

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

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The financial report was authorised for issue by the Directors on 20 September 2017. The Club has the power to amend and re-issue the financial report.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
DIRECTORS' REPORT

Your Directors present their report for the financial year ended 30 June 2017.

1. The names of the Directors during the year and to the date of this report are:

Name	Position	Occupation	Years Service as a Director
Edward Loftus	President	Businessman	4
Gilbert Hicks	Treasurer	Accountant	18
Mervyn Emerton	Vice President	Airport Manager	11
Rae Dodkin	Director	Retired Hospitality	3
Robert O'Mahony	Director	Businessman	4
Reginald Ruprecht	Director	Retired Truck Driver	2
Gloria Payton	Director	Domestic Duties	12
Stephen Dallas	Director	Retired Truck Driver	1

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

2. Activities

The principal activities of Taree Leagues Sports Club Limited (the Club) in the course of the financial year ended 30 June 2017 was the running of a licensed Club for the benefit of its members and to meet the Club's objectives under its constitution.

3. Results

The net result of operations after applicable income tax was a profit of \$26,073 (2016 profit of \$49,600).

4. Objectives of the Club

The Club's short and long term objectives is to:

Provide the best facilities available to members and their guests with a special interest in the promotion of sport.

To achieve these objectives the Club has adopted the following strategies:

Maintain or increase existing revenue levels and control costs to continue profitability which will allow the Club's premises to be continually improved.

Maintain sporting facilities to an acceptable standard subject to the financial resources available.

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

5. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 4 of the financial report. DFK Crosbie continues to hold office in accordance with section 307 of the Corporations Act 2001.

6. Environmental Regulations

The Club's operations are subject to various environmental regulations under both Commonwealth and State Legislations. The Directors are not aware of any breaches of the legislation during the financial year, which are material in nature.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
DIRECTORS' REPORT

7. Property Report

The Directors have determined that all property of the Club shall be classified as follows in accordance with section 41J of the Registered Club Act 1976.

Core Property

As at balance date the Club's core property comprised the Clubhouse site, 43 Cowper Street, Taree and the Leagues Ground, 45 Cowper Street, Taree.

Non Core Property

As at balance date the Club's non core property comprised the Tennis Courts, 3 Lyndhurst Street, Taree.

8. Limited by Guarantee

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$5 each towards meeting any obligations of the Club. At 30 June 2017 the collective liability of members was \$7,635 (2016 \$6,365).

9. Meeting Attendances

The number of Board meetings held during the financial year ended 30 June 2017 was 12, being 12 normal monthly Board meetings. The details of each Directors attendances at those meetings is given below:

<u>Director</u>	<u>Monthly</u>	<u>Eligible to Attend</u>
Edward Loftus	10	12
Gilbert Hicks	12	12
Mervyn Emerton	10	12
Rae Dodkin	11	12
Robert O'Mahony	12	12
Reginald Ruprecht	9	12
Gloria Payton	12	12
Stephen Dallas	Elected at AGM	8
Paul Blackstock	Resigned 7-12-16	4

Annual General Meeting (AGM) was held on 16 October 2016.

Signed in accordance with a resolution of the Board of Directors



M. Emerton - Vice President



G. Hicks - Treasurer

Date: 20 September 2017



AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
TAREE LEAGUES SPORTS CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

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


 Brent Perkins - Partner


 DFK Crosbie Partners
 Chartered Accountants

Warabrook, NSW
 Date: 20 September 2017

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TAREE LEAGUES SPORTS CLUB LIMITED

(ACN 001 031 894)

INDEPENDENT AUDIT REPORT

To the Members of Taree Leagues Sports Club Limited

Report on the Financial Report

We have audited the accompanying financial report of Taree Leagues Sports Club Limited (the Club), which comprises the Statement of Financial Position as at 30 June 2017 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cashflows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

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

- (i) giving a true and fair view of the Club's financial position as at 30 June 2017 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis of 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 Club 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 (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 the the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Company has the same date as this auditor's report.

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

Directors' Responsibility for the Financial Report

The Directors of the Club 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 Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Club for the year ended 30 June 2017 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Liability limited by a scheme approved under the Professional Standards Legislation



A member firm of DFK International a worldwide association of independent accounting firms and business advisers

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TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
INDEPENDENT AUDIT REPORT

Auditor's Responsibility

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 is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our audit report.

Warabrook, NSW
Date: 20 September 2017



Brent Perkins - Partner



DFK Crosbie Partners
 Chartered Accountants

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
DIRECTORS' DECLARATION

The Directors of the Club declare that:

- 1 The financial statements and notes, as set out on pages 8 to 20 are in accordance with the Corporations Act 2001 and;
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Act 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Club.

- 2 In the Directors' opinion there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and signed for on behalf of the Directors by:



M. Emerton - Vice President



G. Hicks - Treasurer

Date: 20 September 2017

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6	123,256	118,082
Trade and Other Receivables	7	4,323	11,251
Inventories	8	31,783	26,804
Other Assets	9	27,804	11,831
TOTAL CURRENT ASSETS		187,166	167,968
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	2,056,859	2,125,372
Intangible Assets	11	278,785	278,785
TOTAL NON-CURRENT ASSETS		2,335,644	2,404,157
TOTAL ASSETS		2,522,810	2,572,125
CURRENT LIABILITIES			
Trade and Other Payables	12	97,252	78,866
Borrowings	13	186,867	266,324
Provisions	14	80,557	59,305
Other Liabilities	15	8,849	7,560
TOTAL CURRENT LIABILITIES		373,525	412,055
NON-CURRENT LIABILITIES			
Borrowings	13	14,476	55,790
Provisions	14	15,154	10,698
TOTAL NON-CURRENT LIABILITIES		29,630	66,488
TOTAL LIABILITIES		403,155	478,543
NET ASSETS		2,119,655	2,093,582
MEMBERS' FUNDS			
Accumulated Profits		2,119,655	2,093,582
TOTAL MEMBERS' FUNDS		2,119,655	2,093,582

To be read in conjunction with the attached notes to the Financial Statements

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Bar Sales		750,268	739,301
Cost of Goods Sold		315,664	315,862
Bar Gross Profit (\$)		434,604	423,439
Bistro Sales		59,016	-
Cost of Goods Sold		27,983	-
Bistro Gross Profit (\$)		31,033	-
Poker Machine Net Revenue		925,728	953,603
Paper Gaming Income		51,831	47,827
Other Income		230,644	236,081
Total Income		1,673,840	1,660,950
Expenses			
Bar Direct Expenses		220,539	211,156
Bistro Direct Expenses		41,100	-
Poker Machine Direct Expenses		166,802	157,727
Paper Gaming Direct Expenses		96,062	92,274
Members Amenities		117,635	108,744
Greens		88,254	87,495
Clubhouse Expenses		380,506	402,989
Administration Expenses		334,157	329,862
Other Expenses		196,129	212,991
Borrowing Costs		6,583	8,112
Total Expenses		1,647,767	1,611,350
Net Profit/(Loss) Before Income Tax	4	26,073	49,600
Income Tax	5	-	-
Net Profit/(Loss) After Income Tax		26,073	49,600
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss)		26,073	49,600

To be read in conjunction with the attached notes to the Financial Statements

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities			
Receipts from Members and Guests		2,215,360	2,160,964
Payments to Suppliers and Employees		(1,951,331)	(1,872,916)
Interest Received		299	517
Interest Paid		(6,583)	(8,112)
<i>Net Cash Flows provided by (used in) Operating Activities</i>		<u>257,745</u>	<u>280,453</u>
Cash Flows from Investing Activities			
Payments for Plant and Equipment		(131,800)	(97,938)
Proceeds from Sale of Plant and Equipment		-	-
<i>Net Cash Flows provided by (used in) Investing Activities</i>		<u>(131,800)</u>	<u>(97,938)</u>
Cash Flows from Financing Activities			
Proceeds from Borrowings		73,080	-
Repayments of Borrowings		(193,851)	(125,519)
<i>Net Cash Flows provided by (used in) Financing Activities</i>		<u>(120,771)</u>	<u>(125,519)</u>
Net Increase/(Decrease) in Cash Held		5,174	56,996
Cash and Cash Equivalents at the Beginning of the Financial Year		<u>118,082</u>	<u>61,086</u>
Cash and Cash Equivalents at the End of the Financial Year	6	<u>123,256</u>	<u>118,082</u>

To be read in conjunction with the attached notes to the Financial Statements

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Accumulated Profits \$	Total \$
Opening Balances 1 July 2015	2,043,982	2,043,982
Comprehensive Income/(Loss) for the year	49,600	49,600
Closing Balances 30 June 2016	2,093,582	2,093,582
Comprehensive Income/(Loss) for the year	26,073	26,073
Closing Balances 30 June 2017	2,119,655	2,119,655

To be read in conjunction with the attached notes to the Financial Statements

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1 Statement of Significant Accounting Policies

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Taree Leagues Sports Club Limited (the Club) is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on the basis of historical costs, except for investment properties which have been measured at fair value. The financial report is presented in Australian Dollars.

The following is a summary of the significant accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Statement of Compliance

The financial report complies with Australian Accounting Standards - Reduced Disclosure Standards as issued by the Australian Accounting Standards Board (AASB) being AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

Income Tax

Income tax payable is calculated in accordance with the provisions of the Income Tax Assessment Act dealing with the Registered Clubs and Associations.

Deferred Tax Assets and Liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the statement of financial position date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income.

Borrowing Costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Inventories

Inventories are measured at the lower of cost and current replacement value.

Trade Debtors and Other Receivables

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. Trade receivables are due within 30 days from the date of recognition. The recoverability of trade debtors is reviewed regularly, with any uncollectible debts written off.

Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset up to its residual value, if any as follows:

Buildings and Improvements	5 to 40 years
Poker Machines	4 to 8 years
Plant and Equipment	4 to 20 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generated unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generated units are written down to their recoverable amount.

Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income as a separate line

Recoverable Amount of Assets

At each reporting date, the Club assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Club makes a formal estimate of the recoverable amount. Where the carrying amount of the asset exceeds the recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use can not be estimated to be close to its fair value less cost to sell and it does not generate cash in flows that are largely independent of those of other assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Club and the revenue can be reliably measured.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the Club.

Interest income is recognised as it accrues.

Revenue from membership subscriptions is recognised upon receipt of money for the period to which the membership relates.

The profit or loss on disposal of asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

Intangible Assets

Intangible assets acquired separately are capitalised at cost, the useful lives of these intangible assets are assessed to be either finite or indefinite. Those with finite lives are amortised over that period on a straight line basis. Intangible assets are tested for impairment where an indicator for impairment exists.

Employee Benefits

Short Term

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Other Long Term

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Hire Purchase

Assets acquired under hire purchase agreements are brought to account at cost together with a corresponding hire purchase liability and unexpired term charge and are depreciated over their estimated economic life to the Club. Term charges are written off over the period of the agreements.

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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the statement of financial position. Cash flows are included in the statement of cashflows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

Accounts Payable

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Club. Trade accounts payable are normally settled within 30 days.

Comparatives

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

Deficiency in Working Capital

As at 30 June 2017 the Club has a deficiency in working capital with current assets totalling \$187,166 compared to current liabilities of \$373,525. Included in current liabilities is the full balance of the NAB business loan of \$84,651 as the agreement with the Bank contains a review clause which limits the Club from having an unconditional right to defer settlement of the loan, despite the Club having fulfilled its obligations to date. Despite this deficiency the Directors have determined that the financial report be prepared on a going concern basis, that is the continuity of normal business operations and the realisation of assets and the settlement of liabilities in the ordinary course of business, on the basis of improved trading results and expected improved cashflows for the year ending 30 June 2018.

If the Club is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

2 Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:-

Useful lives of property, plant and equipment

The useful life of Property, Plant and Equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence.

The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the Statement of Profit or loss and other comprehensive income should they change.

Impairment of non-current assets

Impairment testing of non-current assets is performed where indicators of impairment exist. In assessing impairment, estimates are made of the recoverable amount of each asset or cash generating unit based on discounted expected future cash flows discounted or estimated replacement cost. Estimation uncertainty exists in relation to assumptions regarding future operating results and cash flows, determination of an appropriate discount rate and estimated current replacement cost of the asset.

	2017	2016
	\$	\$
3 Operating Revenue		
Bar Sales	750,268	739,301
Bistro Sales	59,016	-
Poker Machine Net Revenue	925,728	953,603
Interest Received/Receivable	299	517
Subscriptions	10,082	7,404
Other	272,094	275,987
Total	<u>2,017,487</u>	<u>1,976,812</u>

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
4 Operating Profit		
Operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:		
Credits		
Interest Received/Receivable	299	517
Charges		
Interest Paid/Payable		
- Other persons and/or corporations	6,583	8,112
Depreciation		
- Poker Machines	64,255	57,167
- Buildings	67,786	66,829
- Plant and Equipment	65,687	67,290
Total Depreciation	197,728	191,286
Loss on Disposal of Assets	2,584	10,295

5 Income Tax Expense

a) The aggregate amount of income tax attributable to the financial year differs to the amount calculated on the operating profit. The difference is reconciled as follows:

Operating profit/(loss) before income tax	26,073	49,600
Income Tax thereon @ 27.5% (2016: 30%)	7,170	14,880
Non Deductible Expenses	5,830	6,360
Apportionment Adjustment Members Income and Expenses	(34,512)	(39,150)
Temporary Differences not brought to Account	(785)	513
Tax Losses not Brought into Account	22,297	17,397
Income Tax Expense/(Benefit)	-	-

b) The Directors estimate that the potential Deferred Tax Asset at 30 June 2017 in respect of tax losses not brought into account is:

	357,399	335,102
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The benefit for tax losses will only be obtained if:

- i) the Club drives future assessable income in the nature and of amount sufficient to enable the benefit from deductions for the losses to be realised;
- ii) the Club continues to comply with the conditions for deductibility imposed by the tax legislation; and
- iii) no changes in tax legislation adversely affect the Club in realising the benefit from the deductions for the losses.

TAREE LEAGUES SPORTS CLUB LIMITED
(ACN 001 031 894)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
6 Cash and Cash Equivalents		
Cash and Cash Equivalents	123,256	118,082
Less Bank Overdraft	-	-
Cash and Cash Equivalents per Statement of Cashflows	123,256	61,086

The above figures are reconciled to cash at the end of the year as shown in the Statement of Cashflows

7 Trade and Other Receivables		
Current		
GST Refundable	-	-
Other Debtors	4,323	11,251
	4,323	9,259

8 Inventories		
Stock on Hand - Bar	31,783	26,804
	31,783	26,703

9 Other Assets		
Current		
Prepayments	27,804	11,831
	27,804	17,488

	Building and Improvements \$	Poker Machines \$	Plant & Equipment \$	Total \$
10 Property, Plant and Equipment				
Year ended 30 June 2017				
At 1 July 2016,				
Net of Accumulated Depreciation/Amortisation	1,442,224	279,550	403,598	2,125,372
Additions	10,824	76,520	44,456	131,800
Disposals	-	(2,584)	-	(2,584)
Depreciation/Amortisation	(67,786)	(64,255)	(65,687)	(197,728)
At 30 June 2017				
Net of Accumulated Depreciation/Amortisation	1,385,262	289,231	382,366	2,056,859
At 1 July 2016				
Cost or Fair Value	2,531,497	1,007,325	1,105,383	4,478,112
Accumulated Depreciation/Amortisation	(1,089,273)	(727,775)	(701,785)	(2,404,425)
Net Carrying Amount	1,442,224	279,550	403,598	2,073,687
At 30 June 2017				
Cost or Fair Value	2,542,321	1,007,706	1,149,839	4,699,866
Accumulated Depreciation/Amortisation	(1,157,059)	(718,475)	(767,473)	(2,643,007)
Net Carrying Amount	1,385,262	289,231	382,366	2,056,859

11 Intangible Assets		
Poker Machine Entitlements		
These have been determined to have indefinite useful lives based on current legislation.		
Opening Balance 1, July	278,785	278,785
Entitlements Acquired during the year	-	-
Closing Balance 30, June	278,785	278,785

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	2017 \$	2016 \$
12 Trade and Other Payables		
Current		
Trade Creditors	88,117	70,541
GST Payable	9,135	8,325
	97,252	78,866
13 Borrowings		
Current		
Loan - Business - (Secured)	84,651	113,995
Finance Lease - EBET Metropolis	16,500	42,975
Poker Machine License Liability	85,716	109,354
	186,867	266,324
Non Current		
Finance Lease - EBET Metropolis	-	16,498
Poker Machine License Liability	14,476	39,292
	14,476	55,790
For details of security refer to Note 17		
14 Provisions		
Current		
Provision for Annual Leave	37,277	29,296
Provision for Long Service Leave	25,104	23,483
Provision for Poker Machine Jackpots	18,176	6,526
	80,557	55,990
Non Current		
Provision for Long Service Leave	15,154	10,698
	15,154	7,006
15 Other Liabilities		
Current		
Members' Badge Draw	400	775
Joker Jackpot Draw	1,300	-
Subscriptions in Advance	7,149	6,785
	8,849	7,099

16 Contingent Liabilities

The Club has a security guarantee for \$5,000 for TAB facilities.

17 Security Details

The Club's liabilities to the National Australia Bank are secured by a fixed and floating charge over the Club's assets and a Registered Mortgage over the freehold land and buildings situated at 43 Cowper Street, Taree.

The poker machine licence liabilities, Ebet Metropolis finance and hire purchase arrangements are secured by the goods financed.

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18 Related Parties

Directors

The names of persons who were Directors of the Club at any time during the year are as they appear in the Directors report.

Directors' Remuneration

The number of Directors of the Club whose income from the Club falls within the following bands:

	2017	2016
\$ 0-9999	9	9
Total Remuneration received, or due and receivable, by all Directors of the Club .	-	-

The step daughter of Gilbert Hicks is employed by the Club under Award terms and conditions.

E. Loftus provided goods and services to the Club throughout the year on normal commercial terms and conditions. Outstanding amounts are unsecured and under normal trade terms.

G. Hicks provided accounting services to the Club throughout the year on normal commercial terms and conditions. Outstanding amounts are unsecured and under normal trade terms.

Related Parties	Total Transactions	Amounts Outstanding
E. Loftus - Eddies Fresh Chickens	40,879	-
G. Hicks - Hicks Business Services	5,796	-

Key Management personnel received the following benefits during the financial year:

	2017 \$	2016 \$
Short Term Employment benefits	81,088	78,103
Long Term Employment benefits	745	493
Post Employment benefits	7,604	7,199
	<u>89,437</u>	<u>85,795</u>

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19 Commitments for Expenditure

a) Capital Commitments

As at 30 June 2017 the Club has committed to the following, all prices include GST

	2017		2016
	\$		\$
Water Tank	-		15,000

b) Non Cancellable Rental Agreements

Total commitments in respect of rental agreements are as follows:

Not later than one year	11,154	8,436
Later than one year and not later than five	12,326	17,216
Later than five years	-	-
	<u>23,480</u>	<u>31,052</u>

c) Poker Machine License Agreements

Total commitments in relation to poker machine license agreements are as follows:

	Payments	Payments
Not later than one year	85,716	109,354
Later than one year and not later than five	14,476	39,292
Later than five years	-	-
Total Minimum Payments	<u>100,192</u>	<u>148,646</u>
Less: Amounts Representing Finance Charges	-	-
Present Value of Minimum Payments	<u>100,192</u>	<u>148,646</u>

d) EBET Metropolis Finance Lease

Total commitments in relation to finance lease agreements are as follows:

	Payments	Payments
Not later than one year	16,500	42,975
Later than one year and not later than five	-	16,498
Later than five years	-	-
Total Minimum Payments	<u>16,500</u>	<u>59,473</u>
Less: Amounts Representing Finance Charges	-	-
Present Value of Minimum Payments	<u>16,500</u>	<u>59,473</u>

20 Registered Address

The registered address is 43 Cowper Street, Taree, NSW, 2430.