over provision in prior year | (104,887) | 39,763 | (104,887) | 39,763 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Closing balance | (28,850) | 135,877 | (28,850) | 135,877 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Recognition and Measurement

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted, except for:

- When deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

4 Income Tax (continued)

- When the taxable temporary difference is associated with investments in subsidiaries, associate or interest in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

5 Cash and Cash Equivalents

Reconciliation of Cash

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

| | Consolidated Entity | | Parent Entity | |
|---------------------------|---------------------|------------|---------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Cash and cash equivalents | 22,309,337 | 18,174,703 | 21,587,891 | 16,240,831 |

Recognition and Measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible known amounts of cash and which are subject to an insignificant risk in changes in value.

6 Trade and other receivables

| | Consolidated Entity | | Parent Entity | |
|-------------------------------------|---------------------|-----------|---------------|---------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Trade receivables | 902,128 | 4,143,522 | 105,812 | 206,085 |
| Less: Provision for expected losses | (178,018) | (41,777) | - | - |
| Other receivables | 57,767 | 35,192 | - | - |
| Accrued income | 40,000 | 94,473 | - | - |
| | 821,877 | 4,231,410 | 105,812 | 206,085 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

6 Trade and other receivables (continued)

Recognition and Measurement

Trade receivables

Trade receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provision for impairment. Trade receivables are usually due for settlement within 30 to 60 days.

Under AASB 9 there are impairment requirements which use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial asset has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The expected credit loss estimated by the management using simplified approach is nil (2022: Nil).

Other receivables

Other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provision for impairment.

7 Other Current Assets

| | Consolidated Entity | | Parent Entity | |
|----------------|---------------------|-----------|---------------|---------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Prepayments | 1,250,842 | 1,001,572 | 415,622 | 304,684 |
| Other | 45,635 | 68,638 | 45,635 | 68,638 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,296,477 | 1,070,210 | 461,257 | 373,322 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Recognition and Measurement

Prepayments

Prepayments represent amounts paid in advance by the company for the provision of goods or services. Prepayments are measured at the fair value of the prepaid goods or services expected to be settled at a future date. Current prepayments are expected to be settled within 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

8 Property, Plant and Equipment

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|-------------------|-------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Land | | | | |
| Freehold land: | | | | |
| At cost | 8,862,864 | 8,862,864 | 8,862,864 | 8,862,864 |
| Buildings | | | | |
| At cost | 65,616,731 | 64,914,213 | 65,456,479 | 64,723,967 |
| Accumulated depreciation | (24,836,200) | (23,408,039) | (24,823,938) | (23,367,457) |
| | 40,780,531 | 41,506,174 | 40,632,541 | 41,356,510 |
| Sub Total - Land and Buildings | 49,643,395 | 50,369,038 | 49,495,405 | 50,219,374 |
| Plant and Equipment | | | | |
| At cost | 25,735,042 | 24,829,580 | 23,253,059 | 22,073,479 |
| Less: Accumulated depreciation | (22,072,831) | (21,201,778) | (20,903,036) | (19,869,931) |
| | 3,662,211 | 3,627,802 | 2,350,023 | 2,203,548 |
| Poker Machines | | | | |
| At cost | 17,097,818 | 15,576,273 | 17,097,818 | 15,576,273 |
| Less: Accumulated depreciation | (13,370,983) | (12,397,979) | (13,370,983) | (12,397,979) |
| | 3,726,835 | 3,178,294 | 3,726,835 | 3,178,294 |
| Motor Vehicles | | | | |
| Motor Vehicle at cost | 439,665 | 320,189 | 174,617 | 174,617 |
| Motor Vehicles accumulated depreciation | (371,778) | (204,132) | (168,534) | (154,004) |
| | 67,887 | 116,057 | 6,083 | 20,613 |
| Capital works in progress | | | | |
| At cost | 4,738,493 | 2,773,377 | 4,738,493 | 2,773,376 |
| | 4,738,493 | 2,773,377 | 4,738,493 | 2,773,376 |
| Total property, plant and equipment | 61,838,821 | 60,064,568 | 60,316,839 | 58,395,205 |

Refer to Note 12 for details of security over property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

8 Property, Plant and Equipment (continued)

Valuation

On 31 December 2021 an independent valuation of the consolidated entity's land and buildings was carried out by registered valuers, Global Valuation Services Pty Limited. The valuation was prepared on the basis of fair value and determined the fair value of land and buildings of the consolidated entity to be \$96,400,000 respectively. Based on the results of this valuation, the directors are satisfied that the carrying amount of land and buildings at reporting date is adequately supported.

Land and buildings are recorded at cost. As such, these valuations have not been brought to account. The directors do not believe that there has been a material movement in the market value since the valuation date.

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

| | 2023 \$ | 2022 \$ | 2023 \$ | 2022 \$ |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Reconciliations | | | | |
| Freehold Land | | | | |
| Carrying amount at beginning of year | 8,862,864 | 8,862,864 | 8,862,864 | 8,862,864 |
| Buildings and improvements | | | | |
| Carrying amount at beginning of year | 41,506,174 | 37,704,269 | 41,356,510 | 37,693,380 |
| Additions | 737,537 | 5,243,168 | 732,512 | 5,100,341 |
| Depreciation | (1,463,180) | (1,441,263) | (1,456,481) | (1,437,211) |
| Carrying amount at end of year | 40,780,531 | 41,506,174 | 40,632,541 | 41,356,510 |
| Plant and Equipment | | | | |
| Carrying amount at beginning of year | 3,627,802 | 2,151,141 | 2,203,548 | 1,781,936 |
| Additions | 1,567,700 | 2,954,588 | 1,266,113 | 1,576,991 |
| Disposals | - | (2,214) | - | (2,512) |
| Depreciation | (1,533,291) | (1,475,713) | (1,119,638) | (1,152,867) |
| Carrying amount at end of year | 3,662,211 | 3,627,802 | 2,350,023 | 2,203,548 |
| Poker Machines | | | | |
| Carrying amount at beginning of year | 3,178,294 | 3,025,284 | 3,178,294 | 3,025,285 |
| Additions | 2,076,270 | 1,719,891 | 2,076,270 | 1,719,891 |
| Disposals | - | (9,029) | - | (9,030) |
| Depreciation expense | (1,527,729) | (1,557,852) | (1,527,729) | (1,557,852) |
| Carrying amount at end of year | 3,726,835 | 3,178,294 | 3,726,835 | 3,178,294 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

8 Property, Plant and Equipment (continued)

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|-------------|---------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Reconciliations (continued) | | | | |
| Motor Vehicles | | | | |
| Carrying amount at beginning of year | 116,057 | 75,256 | 20,613 | 37,550 |
| Additions | - | 76,232 | - | - |
| Disposals | (7,150) | (116,485) | - | - |
| Depreciation | (41,020) | 81,054 | (14,530) | (16,937) |
| | | | | |
| Carrying amount at end of year | 67,887 | 116,057 | 6,083 | 20,613 |
| | | | | |
| Capital Works in Progress | | | | |
| Carrying amount at beginning of year | 2,773,377 | 5,455,034 | 2,773,377 | 5,455,034 |
| Additions | 1,965,116 | 5,707,632 | 1,965,116 | 5,707,632 |
| Transfers to Buildings and improvements and plant and equipment | - | (8,389,289) | - | (8,389,289) |
| | | | | |
| Carrying amount at end of year | 4,738,493 | 2,773,377 | 4,738,493 | 2,773,377 |

Core Properties held by the consolidated entity are:

- 95-115 Liverpool Road, Ashfield, being Lot 1 DP 1188684
- 114 Church Street, Croydon being Lot 1 in DP 554988

Non-Core Properties held by the consolidated entity are:

- 72 Queen Street, Croydon being Lots 5, 7 and 8 in DP 237006
- 142 Croydon Road, Croydon being Lots 1 and 3 in DP 550694
- 98 Liverpool Road, Ashfield being Lot 6 in DP 4284

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

8 Property, Plant and Equipment (continued)

Recognition and Measurement

Freehold land and buildings are shown at historic cost less subsequent depreciation for buildings and accumulated impairment losses for land and buildings.

Plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line/ diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

| | 2023 | 2022 |
|-------------------------------|--------|--------|
| Property, plant and equipment | | |
| Buildings and improvements | 40 | 40 |
| Plant and equipment | 3 - 13 | 3 - 13 |
| Motor vehicles | 5 | 5 |
| Poker machines | 5 | 5 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

Capital work-in-progress is stated at cost and not depreciated. Depreciation commences when the assets are ready for their intended use, at which point it is transferred out of capital work-in-progress to the class of asset to which it relates.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold, it is consolidated entity policy to transfer the amounts included in other reserves with respect to those assets to retained earnings.

Key Estimates and Judgements

The consolidated entity 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 estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

9 Right-of-use assets

| | Consolidated Entity | | Parent Entity | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Plant and Equipment - right-of-use | | | | |
| At cost | 73,664 | 81,520 | - | - |
| Less accumulated amortisation | (7,673) | (40,760) | - | - |
| | <u>65,991</u> | <u>40,760</u> | <u>-</u> | <u>-</u> |
| Motor Vehicles - right-of-use | | | | |
| At cost | 74,527 | 151,629 | - | - |
| Less accumulated amortisation | (74,527) | (128,544) | - | - |
| | <u>-</u> | <u>23,085</u> | <u>-</u> | <u>-</u> |
| Car Park - right-of-use | | | | |
| At cost | 483,092 | 560,275 | - | - |
| Less accumulated amortisation | (27,668) | (4,669) | - | - |
| | <u>455,424</u> | <u>555,606</u> | <u>-</u> | <u>-</u> |
| Centre of Excellence - right-of-use | | | | |
| At cost | 1,988,598 | 1,958,028 | - | - |
| Less accumulated amortisation | (148,576) | (26,712) | - | - |
| | <u>1,840,022</u> | <u>1,931,316</u> | <u>-</u> | <u>-</u> |
| Property - right-of-use | | | | |
| At cost | 1,829,554 | 1,830,188 | 1,829,554 | 1,830,188 |
| Less accumulated amortisation | (566,787) | (383,831) | (566,787) | (383,831) |
| | <u>1,262,767</u> | <u>1,446,357</u> | <u>1,262,767</u> | <u>1,446,357</u> |
| Playing Field - right-of-use | | | | |
| At cost | 873,042 | - | - | - |
| Less accumulated amortisation | (34,086) | - | - | - |
| | <u>838,956</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cintra Park- right-of-use | | | | |
| At cost | 939,033 | - | - | - |
| Less accumulated amortisation | (430,390) | - | - | - |
| | <u>508,643</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total right-of-use assets at the end of the year | <u>4,971,803</u> | <u>3,997,125</u> | <u>1,262,767</u> | <u>1,446,357</u> |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

9 Right-of-use assets (continued)

Movements in carrying amounts:

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|--------------|---------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Plant and Equipment - right-of-use | | | | |
| Carrying amount at beginning of year | 40,760 | 183,409 | - | - |
| Additions | 73,664 | - | - | - |
| Disposals | (81,520) | - | - | - |
| Accumulated depreciation on disposals | 51,629 | - | - | - |
| Depreciation | (18,542) | (142,649) | - | - |
| Carrying amount at the end of the year | 65,991 | 40,760 | - | - |
| Motor Vehicles - right-of-use | | | | |
| Carrying amount at beginning of year | 23,085 | 81,511 | - | - |
| Depreciation | (23,085) | (58,425) | - | - |
| Carrying amount at the end of the year | - | 23,085 | - | - |
| Car Park - right-of-use | | | | |
| Carrying amount at beginning of year | 555,606 | - | - | - |
| Additions | - | 560,275 | - | - |
| Modification | (77,183) | - | - | - |
| Depreciation | (22,999) | (4,669) | - | - |
| Carrying amount at the end of the year | 455,424 | 555,606 | - | - |
| Centre of Excellence - right-of-use | | | | |
| Carrying amount at beginning of year | 1,931,316 | - | - | - |
| Additions | - | 15,557,795 | - | - |
| Modification | 30,570 | - | - | - |
| Impairment | - | (13,599,767) | - | - |
| Depreciation | (121,864) | (26,712) | - | - |
| Carrying amount at the end of the year | 1,840,022 | 1,931,316 | - | - |
| Property - right-of-use | | | | |
| Carrying amount at beginning of year | 1,446,356 | 1,630,060 | 1,446,356 | 1,630,060 |
| Modification | (633) | (769) | (633) | (769) |
| Depreciation | (182,956) | (182,934) | (182,956) | (182,934) |
| Carrying amount at the end of the year | 1,262,767 | 1,446,357 | 1,262,767 | 1,446,357 |
| Playing Field - right-of-use | | | | |
| Carrying amount at beginning of year | - | - | - | - |
| Additions | 873,042 | - | - | - |
| Depreciation | (34,086) | - | - | - |
| Carrying amount at the end of the year | 838,956 | - | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

9 Right-of-use assets (continued)

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Cintra Park- right-of-use | | | | |
| Carrying amount at beginning of year | - | - | - | - |
| Additions | 939,033 | - | - | - |
| Depreciation | (430,390) | - | - | - |
| | | - | - | - |
| Carrying amount at the end of the year | 508,643 | - | - | - |
| Total right-of-use assets at the end of the year | 4,971,803 | 3,997,125 | 1,262,767 | 1,446,357 |

Plant and equipment - right-of-use

The plant and equipment right-of-use assets relate to photocopiers and facility demountable leases which are non-cancellable leases with a term of five and two years respectively. Both leases commenced in April 2020. The incremental borrowing rate applied to these leases is 2.59% (refer to Note 15). There are no options to renew.

Motor Vehicle - right-of-use

The motor right-of-use asset relates to two leases that are non-cancellable leases with four-year terms. The incremental borrowing rate applied to these leases is 2.59% (refer to Note 15). There are no options to renew.

Car park - right-of-use

The car park right-of-use asset relates to the car park lease at Concord Oval which is a non-cancellable lease with a term of twenty years commencing August 2022. The incremental borrowing rate applied to the lease is 5.00% (refer to Note 15). There are no options to renew.

Centre of excellence - right-of-use

The centre of excellence right-of-use asset relates to the Centre of Excellence facility at Concord Oval which is a non-cancellable lease with a term of twenty years commencing August 2022. The incremental borrowing rate applied to the lease is 5.00% (refer to Note 15). There are no options to renew.

In the prior period an impairment was recognised on the Centre of Excellence right-of-use asset amounting to \$13,599,767. This impairment arose as a result of the carrying amount of the Centre of Excellence right-of-use asset being in excess of the recoverable amount. Management assessed the recoverable amount of the Centre of Excellence right-of-use asset based on commercial terms of a leased assets with similar terms, security and economic conditions.

Cintra park - right-of-use

The Cintra park right-of-use asset relates to facility demountable leases at Cintra Park which is a non-cancellable lease with a term of two years commencing December 2022. The incremental borrowing rate applied to the lease is 4.18% (refer to Note 15). There are no options to renew.

Playing Field - right-of-use

The playing field right-of-use asset relates to the playing field lease at Concord Oval which is a non-cancellable lease with a term of twenty years commencing January 2023. The incremental borrowing rate applied to the lease is 5.00% (refer to Note 15). There are no options to renew.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

9 Right-of-use assets (continued)

Property - right-of-use

The property rights-of-use asset relates to the Sydney Markets premises on amalgamation of Balmain Leagues Club. The lease is a non-cancellable leases with five year terms commencing September 2020. The incremental borrowing rate applied to these leases is 2.7% (refer to Note 15). There are multiple options to renew for a period of five years with management determining that renewal in 2025 is probable.

Recognition and measurement

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is recognised over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

During the year the consolidated entity entered into an agreement to temporarily relocate its premises at Concord Oval, Loftus Street, Concord to 8P Gipps Street, Concord during the construction of its Centre of Excellence Facility. This lease is held under a peppercorn lease arrangement and has been recognised at cost on initial application. The lease term is for a three year period.

Key Estimate and Judgement: Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

10 Intangible Assets

| | Consolidated Entity | | Parent Entity | |
|--------------------------------|---------------------|------------------|------------------|------------------|
| | 2023 \$ | 2022 \$ | 2023 \$ | 2022 \$ |
| Poker machine entitlements | 2,772,000 | 2,772,000 | 2,772,000 | 2,772,000 |
| Total Intangible Assets | 2,772,000 | 2,772,000 | 2,772,000 | 2,772,000 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

10 Intangible Assets (continued)

Reconciliations

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

| | | | | |
|-----------------------------------|-----------|-----------|-----------|-----------|
| Poker machine entitlements | | | | |
| Opening net book amount | 2,772,000 | 2,772,000 | 2,772,000 | 2,772,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Intangible Assets | 2,772,000 | 2,772,000 | 2,772,000 | 2,772,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Indefinite useful life

Poker machine entitlements are administrated by the state government which restricts the number of poker machines that can be installed by licensed club holder. The entitlements which may be transferred or acquired or sold do not have an expiration date and are therefore deemed to have an indefinite useful life. Poker machine entitlements are internally generated and therefore are only recognised when acquired and are valued at cost.

Poker Machine Entitlements

Poker machine entitlements are not amortised. Instead, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Key Estimates and Judgements

Intangible Assets

Impairment of poker machine entitlements is recognised based on a value in use calculations and is measured at the present value of the estimated future cash inflows available to the consolidated entity from the use of these licenses. In determining the present value of the cash inflows, growth rates and appropriate discount factors have been considered.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

11 Trade and Other Payables

| | Consolidated Entity | | Parent Entity | |
|--------------------------------------|---------------------|-------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Trade creditors | 2,304,003 | 6,581,639 | 1,300,345 | 901,974 |
| Goods and services tax (GST) payable | 600,450 | 355,185 | 363,607 | 335,346 |
| Other creditors and accruals | 4,265,855 | 4,659,854 | 2,696,603 | 3,309,454 |
| | <u>7,170,308</u> | <u>11,596,678</u> | <u>4,360,555</u> | <u>4,546,774</u> |

Recognition and Measurement

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year which are unpaid, and are measure at amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

12 Financial Liabilities

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|---------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Secured | | | | |
| Debenture loans | 2,000 | 2,000 | 2,000 | 2,000 |
| | <u>2,000</u> | <u>2,000</u> | <u>2,000</u> | <u>2,000</u> |
| Financing Arrangements | | | | |
| The entity has access to the following lines of credit: | | | | |
| Total facilities available: | | | | |
| Credit card facility | 40,000 | 40,000 | 40,000 | 40,000 |
| | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> |
| Facilities utilised at reporting date: | | | | |
| Credit card facility | 19,536 | 14,658 | 19,536 | 14,658 |
| | <u>19,536</u> | <u>14,658</u> | <u>19,536</u> | <u>14,658</u> |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

12 Financial Liabilities (continued)

Recognition and Measurement

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are classified as non-current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

13 Employee Benefits

| | Consolidated Entity | | Parent Entity | |
|--------------------|---------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Employee benefits | 2,574,440 | 2,450,666 | 2,146,603 | 2,125,382 |
| Non-Current | | | | |
| Employee benefits | 119,877 | 180,927 | 114,905 | 108,968 |
| | <u>2,694,317</u> | <u>2,631,593</u> | <u>2,261,508</u> | <u>2,234,350</u> |

Recognition and Measurement

Wages and Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long Service Leave

The provision for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

Superannuation Plan

The consolidated entity contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The consolidated entity has no legal or constructive obligation to fund any deficit.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

13 Employee Benefits (continued) Key Estimates and Judgements

Long Service Leave Provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to 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.

14 Revenue in advance

| | Consolidated Entity | | Parent Entity | |
|-----------------------------|---------------------|-----------|---------------|---------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Revenue received in advance | 1,957,481 | 1,855,619 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Non-current | | | | |
| Revenue received in advance | 158,133 | 155,254 | 158,133 | 155,254 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Recognition and Measurement

Revenue received in advance

Refer to note 2 for further information on the consolidated entity's revenue recognition policies. Deferred revenue is recognised when the consolidated entity receives consideration in advance of the performance obligations being met.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

15 Leases

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Current | | | | |
| Lease liabilities | 630,198 | 241,396 | 183,681 | 179,172 |
| Non-current | | | | |
| Lease liabilities | 2,736,626 | 1,915,209 | 1,174,191 | 1,354,787 |
| Total lease liability | 3,366,824 | 2,156,605 | 1,357,872 | 1,533,959 |
| Future lease payments | | | | |
| Future lease payments are due as follows: | | | | |
| Within one year | 766,004 | 289,227 | 214,951 | 214,951 |
| One to five years | 1,597,487 | 1,042,935 | 859,804 | 859,804 |
| More than five years | 1,769,207 | 1,160,940 | 411,989 | 626,940 |

Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease liabilities are secured over the rights to the hire purchase assets recognised in the statement of financial position which will revert to the lessor if the consolidated entity defaults.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; and/or certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Key Estimate and Judgement: Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic conditions.

16 Members' Funds - Reserves

| | Consolidated Entity | | Parent Entity | |
|----------------------------------|---------------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Equity Reserve | | | | |
| Balance at beginning of the year | 781,060 | 781,060 | 781,060 | 781,060 |
| Total Reserves | 781,060 | 781,060 | 781,060 | 781,060 |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

17 Commitments

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|-------|---------------|-------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| a) Operating Lease Commitments | | | | |
| Future operating lease commitments not recognised as liabilities, payable: | | | | |
| Within one year | 3,006 | 2,516 | 3,006 | 2,516 |
| | 3,006 | 2,516 | 3,006 | 2,516 |

The entity leases property under non-cancellable operating leases expiring from one to five years. Leases generally provide the entity with a right of renewal at which time all terms are renegotiated. Lease payments comprise a base amount plus an incremental contingent rental. Contingent rentals are based on either movement in the Consumer Price Index or operating criteria.

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|------------|---------------|---------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| b) Forward Commitments | | | | |
| Players and Head Coach | | | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | | | |
| Within one year | 12,355,982 | 11,359,220 | - | - |
| Between one and five years | 21,841,405 | 13,819,333 | - | - |
| Commitment to Balmain Tigers Rugby League Football Club | | | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | | | |
| Within one year | 350,000 | 350,000 | 350,000 | 350,000 |
| Between one and five years | - | 350,000 | - | 350,000 |
| Total | 34,547,477 | 25,878,553 | 350,000 | 700,000 |

Players and Head Coach

West's Tigers Rugby League Football Pty Ltd has entered into contracts with players and coaches with respect to subsequent seasons, whereby certain minimum amounts are payable.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

17 Commitments (continued)

Commitment to Balmain Tigers Rugby League Football Club

A condition precedent to the completion of the 2020 amalgamation between Western Suburbs Leagues Club and Balmain Leagues Club is to support Balmain Tigers Rugby League Football Club for a total amount up to \$350,000 per year over 5 years.

Other commitments

The consolidated entity entered into an arrangement with Westpac Banking Corporation with respect to the payment of its general insurance. The insurance premium is paid by the bank on behalf of Western Suburbs Leagues Club Limited, with payments to Westpac being made on a monthly basis by the consolidated entity. The estimated payments remaining under this agreement with respect to future periods is \$ 351,861 (2022: \$329,730).

18 Contingent Liabilities

| | Consolidated Entity | | Parent Entity | |
|--|---------------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Bank Guarantees | | | | |
| The Consolidated entity has given the following bank guarantees: | | | | |
| Ashfield Municipal Council | 220,000 | 220,000 | 220,000 | 220,000 |
| TAB Limited | 7,000 | 7,000 | 7,000 | 7,000 |
| Roads and Maritime services | 17,000 | 17,000 | 17,000 | 17,000 |
| | <u>244,000</u> | <u>244,000</u> | <u>244,000</u> | <u>244,000</u> |

19 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the company during the financial year (unless otherwise stated):

Dennis Burgess
 Frederick Wayde
 Anthony Andreacchio
 Michael Liubinskas - resigned 25 March 2023
 Julie Romero
 Vince Tropiano
 David Gilbert
 Stephen Montgomery

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

19 Key Management Personnel Details (continued)

(b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year:

| Name | Position |
|------------------|--|
| Simon Cook | Chief Executive Officer |
| Daniel Paton | Chief Financial Officer |
| Tim McAleer | Chief Operating Officer |
| David Walsh | Group Gaming Executive - resigned 14 July 2023 |
| Michelle Nielsen | Executive Manager - HR/People & Culture |

(c) Key Management Personnel Compensation

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|-----------|---------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Compensation | | | | |
| The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below: | | | | |
| Aggregate compensation | 2,073,371 | 2,029,693 | 2,073,371 | 2,029,693 |

20 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 19.

Directors' Transactions with the Company

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

20 Related Parties (continued)

Related Party Transactions

Western Suburbs Leagues Club Limited supports Western Suburbs District Rugby League Football Club Limited through the provision of funding. The amount paid during the year was \$127,394 (2022: \$163,333).

Western Suburbs Leagues Club Limited supports Wests Tigers Rugby League Football Pty Ltd. The amount paid during the year ended 31 October 2023 was \$1,716,662 (2022: \$1,847,714).

Western Suburbs Leagues Club Limited supports Balmain Tigers Rugby League Football Club Limited. The amount paid during the year ended 31 October 2023 was \$274,776 (2022: \$80,000).

Receivables from and payable to related parties

There were no balances outstanding from related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current reporting date (2022: \$nil).

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

21 Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Accounting Firm 123, the auditor of the company, its network firms and unrelated firms:

| | Consolidated Entity | | Parent Entity | |
|---|---------------------|------------|---------------|------------|
| | 2023 \$ | 2022 \$ | 2023 \$ | 2022 \$ |
| Audit services - BDO Audit Pty Ltd | | | | |
| Audit of the financial statements | 101,000 | 96,500 | 56,500 | 52,000 |
| Assistance with the preparation of the financial statements | 7,500 | 7,000 | 7,500 | 7,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other services - BDO Services Pty Ltd | | | | |
| Preparation of the tax return | 7,500 | 11,218 | 7,500 | 11,218 |
| Fringe benefits tax return | 6,500 | 5,600 | 6,500 | 4,100 |
| Whistleblowing policy | - | 5,000 | - | 5,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 122,500 | 125,318 | 78,000 | 79,318 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

22 Controlled Entities

The controlled entities of Western Suburbs League Club Limited are:

- Wests Magpies Pty Limited (formerly known as Western Suburbs Rugby League Football Group Pty Limited.)
- Western Suburbs District Rugby League Football Club Limited; and
- Wests Tigers Rugby League Football Pty Ltd

The controlled entities are incorporated in Australia.

| | Consolidated percentage interest | |
|---|----------------------------------|------|
| | 2023 | 2022 |
| | % | % |
| Western Suburbs District Rugby League Football Club Limited | 100% | 100% |
| Wests Magpies Pty Limited | 100% | 100% |
| Wests Tigers Rugby League Football Pty Ltd | 90% | 90% |

The non-controlling interest has a 10% (2022: 10%) equity holding in Wests Tigers Rugby League Football Pty Ltd.

23 Events Subsequent to Reporting Date

The consolidated entity entered into the following arrangements subsequent to the balance sheet date:

No other matters or circumstance have arisen since 31 October 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

24 Company Details

Western Suburbs Leagues Club Limited is incorporated and domiciled in Australia as a company limited by guarantee. 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 is a member or within one year thereafter. As at 31 October 2023 there were 27,524 members (2022: 33,763). The liability at 31 October 2023 was \$110,096 (2022: \$135,052).

The registered office of the Company is 115 Liverpool Road, Ashfield NSW 2131.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

25 Summary of Other Significant Accounting Policies

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. 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 in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office 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, except for the GST component of investing and financing activities, which are disclosed as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the consolidated entity is the current bid price.

The carrying value of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT

For the Year ended 31 October 2023

25 Summary of Other Significant Accounting Policies (continued)

Customer Loyalty Program

The consolidated entity operates a loyalty program where customers accumulate points for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.



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