



ANNUAL REPORT

FOR THE YEAR ENDED
31 OCTOBER 2020



Wests Ashfield

Wests World

FACTS & FIGURES



184,581

UNITS OF TAP BEER
SOLD



31,323

UNITS OF WINE
SOLD



7,757

FACEBOOK
LIKES



46,044

MAIN MEALS
SERVED



335,978

VISITATION



28

INTRA CLUBS



West's Ashfield



423,372

"WHAT'S ON"
EMAILS SENT



\$2,530,705

CLUBGRANTS FUNDING
ISSUED



38,676

MEMBERS

CONTENTS

BOARD OF DIRECTORS	4
CHAIRMAN'S REPORT	8
CEO'S REPORT	9
CLUB GRANTS	11
STAFF AND MEMBERS IN THE COMMUNITY	14
LIFE MEMBERS	16
FINANCIAL REPORTS	18

Board Of DIRECTORS



MIKE BAILEY OAM
CHAIRMAN

Mike Bailey was awarded the Medal of the Order of Australia (OAM) in 2020 for his services to Rugby League and to the community; an honour which reflects on much of his commitment to Wests Ashfield. Although he hasn't been a League player, he served terms as Chairman of both Wests Magpies and Wests Tigers and was prominent in leading initial discussions on the future of our NRL Club when it was facing difficult financial pressures.

His community service has included his past work hosting events at Wests Ashfield such as ClubGRANTS presentations and the Community Citizenship and Magpie Awards Functions and through his role as a Board Member of several charities, he has assisted numerous fund raising and other activities within that sector.

Mike is a long-standing Debenture Holder who was elected to the Board of Wests Ashfield in 2010 and became Chairman the following year. He is involved with all Club Committees and through co-operation with his fellow Directors and the Club's management team, has improved facilities for Members and their guests. The past year also saw the completion of the amalgamation with Balmain, which has resulted in further expanding the Wests' footprint.

Keen support for Wests Magpies lured Mike to the Club after he completed his school education at De La Salle College, Ashfield.

Most of his professional life was spent as a journalist with the Seven and Nine Networks and the ABC, where he also did radio work after earlier stints on commercial stations 2KY and 2GB. He also contributed to print outlets and has worked with several state government departments, including overseeing the production of a detailed report on climate change to assist Emergency Services.

He was lecturer and electronic course coordinator for journalism students at Macleay College for more than 10 years; he has provided media training to business agencies and he recently completed employment with the administrative and charitable operations of the Catholic Church in Sydney.



**TONY
ANDREACCHIO**
DEPUTY
CHAIRMAN

With almost three decades' experience in local business (the past 20 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 in recent times, was appointed to the Vincentian Fathers Advisory Board Oceania.

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 since 2012.

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.



**DENNIS
BURGESS**
DIRECTOR

Dennis is a professional musician and Managing Director of Burgess Ventures, which encompasses Regal Records, A Red Letter Day (Event Management), UBERfest Festivals, Burgess Bookings, Above All Secretarial, 'BurgessBurgess (The Band)' 'Burgess British Blues Boys' 'Good Times' and 'Dead Singer Band Lost Legends Showcase'.

Through Denny Burgess Management, he looks after the affairs of Australian Idol performers Rebekah LaVauney and Peter Ryan.

He has been a Debenture Holder of 'Western Suburbs Leagues Club Ltd' since 1996 and a Director for the past twenty years.

Dennis has also served time as a Director of Western Suburbs Magpies and is the Songwriter/Performer of one of Wests Magpies Club Songs - 'Glory Boys'.

Other business involvements include being Chairman of the 'Australian Songwriters Association' (ASA), Director of 'Association of Artists Managers' (AAM), 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 twenty year old son Cole. Dennis is passionate about Wests; its past, its present and its future.

As Chairman of Wests Magpies Events Committee and a member of the Finance Committee, he was pleased to play a part in the Magpies Centenary Celebrations in 2008 and has been actively involved in Wests Ashfield League's recent car park development and exciting new restaurant, 'The Garden'.

Dennis is currently a Director of Wests Tigers and Board representative on the Community Engagement Committee, Judiciary Committee and Heritage Committee.



RICK WAYDE
DIRECTOR

Raised in Lidcombe and currently residing in Croydon, 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 fulltime 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 as a first class amenity for its 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 Club Secretary. As a Director of Wests Tigers, he is an active member of the Football Committee. Rick is also responsible for co-ordinating the activities of Wests Archives and chairs the Wests Tigers Heritage Committee



MICK LIUBINSKIS
DIRECTOR

Mick has continued involvement in the field of IT Service Management within the IT world, this allows him to maintain his commitment to the Wests Magpies and the teams within the football club.

With wife Vicki who is teaching Pre-kindergarten at MLC College, they have 2 sons, Todd and Kodi. The family is involved in the fitness industry through Todd's fitness centre at Concord, Complete Strength and Performance/Coaching Zone and through Vicki's foundation, Let's Get Going, a program for athletes with an intellectual disability.

Mick's distinguished career as a rugby league player began with the Wests Magpies in 1972 and included stints at Balmain and Umina on the NSW Central Coast, prior to his retirement in 1981. He continued his involvement in rugby league through various roles that included Western Suburbs Jersey Flegg Coach in 1995-96, Metropolitan Cup in 2000 and a Junior Representative Selector for NSWRL 2003-2009.

His current sporting endeavours include regular fitness sessions, golf and surfing.

As well as being a Debenture Holder and Director of Wests Ashfield, Mick is also on the Board of Wests Tigers and Chairman of the Western Suburbs District Rugby League Football Club. He remains as President of the Pratten Park Magpies Past Players Association and a member of the Men of League Foundation.

He continues to develop and maintain long standing friendships and business relationships through his outgoing approach, resulting in a wide network of contacts in both business and sport.

Mick brings to the Board a wealth of Wests history, strong business acumen and a welcoming approach.



**JULIE
ROMERO**
DIRECTOR

Julie Romero is the first female director in the Club's history, a significant achievement. Wests has been a part of Julie's life for as long as she can remember. She is a longstanding Leagues Club member and lifelong Wests Magpies supporter who started attending games when she was 3 years old.

In 1987 when Wests Magpies relocated to Campbelltown, Julie volunteered her time as a founding Secretary of the official Western Suburbs Magpies Supporters Club. The Supporters Club raised valuable funds for the football club every year.

Julie became a Debenture Holder in January 2009 and held the role of Secretary from February 2010 to December 2012. In February 2014, Julie was elected Debenture Holder Chairperson and held that role until February 2020, when she was nominated for election to the Board of Directors. Being a Director of Wests Ashfield Leagues has been an ambition of Julie's and the driving force behind her application for a Debenture. She has previously been the Wests Ashfield nominee on the Board of the Western Suburbs Magpies, serving a 3-year term.

Aside from Wests, Julie is passionate

about her family and her career and has many other varied interests. She has a 30+ year career in the insurance industry and has worked for Australia's largest insurer, as well as one of the largest global 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 as well as enforcing risk management and minimisation strategies.

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



**VINCE
TROPIANO**
DIRECTOR

Appointed to the Board of Directors in July 2020, Vince Troiano 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 customers 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.

Chairman's REPORT



MIKE BAILEY OAM CHAIRMAN

On behalf of the Board of Directors, I submit for your approval and adoption the Annual Report for the year ending 31st October 2020. It is especially pleasing to be able to report that the year was a most successful one in terms of our financial performance and I invite you to peruse further details in the CEO's Report and the Financial Statements.

Responding to the COVID-19 pandemic dominated much of the year in review, with the Club industry submitting to government health directives and closing from 23rd March until 1st June 2020. It was the first time in our history that the doors had to be closed to our Members and their guests and the operations to shut down and then to later re-open the Club, were not easily undertaken. I join with my fellow Directors in expressing our sincere gratitude to CEO Simon Cook and his Management Team for the diligence that they demonstrated in meeting the complex requirements to successfully address this undertaking. It was a major logistical achievement that was far more complex than simply locking up the building. In fact, members of the team remained on duty through most days of the closure and were available to discuss and provide information and support for assisting the needs of some of our valued Members.

Our management and staff continued to address the frequently changing pandemic health advice initially in the lead-up to closure and again in the months that followed the reopening. Authorised COVID Marshalls were constantly available as part of a team effort, designed to ensure that the Wests' Clubs were COVID SAFE venues and we thank them for their assistance.

Meeting the requirements imposed by social distancing meant that most of our regular Club functions were curtailed, but it was most pleasing to be able to provide a video presentation to outline to grant recipients and to Members, Wests ClubGRANTS contribution of \$218,122 which was distributed across numerous charity and other groups that provide worthy community service. The figure was part of a total of more than \$780,000 provided by your Club as charity donations.

Our service to the community initially forced us to review financial promises which had been made to support our Intra clubs, but the return of strong financial results after we reopened allowed us to allocate the full 100% that was originally promised.

Support also continued for the operations of Wests Tigers, with Wests moving at the end of the 2019 year to increase our ownership share to 90% ahead of a season that was interrupted by the provisions of the pandemic which forced the cancellation of the State Cup competition – known as the Canterbury Cup – during 2020. We are hopeful that good results will be achieved by our teams in 2021 which will also see our support for Wests Magpies continue, with the Club having provided nearly \$1.5-million for overall football propagation during the year in review. The 2021 season is offering special excitement for the Magpies through their return to Lidcombe Oval as the base for their involvement in a reinvigorated Massey Cup competition.

In further exciting news, work is underway on the construction of a Centre of Excellence at Concord Oval to serve the needs of Wests Tigers and other community groups. It has been pleasing to see Canada Bay Council join with the Federal and State Governments to work

together in planning to have the Centre opened in early 2022.

Tributes were paid at Wests Tigers matches last year following the sad passing of two of our most outstanding former Magpie players. Arthur Summons died on 16th May 2020 and Noel Kelly OAM died almost a month later on 14th June. Both of them were active at Club functions through many years and were able to share memories of their great contributions on the field. May they rest in peace.

Changes were made to the Board of our Leagues Club during the year. Debenture Holders Julie Romero and Vincent Tropiano were endorsed in July at our delayed Annual General Meeting as replacements for long-serving Directors Russell Smith (30 years) and John Hardgrove (9 years). The outgoing Directors provided a wealth of experience and wise counsel to the operations of the Board and we sincerely thank them for their service while also being pleased to welcome the enthusiastic commitment shown by both Vince and Julie, who is our first female Director.

In extending my appreciation to our Directors past and present, I again extend gratitude to CEO Simon Cook and his fine Management Team along with our staff who have continued to provide welcome service to our Members and their guests at Wests Ashfield, Wests Sports Club at Croydon and now at the Tigers Sydney Markets Club at Flemington.

On behalf of the Board, I wish you all good health, success and happiness as we hope to leave behind the difficult times that our society has endured during the past year

MIKE BAILEY OAM
CHAIRMAN



SIMON COOK CEO

CEO's REPORT

I am pleased to once again be afforded the opportunity to present to you this summary of the performance of the Wests Ashfield Group for the financial year ending 31 October 2020 and also to highlight our main achievements during what turned out to be a year like no other.

FINANCE

As demonstrated in the financial report, 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 a profit of \$8.0M which is a significant increase on the FY2019 profit of \$905k.

As a result of the FY2020 profit, the Net Assets of the consolidated entity grew 13.5% to \$58.8M. Wests Ashfield, the registered club, produced an EBITDAG of \$11.1M which is up 58.7% on the prior year, a very pleasing result in a year that was heavily impacted by COVID-19 which saw forced closures of ClubsNSW venues for a period of 10 weeks.

COVID-19 and the associated lockdown period also had a negative impact on FY2020 membership numbers, with a 7.7% decline to 36,711 members.

BOARD OF DIRECTORS

During the year we bade farewell to two of our long-serving Directors, Russell Smith (29 years) & John Hardgrove (9 years). Both of these gentlemen worked tirelessly over their respective tenure to assist in

making our Club the success it is today. On behalf of Management and staff, I take this opportunity to thank them for their diligence, enthusiasm and camaraderie shown over the years and I personally thank them for the sage advice and guidance they have generously provided me.

This provides me with the opportunity to introduce to you two new Board Members, Julie Romero and Vince Tropiano. Both Julie and Vince bring a wealth of knowledge, experience and business acumen and I am delighted to be able to welcome them aboard.

AMALGAMATION

Our proposed amalgamation with our Wests Tigers Rugby League Football Club joint venture partner, Balmain Leagues Club, was finally realised on 25 September 2020. This is the culmination of members from both Wests Ashfield and Balmain Leagues respectively voting to amalgamate in September 2019 and then gaining approval from Liquor and Gaming NSW.

I wish to thank the Board and management of Balmain Leagues Club for their cooperation during this time and look forward to their members now being able to enjoy the facilities of Wests Ashfield and Wests Sports Croydon, along with the existing Markets Club at Flemington.

The realisation of this landmark development will provide better financial security and ensure the long-term viability for Wests Magpies, Wests Tigers & Balmain Tigers. Currently, there is an air of positivity and excitement for what the future holds as

a result of this amalgamation.

OPERATIONS

As the world began to feel the full devastating impact of COVID-19 early in 2020, the effect on trade at Wests Ashfield was felt in the first week of March, culminating in the mandatory closure from 23 March 2020. Over the next 10 weeks of lockdown, the management team met regularly to formulate our plan to ensure that when permitted to re-open, we would be at the cutting edge of check-in procedures, health screening, hygiene standards, social distancing and safety in service delivery.

The pause in trade also provided management with the opportunity to review all facets of how we do business and allow forward planning to reshape the business in its entirety and adjust to a post-COVID world that has changed forever. Subsequent trading figures are testament to the belief that we are tracking in the right direction.

When at last reopening our doors on Monday 1 June, it was to a new Wests Ashfield with the introduction of temperature checks, hand sanitisation and mandatory check-in, thus ensuring the health of all patrons and staff. The lockdown also afforded us the time for the reconfiguration of the facilities and amenities on both levels 1 & 2 to comply with social distancing.

Unfortunately, not all promotions, events and facilities were able to be re-introduced in the early days of reopening as we

refused to compromise the safety of our patrons, particularly our more senior citizens; this is the reality of a COVID-19 affected world.

On a more positive note, members attending Wests Sports Croydon will have noted the brand new Bar, Keno, Cashier and TAB facilities, along with restroom and kitchen refurbishments for our new dining offering, Charles Bistro. Early feedback is overwhelmingly positive so if you haven't already, please check it out.

MIKE BAILEY OAM

On the celebration of the Queen's Birthday in June 2020, the Chairman of Wests Ashfield Mike Bailey, was awarded the Order of Australia (OAM) in recognition of his work with both rugby league and in the broader community. Mike is a long-standing Debenture Holder at Wests Ashfield, who was elected as a Director in 2010 and became Chairman in 2011. Mike has had a successful career in television and radio and has also worked for several

state government departments, including overseeing a major climate change project as well as in the administrative and fund-raising operations of the Catholic Church. He has hosted events that deliver financial support to groups within the local community such as the ClubGRANTS program and the annual Community Citizenship Awards.

I'd like to formally congratulate Mike on receiving this award and extend my appreciation in acknowledging his long-standing contributions to the Club.

THANK YOU

In closing, I must thank our wonderful staff for their outstanding efforts during what was a tumultuous year. Your ability to continue to provide exceptional service whilst adapting to ever-changing circumstances is admirable. The resilience you have shown whilst maintaining your enthusiasm and your attentiveness in adversity has been outstanding.

Thanks also to my management team for leading the way in times of uncertainty. Their ongoing support has been nothing short of incredible and they can be proud of their accomplishment in getting the business back on track as quickly as it transpired.

And finally, thanks to you, our members and the wider community for continuing to trust Wests Ashfield to be a place of entertainment as well as safety. Your understanding and acceptance of all the changes that have occurred this year and your continued support and patronage has the Wests Ashfield Leagues Group well-positioned for whatever we confront in 2021 and beyond.

SIMON COOK CEO



Giving back via
CLUBGRANTS

A TOTAL OF

\$2,530,705

WAS DONATED BY WESTS ASHFIELD

ACROSS ALL CATEGORIES IN THE CLUBGRANTS SCHEME
TO SUPPORT COMMUNITY PROJECTS.

CLUBGRANTS - CATEGORY 1



Bushfire Appeal
\$1,000



Autism Spectrum
Australia (Aspect)
\$3,886



Life Force Cancer
Foundation
\$5,000



Youth Off The Streets Limited
\$6,875



Gunawirra Limited
\$8,000



Community
Restorative Centre
\$9,500



Foster Care Angels Inc
\$9,500



St Vincent de Paul
Society NSW
\$10,000



Infants Home Ashfield
\$10,311



Little Wings Charity Housie
\$12,384



B Miles Women's Foundation
\$12,600



SHINE for Kids
Co-operative Ltd
\$12,650



Women's Justice Network
\$18,000



Metro Assist Limited
\$22,000



Refugee Council
of Australia
\$28,000



Child Abuse
Prevention Service
\$28,800



Bridge for Asylum Seekers Foundation

Bridge for Asylum Seekers Foundation
\$33,000

CATEGORY 1 TOTAL \$231,506

CLUBGRANTS - CATEGORY 2 PART 1



Let's Get Going
\$950



Feel the Magic
\$1,125



Ashfield Boys High School
\$3,401



Ashfield Public School
\$5,700



West's Care
\$8,000



Bowling Green
Maintenance

\$71,316

CATEGORY 2 PART 1 TOTAL \$107,878

* Not all Category 2 recipients are displayed above

CLUBGRANTS

CATEGORY 2 - PART 2 - INTRA CLUB FUNDING



Glebe Dirty Reds RLFC
\$1,000



Wests Ashfield Oz Tag
\$1,500



Wests Ashfield Ladies
Golf Club
\$1,500



Wests Men's Hockey Club
\$2,000



Wests Backgammon Club
\$3,000



Western Suburbs Lawn
Tennis Assoc
\$4,000



Wests Junior Rugby Club
\$4,000



Wests Ashfield Mens Golf Club
\$5,000



ACC Cricket Club
\$5,000



Burwood Football Club
\$5,000



Enfield Federals Rugby
League Club
\$5,000



Wests Boomers Baseball
\$7,500



St. Patrick's Rugby (Strathfield)
\$7,500



St Patricks Football Club
\$10,000



Petersham Junior Rugby
\$10,000



Leichhardt Wanderers JRLC
\$10,000



Strathfield Raiders JRLFC
\$10,000



Concord Burwood
Wolves JRLFC
\$10,000



Western Subs Women's
Bowling Club
\$11,400



Pratten Park Magpies
\$12,500



Wests Touch
Association
\$18,000



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



UNSW Wests Water
Polo
\$40,000



APIA Leichhardt Tigers
Soccer Club
\$75,000



Western Suburbs
Cricket Club
\$90,000



Balmain Tigers
RLFC
\$100,000



Wests Magpies
RLFC
\$282,006



Wests Tigers
RLFC
\$1,250,000

C2 PART 2 TOTAL \$2,010,906

CATEGORY 2 TOTAL \$2,118,784

CLUBGRANTS *INKIND

INKIND TOTAL

\$58,042

CLUBGRANTS CATEGORY 3

CATEGORY 3 TOTAL

\$122,373

*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.

Staff and Members in the COMMUNITY



THE INFANTS' HOME

West's Ashfield's star Chef Chareon, has been serving delicious meals to approximately 300 children daily for over three years. In 2020, Chareon took his love of food even further by creating a vegetable and herb garden to further teach the children at The Infants' Home how to grow their own food. Chareon and his team continue to inspire not only the children, but their families.



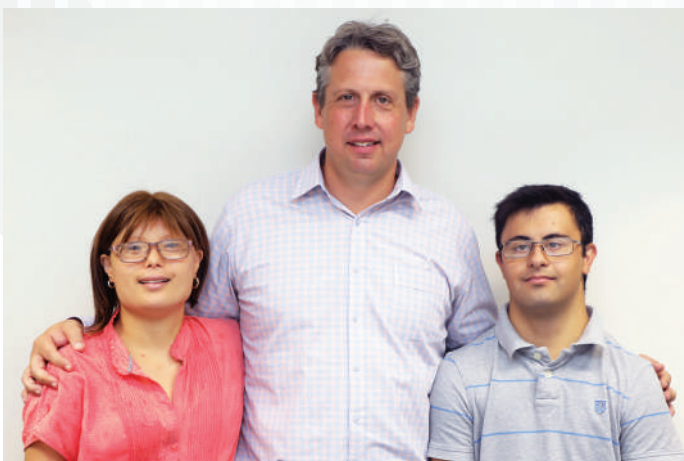
CLEAN UP AUSTRALIA DAY

On Sunday, 1 March 2020, a team of staff from West's Ashfield including CEO Simon Cook, ventured to the Cooks River in the Inner West to participate in Clean Up Australia Day. Established in 1990, it's the largest community-based event that aims to tackle the problem of pollution and waste entering our environment. The day included hours of cleaning around the river and finished with a barbeque lunch for all those who participated.



THE EXODUS FOUNDATION

West's Ashfield have had a long-standing relationship with Rev. Bill Crews and The Exodus Foundation. During the temporary lockdown period this year, some of our staff offered their skills and time to help with tasks such as organising a stock take, to becoming Bill's personal assistant. The staff from West's Ashfield redirected their focus to areas that needed it most during that time.



DANIELLE PHAM "LET'S GET GOING"

"Let's Get Going" is a non-for-profit mentor and experience program, which aspires to promote the health and wellbeing of adults from the age of 18, with an intellectual or physical challenge. Danielle Pham is an active participant of the "Let's Get Going" program. Joining the marketing department over 2 years ago, Danielle has become an integral part of the team. She comes to West's Ashfield during the school holiday term break to participate in volunteer work placement. Danielle's adaptability, eagerness to learn and positive outlook brings an overwhelming sense of optimism to the workplace.



KIDS' CHRISTMAS FESTIVAL

In December 2019, West's Ashfield transformed once again to become a place of wonder and magic. Filled with entertainment such as jumping castles, petting zoos and candy stalls, the day was fun-filled with activities for children of all ages. There was even a visit from the jolly man himself.



HORSE-RIDING LEADERSHIP CAMP

In February 2020, a group of staff set off to the highlands of Victoria for an experience of a lifetime. A week of horse-riding trails, storytelling and team bonding activities were on the agenda. For some, being taken away from the work environment they know so well allowed for a closer relationship with their colleagues and better understanding of one another. For others, the experience of riding, tacking and washing down horses is something they never imagined they would do.

Life MEMBERS

West's Ashfield Leagues

CURRENT LIFE MEMBERS

ROBERT CARTER
JOHN DONNELLAN
GEORGE GRIMMOND
KEVIN HAMMOND
PETER HARDGROVE
RON POWELL
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*

Special TRIBUTE

*In memory of our
football legends*



ARTHUR SUMMONS
1935 - 2020

60 games for West's Magpies 1960-1964 including three Grand Finals. Captain-coach of 1963 Kangaroos, the first to be victorious on English soil. Immortalised along with Norm Provan on the bronze Premiership Winners Trophy. Inducted into the NRL Hall of Fame in 2008.

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*

To the best of our knowledge at the time of print



NOEL KELLY
1936 - 2020

111 games for the Wests Magpies 1961-1969, Captain-coach 1966-1969. Played in 3 Grand Finals, 3 time Kangaroo tourist and selected at hooker in the Team of the Century. Inducted into the NRL Hall of Fame in 2008.



DAVID BOLTON
1937 - 2021

English International played 78 games for Balmain 1965-70. Played halfback for the 1969 Premiership winning team. As part of the Centenary of League celebrations in 2008 the Clive Churchill Medal was retrospectively awarded for his 1969 Grand Final performance. Inducted into the Balmain Tigers Hall of Fame in 2005.

Annual Financial REPORT

For the year ended 31 October 2020

**WESTERN SUBURBS
LEAGUES CLUB LIMITED**
AND ITS CONTROLLED ENTITIES
ABN 69 000 154 736

* 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 2020.

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	Date of Resignation
Michael Bailey OAM	Director	March 2010	
Russell Smith	Business Consultant	March 1991	July 2020
Dennis Burgess	Business and Music Manager	March 2001	
John Hardgrove	Director	March 2011	July 2020
Frederick Wayde	Director	March 2012	
Anthony Andreacchio	Principal - Real Estate Agency	March 2012	
Michael Liubinskas	IT Manager	March 2014	
Julie Romero	Director	July 2020	
Vince Tropiano	Director	July 2020	

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 *
Michael Bailey OAM	23	23
Russell Smith	14	14
Dennis Burgess	23	23
John Hardgrove	14	14
Frederick Wayde	23	23
Anthony Andreacchio	23	23
Michael Liubinskas	23	23
Julie Romero	9	9
Vince Tropiano	9	9

* 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 2020 and the comparison with last year is as follows:

	2020	2019
General Members	184	213
Life Members	7	7
Perpetual Members	399	405
Social Members	36,121	39,175
	36,711	39,800

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 \$146,844 (2019: \$159,200) based on members 36,711 (2019: 39,800).

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 Company	
	2020 \$	2019 \$
Net profit after income tax expense attributable to members	4,758,704	865,542
Add back:		
Depreciation	4,493,354	4,725,267
Finance cost	163,950	246,876
Income tax expense	204,009	26,266
Impairment expense	1,632,006	1,288,039
Profit on disposal of property, plant and equipment	(134,088)	(145,198)
EBITDAIG	11,117,935	7,006,792

Directors' REPORT

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.

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 targeted promotions and marketing campaigns in conjunction with a refurbishment of both 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 a licensed social club, a licensed bowling club 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 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

Coronavirus (COVID-19) pandemic

On 11 March 2020, the World Health Organisation (WHO) classified the COVID-19 outbreak as a pandemic. From 23 March 2020 to 1 June 2020, a nationwide lockdown was implemented. Since restrictions were lifted on 1 June 2020, the consolidated entity have seen a positive increase in sales and expect to see a similar trend as at the date of this report. Management is actively monitoring the global situation and its impact on the consolidated entity's financial condition, liquidity, operations, suppliers, industry and workforce. The full impact of the COVID-19 outbreak continues to evolve at the date of this report. Given the uncertainty around the full impact of the COVID-19 outbreak, the consolidated entity is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the 2021 financial year.

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 5.

Signed in accordance with a resolution of the directors.

Dated at Ashfield this 27th day of January 2021.



Michael Bailey OAM
Director

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

As lead auditor of Western Suburbs Leagues Club Limited for the year ended 31 October 2020, 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.

Yours sincerely



Elysia Rothwell
Director

BDO Audit Pty Ltd

Sydney, 27 January 2021

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 2020, 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 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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 - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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, 27 January 2021

Directors' DECLARATION

In the directors' opinion:

- the attached financial report and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial report and notes give a true and fair view of the consolidated entity's financial position as at 31 October 2020 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



Michael Bailey OAM
Director

Dated at Ashfield this 27th day of January 2021

Consolidated Statement Of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 October 2020

	Note	2020 \$	2019 \$
Revenue			
Sale of goods		3,929,366	8,886,748
Rendering of services		32,638,192	37,784,579
Other revenue		23,290,217	19,614,674
Other income		4,965,843	177,096
Total revenue and other income	2	64,832,618	66,463,097
Expenses			
Raw materials and consumables used	3	(1,999,960)	(4,217,388)
Football development expenses		(1,882,286)	(2,510,978)
Entertainment, marketing and promotional costs		(3,294,457)	(6,260,903)
Employee benefits expense		(26,293,480)	(30,520,939)
Poker machine licences and taxes		(7,735,821)	(8,299,411)
Occupancy expenses		(3,793,246)	(5,135,405)
Depreciation	3	(4,805,110)	(4,887,497)
Membership costs and facilities		(47,743)	(165,894)
Donations and welfare		(752,705)	(852,810)
Operating lease expense		(12,952)	(12,541)
Finance costs	3	(208,374)	(319,878)
Other expenses		(2,135,065)	(2,340,344)
Project expenses		(3,414,363)	-
Impairment expense	3	(248,679)	(7,659)
Total expenses		(56,624,241)	(65,531,647)
Profit before income tax		8,199,377	931,450
Income tax expense	4(a)	(204,009)	(26,266)
Net profit after income tax		7,995,368	905,184
Other comprehensive income		-	-
Total comprehensive profit for the year		7,995,368	905,184
Profit for the year is attributable to:			
Non-controlling interest		193,761	(177,119)
Members of Western Suburbs Leagues Club Limited		7,801,607	1,082,303
		7,995,368	905,184

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

Consolidated Statement Of Financial Position

As at 31 October 2020

	Note	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	11,678,281	3,564,573
Trade and other receivables	6	2,074,385	550,287
Inventories		228,813	502,492
Other current assets	7	580,466	948,613
TOTAL CURRENT ASSETS		14,561,945	5,565,965
Non-current assets			
Property, plant and equipment	8	55,604,827	57,988,848
Right of use assets	9	2,326,754	-
Intangible assets	10	2,772,000	504,000
Deferred tax assets	4(c)	121,214	147,699
TOTAL NON-CURRENT ASSETS		60,824,795	58,640,547
TOTAL ASSETS		75,386,740	64,206,512
LIABILITIES			
Current liabilities			
Trade and other payables	11	8,503,811	4,369,575
Income tax payable	4(b)	168,452	-
Financial liabilities	12	1,800	1,826,274
Employee benefits	13	2,057,237	1,899,869
Revenue received in advance	14	3,157,091	3,819,032
Lease liability	15	434,705	-
TOTAL CURRENT LIABILITIES		14,323,096	11,914,750
Non-current liabilities			
Financial liabilities	12	-	3,300,000
Employee benefits	13	133,664	182,528
Revenue received in advance	14	170,127	1,392,357
Lease liability	15	1,929,017	-
TOTAL NON-CURRENT LIABILITIES		2,232,808	4,874,885
TOTAL LIABILITIES		16,555,904	16,789,635
NET ASSETS		58,830,836	47,416,877
MEMBERS' FUNDS			
Retained earnings		59,048,186	48,682,636
Reserves	16	781,060	781,060
Funds attributable to the members of Western Suburbs Leagues Club Limited		59,829,246	49,463,696
Non-controlling interest	17	(998,410)	(2,046,819)
TOTAL MEMBERS' FUNDS		58,830,836	47,416,877

The above Consolidated Statement 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 2020

	Note	Reserves	Retained earnings	Non-controlling interest	Total Members' funds
		\$	\$	\$	\$
Balance at 1 November 2018		781,060	47,600,333	(1,869,700)	46,511,693
Net profit after income tax expense for the year		-	1,082,303	(177,119)	905,184
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	1,082,303	(177,119)	905,184
Balance at 31 October 2019		<u>781,060</u>	<u>48,682,636</u>	<u>(2,046,819)</u>	<u>47,416,877</u>
Impact of adoption of AASB 15 and AASB 1058		-	2,563,943	854,648	3,418,591
Balance at 31 October 2019 (adjusted)		<u>781,060</u>	<u>51,246,579</u>	<u>(1,192,171)</u>	<u>50,835,468</u>
Net profit after income tax expense for the year		-	7,801,607	193,761	7,995,368
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	7,801,607	193,761	7,995,368
Balance at 31 October 2020		<u>781,060</u>	<u>59,048,186</u>	<u>(998,410)</u>	<u>58,830,836</u>

Consolidated Statement Of Cash Flows

For the Year Ended 31 October 2020

	2020	2019
	\$	\$
Cash Flows From Operating Activities		
Receipts from customers (inclusive of GST)	44,529,968	58,875,827
Grants received	23,202,103	13,822,775
Payments to suppliers and employees (inclusive of GST)	(52,310,458)	(66,876,384)
Interest received	7,069	3,308
Finance costs paid	(194,708)	(319,878)
Income tax (paid)/received	(9,072)	394
Net cash from operating activities	15,224,900	5,616,042
Cash Flows from Investing Activities		
Proceeds from sale of plant and equipment	134,088	195,098
Payment for property, plant and equipment	(2,232,814)	(2,518,413)
Net cash used in investing activities	(2,098,726)	(2,323,315)
Cash Flows from Financing Activities		
Repayment of borrowings	(5,124,474)	(2,387,630)
Payment of lease liabilities	(164,973)	-
Net cash used in financing activities	(5,289,447)	(2,387,630)
Net increase in cash and cash equivalents	7,836,727	905,097
Cash and cash equivalents at the beginning of the financial year	3,564,573	2,659,476
Cash acquired on amalgamation (note 19)	276,981	-
Cash and cash equivalents at the end of the financial year	11,678,281	3,564,573

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

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 27 January 2021.

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 - Reduced Disclosure Requirements 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;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the consolidated entity and effective for reporting periods beginning on or after 1 November 2019; 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 group generated a profit after tax of \$7,995,368 in the year ended 31 October 2020. The net cash flow for the year was \$7,836,727 and included net cash from operating activities of \$15,224,900. The group had a net asset value of \$58,830,836.

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 following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 15 *Revenue from Contracts with Customers*:

The consolidated entity has adopted AASB 15 from 1 November 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

1 About This Report (continued)

AASB 15 Revenue from Contracts with Customers (continued):

Contracts with customers are presented in an entity's statement of financial position as a liability, a contract asset, or a receivable, depending on the relationship between the Consolidated entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 16 Leases:

The consolidated entity has adopted AASB 16 from 1 November 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in depreciation expense) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Notwithstanding the requirements of AASB 16, the AASB also granted relief to not-for-profit entities of the requirement to recognise peppercorn leases at fair value. As a result of the above, the Consolidated entity has elected to recognise its peppercorn leases at cost on transition to AASB 16 (in accordance with the transition provisions).

AASB 1058 Income of Not-for-Profit Entities

The consolidated entity has adopted AASB 1058 from 1 November 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity recognises a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, the entity may elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

1 About This Report (continued)

New or amended Accounting Standards and Interpretations adopted (continued)

Impact on adoption:

AASB 15, AASB 1016 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated.

There was no significant difference on adoption of AASB 16 Leases from the operating lease commitments disclosed in applying AASB 117 at the end of the annual reporting period 31 October 2019 after having discounted the commitments using the incremental borrowing rate at 1 November 2019.

Under AASB 1058, Grants where the promise to transfer goods or services to the customer are 'sufficiently specific' and where an enforceable agreement exists, are recognised over time as the performance obligations are met. Where these 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. On adoption AASB 1058 grant income of \$3,418,591 included in income in advance which did not contain sufficiently specific performance obligations should have been recognised when received in previous years. As a result a net adjustment to reduce opening retained losses on adopting these new accounting standards was made for the consolidated entity.

There was no significant impact on adoption of AASB 15 for the consolidated entity.

Refer to note 2 for further information on the consolidated entity's revenue recognition policies and notes 9 & 15 in respect to leases.

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
Leases	Note 9 & 15

Coronavirus (COVID-19) pandemic

During the financial year, the World Health Organisation (WHO) announced a global health emergency because of a new strain of coronavirus outbreak (COVID-19) and the risks to the international community as the virus spread globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

2 Revenue and Other Income

	2020 \$	2019 \$
Revenue		
Sale of Goods		
Bar sales	2,686,846	3,980,730
Catering sales	491,907	3,541,310
Merchandise sales	750,613	1,364,708
	<u>3,929,366</u>	<u>8,886,748</u>
Rendering of Services		
Poker machine - net clearances	30,308,534	32,675,049
Members' subscriptions	1,222,517	1,352,309
TAB commission	86,339	119,007
Keno sales	44,235	69,402
Other commission received	124,397	225,914
Green fees	14,356	42,317
Corporate hospitality	106,027	554,825
Ticketing	441,454	2,210,603
Other	290,333	535,153
	<u>32,638,192</u>	<u>37,784,579</u>
Other Revenue		
Grants - NRL	14,541,407	13,265,375
Grants - West Tigers Centre of Excellence	3,550,000	-
Grants - other	642,238	557,400
Sponsorship	3,663,021	5,298,659
Interest received	7,069	3,310
Rent received	135,651	238,491
Other	750,831	251,439
	<u>23,290,217</u>	<u>19,614,674</u>
Total revenue	<u>59,857,775</u>	<u>66,286,001</u>
Other Income		
Net gain on sale of other non-current assets	134,088	145,198
Government subsidies	4,463,500	31,898
Other income	4,959	-
Net gain on amalgamation of Balmain Leagues Club	363,296	-
Total other income	<u>4,965,843</u>	<u>177,096</u>
Total revenue and other income	<u>64,832,618</u>	<u>66,463,097</u>

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

2 Revenue and Other Income (continued)

Recognition and Measurement

Under the new 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.

As disclosed on pages 31-32, the consolidated entity has adopted AASB 15 and AASB 1058 from 1 November 2019 applying the modified retrospective approach with the transition exercise on adopting these new standards resulting in an adjustment to the opening balance of retained losses (refer to note 1).

Notwithstanding the above and the overview of the impact of adoption per the disclosure on note 1, 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 2020

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 Income

Grants and Government Grants Income 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 2020

3 Expenses

	2020 \$	2019 \$
Profit before income tax includes the following specific expenses:		
Cost of sales		
Raw materials and consumables used	1,999,960	4,217,388
Finance costs		
Bank loans and overdraft	208,374	319,878
Depreciation		
Buildings and improvements	1,421,691	1,474,896
Plant and equipment	1,457,454	1,665,108
Motor vehicles	41,851	40,600
Poker machines	1,695,839	1,706,893
Rights of use assets	188,275	-
Total depreciation (refer note 8 and note 9)	4,805,110	4,887,497
Defined contribution superannuation expense	1,531,569	1,873,363
Allowance for expected credit losses		
Trade receivables - allowance for expected credit losses	248,679	7,659
Net increase/(decrease) in provision for:		
Employee benefits	108,505	(59,585)

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 9.5% of each employee's base salary to a superannuation fund.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

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.

West's 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:

	2020 \$	2019 \$
Proportion of income attributable to non-members	6,516,240	11,358,436
Less: Proportion of expenses attributable to non-members	(5,053,649)	(10,158,907)
Add: Other taxable income	515,149	872,735
Less: Other deductible expenses	(1,322,319)	(2,072,264)
Less: Carried forward tax losses utilised	(63,673)	-
Net profit subject to tax	591,748	-
Current income tax applicable to above at rate of 30%	177,524	-
Over provision in prior years	-	(394)
Decrease in deferred tax assets	26,485	26,660
Income tax expense	204,009	26,266

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

4 Income Tax (continued)

	2020 \$	2019 \$
(b) Current Tax Liability		
Movements during the year:		
Balance at beginning of year	-	-
Income tax paid	9,072	394
(Under)/over provision in prior years	-	(394)
Current year income tax expense	(177,524)	-
Current tax liability	(168,452)	-
(c) Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
<i>Amounts recognised in profit or loss</i>		
Employee benefits	107,470	137,458
Accrued expenses	12,573	10,241
Leases	1,171	-
Net deferred tax assets	121,214	147,699
Movements		
Opening balance	147,699	174,359
Debited to profit or loss	(25,352)	(26,660)
Over provision in prior year	(1,133)	-
Closing balance	121,214	147,699

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 2020

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:

	2020 \$	2019 \$
Cash and cash equivalents	11,678,281	3,564,573

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

	2020 \$	2019 \$
Trade receivables	707,239	99,422
Less: Provision for expected losses	(241,645)	(10,134)
Other receivables	1,162,958	396,813
Accrued income	445,833	64,186
	2,074,385	550,287

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

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 (2019: 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

	2020 \$	2019 \$
Current		
Prepayments	546,286	864,362
Other	34,181	84,251
	580,466	948,613

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

8 Property, Plant and Equipment

	2020 \$	2019 \$
Land		
Freehold land:		
At cost	8,862,864	8,862,864
Buildings		
At cost	59,778,891	59,647,626
Accumulated depreciation	(21,033,652)	(19,631,880)
	38,749,736	40,015,746
Sub Total - Land and Buildings	47,608,103	48,878,610
Plant and Equipment		
At cost	22,599,990	25,606,865
Less: Accumulated depreciation	(19,875,994)	(21,844,050)
	2,723,996	3,762,815
Poker Machines		
At cost	14,912,085	14,176,162
Less: Accumulated depreciation	(11,433,419)	(10,544,757)
	3,478,666	3,631,405
Motor Vehicles		
Motor Vehicle at cost	364,444	200,074
Motor Vehicles accumulated depreciation	(295,126)	(169,909)
	69,318	30,165
Capital works in progress		
At cost	1,724,744	1,685,853
Total property, plant and equipment	55,604,827	57,988,848

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

Valuation

On 22 August 2019 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 \$93,276,000. 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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

8 Property, Plant and Equipment (continued)

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.

	2020 \$	2019 \$
Reconciliations		
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:		
Freehold Land		
Carrying amount at beginning of year	8,862,864	8,862,864
Buildings and improvements		
Carrying amount at beginning of year	40,015,746	41,208,150
Additions	160,178	81,759
Depreciation	(1,421,691)	(1,474,896)
Transferred from WIP	-	200,733
Carrying amount at end of year	38,749,736	40,015,746
Plant and Equipment		
Carrying amount at beginning of year	3,762,815	4,291,050
Additions	502,343	1,136,873
Disposals	(92,702)	-
Depreciation	(1,457,454)	(1,665,108)
Carrying amount at end of year	2,719,499	3,762,815
Poker Machines		
Carrying amount at beginning of year	3,631,405	4,229,827
Additions	1,561,867	1,158,369
Disposals	(18,767)	(49,898)
Depreciation expense	(1,695,839)	(1,706,893)
Carrying amount at end of year	3,478,666	3,631,405

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

8 Property, Plant and Equipment (continued)

	2020 \$	2019 \$
Reconciliations (continued)		
Motor Vehicles		
Carrying amount at beginning of year	30,165	60,310
Additions	98,214	10,455
Depreciation	(41,851)	(40,600)
Disposals	(17,210)	-
Carrying amount at end of year	69,318	30,165
Capital Works in Progress		
Carrying amount at beginning of year	1,685,853	1,755,629
Additions	44,300	130,957
Transfers to Buildings and improvements and plant and equipment	(5,409)	(200,733)
Carrying amount at end of year	1,724,744	1,685,853

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 2020

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:

	2020	2019
Property, plant and equipment		
Buildings and improvements	40	40
Plant and equipment	3 - 13	3 - 13
Motor vehicles	4	4
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 2020

9 Right-of-use assets

	2020 \$	2019 \$
Plant and Equipment - right-of-use		
Carrying amount at beginning of year	-	-
Additions	607,958	-
Depreciation	(155,555)	-
Carrying amount at the end of the year	452,403	-
Motor Vehicles - right-of-use		
Carrying amount at beginning of year	-	-
Additions	74,527	-
Depreciation	(14,904)	-
Carrying amount at the end of the year	59,623	-
Property - right-of-use		
Carrying amount at beginning of year	-	-
Additions	1,832,544	-
Depreciation	(17,816)	-
Carrying amount at the end of the year	1,814,728	-
Total right-of-use assets at the end of the year	2,326,754	-

Movements in carrying amounts:

	2020 \$	2019 \$
Plant and Equipment - right-of-use		
At cost	607,958	-
Less accumulated amortisation	(155,555)	-
	452,403	-
Motor Vehicles - right-of-use		
At cost	74,527	-
Less accumulated amortisation	(14,904)	-
	59,623	-

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

9 Right-of-use asset (continued)

	2020 \$	2019 \$
Property - right-of-use		
At cost	1,832,544	-
Less accumulated amortisation	(17,816)	-
	1,814,728	-
Total right-of-use assets at the end of the year	2,326,754	-

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 - right-of-use

The motor right-of-use asset relates to two leases that are non-cancellable leases with four year terms commencing February 2020. The incremental borrowing rate applied to these leases is 2.59% (refer to Note 15). There are no options to renew.

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

9 Right-of-use asset (continued)

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

	2020 \$	2019 \$
Poker machine entitlements	2,772,000	504,000
Total Intangible Assets	2,772,000	504,000

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	504,000	504,000
Additions on amalgamation of Balmain Leagues Club (note 20)	2,268,000	-
Total Intangible Assets	2,772,000	504,000

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

10 Intangible Assets (continued)

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.

11 Trade and Other Payables

Current

Trade creditors
Goods and services tax (GST) payable
Other creditors and accruals

	2020 \$	2019 \$
Trade creditors	1,243,489	1,462,099
Goods and services tax (GST) payable	598,693	444,757
Other creditors and accruals	6,661,629	2,462,719
	8,503,811	4,369,575

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

	2020 \$	2019 \$
12 Financial Liabilities		
Current Secured		
Debenture loans	1,800	2,000
Hire purchase	-	1,436
External loans payable	-	1,822,838
	<u>1,800</u>	<u>1,826,274</u>
Non-Current Secured		
Commercial bill facility	-	3,300,000
	<u>-</u>	<u>3,300,000</u>
	<u>1,800</u>	<u>5,126,275</u>
Financing Arrangements		
The entity has access to the following lines of credit:		
Total facilities available:		
Credit card facility	60,000	60,000
Bank overdraft	-	1,000,000
Commercial bill facility	8,000,000	8,000,000
	<u>8,060,000</u>	<u>9,060,000</u>
Facilities utilised at reporting date:		
Credit card facility	7,682	9,850
Commercial bill facility	-	3,300,000
	<u>7,682</u>	<u>3,309,850</u>

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

12 Financial Liabilities (continued)

Commercial Bill Facility

The commercial bill facility of \$8,000,000 expires on 14 December 2022. The interest rate is a variable rate determined by the BBSY plus a margin rate of 2.679%. Monthly re-payments over the term of the facility are limited to interest and fees. The facility is repayable in full on expiry of the finance term.

Security

The bank overdraft and commercial bill facility are secured by a registered mortgage debenture by Western Suburbs Leagues Club Limited over all of its assets.

Registered mortgages over the following properties:

- 95-115 Liverpool Road, Ashfield
- 114 Church Street, Croydon

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

13 Employee Benefits

	2020 \$	2019 \$
Current Employee benefits	2,057,237	1,899,869
Non-Current Employee benefits	133,664	182,528
	<u>2,190,901</u>	<u>2,082,397</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.

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

14 Revenue in advance

	2020 \$	2019 \$
Current		
Revenue received in advance, including:		
West's Tigers Centre of excellence grant funding	-	1,618,591
West's Tigers foundation donations	300,338	123,009
Other revenue received in advance	2,856,753	2,077,432
	<u>3,157,091</u>	<u>3,819,032</u>
Non-current		
Revenue received in advance	<u>170,127</u>	<u>1,392,357</u>

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.

15 Leases

	2020 \$	2019 \$
Current		
Lease liabilities	<u>434,705</u>	<u>-</u>
Non-current		
Lease liabilities	<u>1,929,017</u>	<u>-</u>
Total lease liability	<u><u>2,363,722</u></u>	<u><u>-</u></u>

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

15 Leases (continued)

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

	2020 \$	2019 \$
Equity Reserve		
Balance at beginning of the year	781,060	781,060
Total Reserves	781,060	781,060

17 Commitments

	2020 \$	2019 \$
a) Operating Lease Commitments		
Future operating lease commitments not recognised as liabilities payable:		
Within one year	11,193	27,726
One to five years	-	11,193
	11,193	38,919

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

17 Commitments (continued)

	2020 \$	2019 \$
b) Forward Commitments		
Players and Head Coach		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	10,730,745	8,655,740
Between one and five years	11,555,520	10,227,540
Other commitments		
Commitment to Balmain Tigers Rugby League Football Club	350,000	-
Total	22,636,265	18,883,280

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.

Other commitments

A condition precedent to the completion of the amalgamation between Western Suburbs Leagues Club and Balmain Leagues Club is to support Balmain Tigers Rugby League Football Club up to an amount of \$350,000.

18 Contingent Liabilities

	2020 \$	2019 \$
Bank Guarantees		
The Consolidated entity has given the following bank guarantees:		
Ashfield Municipal Council	220,000	220,000
TAB Limited	7,000	7,000
Roads and Maritime services	17,000	17,000
	244,000	244,000

Other Contingent Liabilities

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 \$131,038 (2019: \$125,035).

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

19 Amalgamation of Balmain Leagues Club

On 19 September 2019, the members of the consolidated entity approved an amalgamation with the Balmain Leagues Club. As a result, on 26 September 2020 the consolidated entity acquired the net assets of the Balmain Leagues Club, resulting in a gain of amalgamation of \$363,296.

	Note	Fair value \$
Cash and cash equivalents		276,981
Other receivables		1,158,146
Inventory		20,847
Property, plant and equipment	8	201,160
Intangibles - poker machine entitlements	10	2,268,000
Trade and other payables		(819,656)
Loan to NRL		(2,500,000)
Employee benefits		(219,456)
Fair value of net identifiable assets acquired		<u>363,296</u>
Gain on amalgamation		<u>363,296</u>
Cash paid in consideration for amalgamation		<u>-</u>
Cash used to amalgamate, net of cash acquired		<u>276,981</u>
Acquisition costs		<u>-</u>

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

20 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the company during the financial year:

Michael Bailey OAM
Russell Smith
Dennis Burgess
John Hardgrove
Frederick Wayde
Anthony Andreacchio
Michael Liubinskas
Julie Romero
Vince Tropiano

(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
Mark Thatcher	Compliance Manager

(c) Key Management Personnel Compensation

	2020 \$	2019 \$
Benefits and payments made to the Directors and Other Key Management Personnel	1,840,254	1,677,154

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

21 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 20.

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.

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 \$182,006 (2019: \$338,039).

Western Suburbs Leagues Club Limited supports Wests Tigers Rugby League Football Pty Ltd. The amount paid during the year ended 31 October 2020 was \$1,350,000 (2019: \$950,000).

Western Suburbs Leagues Club Limited supports Balmain Tigers Rugby League Football Club Limited. The amount paid during the year ended 31 October 2020 was \$100,000 (2019: \$0).

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	
	2020 %	2019 %
Western Suburbs District Rugby League Football Club Limited	100%	100%
Wests Magpies Pty Limited	100%	100%
Wests Tigers Rugby League Football Pty Ltd	90%	75%

The non-controlling interest has a 10% (2019: 25%) equity holding in Wests Tigers Rugby League Football Pty Ltd.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

23 Parent Entity Information

The following information relates to the parent entity, Western Suburbs Leagues Club Limited. The information presented has been prepared using accounting policies that are consistent to the consolidated entity.

	2020 \$	2019 \$
Current assets	5,109,370	4,146,703
Non-current assets	62,647,501	59,832,063
Total assets	67,756,871	63,978,766
Current liabilities	7,720,105	7,025,217
Non-current liabilities	1,936,967	3,612,454
Total liabilities	9,657,072	10,637,671
Net assets	58,099,799	53,341,095
Reserves	781,060	781,060
Retained earnings	57,318,739	52,560,035
Total members' funds	58,099,799	53,341,095
Profit for the year	4,758,704	865,542
Total comprehensive income for the year	4,758,704	865,542

Contingent Liabilities

Contingent liabilities are disclosed in note 19.

Operating Lease Commitments

Operating Lease are disclosed in note 18(a).

Other commitments

The parent entity has a committed contribution to Wests Tigers Rugby League Football Pty Ltd, which is determined by the Wests Tigers Shareholder agreement. For the financial year ended 31 October 2021, the agreed contribution to Wests Tigers Rugby League Football Pty Ltd is \$1,250,000.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

23 Parent Entity Information (continued)

The parent entity has a committed contribution to Western Suburbs District Rugby League Football Club Limited totalling \$183,766 for the year ended 31 October 2021.

The parent entity has a commitment to support Balmain Tigers Rugby League Football Club up to an amount of \$350,000 for the year ended 31 October 2021.

24 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 2020 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.

25 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 2020 there were 36,711 members (2019: 39,800). The liability at 31 October 2020 was \$146,844 (2019: \$159,200).

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 2020

26 Summary of Other Significant Accounting Policies

Principles of Consolidation

The consolidated financial report incorporates the assets and liabilities of all subsidiaries of Western Suburbs League Club Limited as at 31 October 2020 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 23 to the financial report.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in members' funds of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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.

Notes to the Consolidated Financial Report

For the Year Ended 31 October 2020

27 Summary of Other Significant Accounting Policies (continued)

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.

Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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.



PRESENTING
PAST AND PRESENT
OUR FUTURE

MAGPIE

ARCHIVE

JOINT VENTURE

WESTERN SUBURBS MAGPIES

VICTA

TEAM OF THE SEVENTIES

A board displaying 14 small individual player portraits arranged in two rows of seven.

WESTERN SUBURBS "MAGPIES"
TEAM OF THE CENTURY

A board featuring a central photograph of a team and two smaller side photographs.





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