

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Year Ended
30 September 2016

The Entrance Leagues Club Limited
ABN 86 002 501 313

Financial Report
For The Ended 30 September 2016

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The Entrance Leagues Club Limited
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Directors' Report

The Directors submit herewith their report on the company for the financial year ended 30 September 2016.

Information on Directors

The name and particulars of the Directors of the Company in office at the date of this report are:

Name	Particulars
<i>D L Hart</i>	President, Retired Waste Services Manager, joined the board in 1988. <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 7: Attended 7 Special Meetings 1: Attended 1
<i>V P Mitchell</i>	Vice President, Retired Nurse, joined the board in 1986. <i>Responsibilities:</i> Board Meetings 12: Attended 12 Membership/Discipline Meetings 7: Attended 6 Special Meetings 1: Attended 1
<i>P G Dawson</i>	Director, Travel Consultant, joined the board in 2008. <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 7: Attended 7 Special Meetings 1: Attended 0
<i>F Hartup</i>	Director, Company Director, joined the board in February 2012 <i>Responsibilities:</i> Board Meetings 12: Attended 11 Membership/Discipline Meetings 7: Attended 6 Special Meetings 1 : Attended 1
<i>G Nixon</i>	Director, Business Unit Manager, joined the board in February 2013. <i>Responsibilities:</i> Board Meetings 12 : Attended 10 Membership/Discipline Meetings 7: Attended 4 Special Meetings 1: Attended 1
<i>G Rimmer</i>	Director, Business Proprietor, joined the board in 2007. <i>Responsibilities:</i> Board Meetings 12: Attended 10 Membership/Discipline Meetings 7: Attended 5 Special Meetings 1: Attended 0
<i>M J Bates</i>	Director, Maintenance Engineer, elected to the Board on 22 February, 2016. <i>Responsibilities:</i> Board Meetings 8: Attended 8 Membership/Discipline Meetings 3: Attended 2

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Directors' Report

P J Andrews Director, Retired School Teacher, joined the board in 1988. Resigned 22 February, 2016.

Responsibilities:

Board Meetings 4: Attended 3

Membership/Discipline Meetings 4: Attended 4

Special Meetings 1: Attended 1

Company Secretary

Mr Mark Chaffey held the position of Company Secretary during and up until the end of the year.

Principal activities

The company's principal activities during the course of the financial year were the operation of a licensed club and to promote the game of rugby league football.

There were no significant changes in the nature of the company's activities during the financial year.

Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 30 September 2016 and the comparison with last year is as follows:

2016	16,169
2015	15,925

Operating result

The net profit for the year amounted to \$744,640 compared with \$1,186,274 in the prior year. This result was after charging \$1,730,404 (2015:\$ 1,642,964) for depreciation and amortisation.

Objectives

Short-term Objectives

The vision of the Board and Management is to run a successful business, to be profitable and financially sound, to retain a strong family atmosphere and provide family oriented facilities to the local community. An integral part of this vision is also to retain the personal touch that the Club has with its members and to continue to strive for customer service excellence. This is something that both the Board and Management believe will continue to give the Club a competitive edge as it continues to grow in membership numbers and size.

Be recognised in the community as a progressive and successful Club providing a significant contribution to the community as a whole.

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Directors' Report

Long-term Objectives

Continue to develop and refine the Club Master Plan, which incorporates, establishing a cyclical refurbishment plan, acquiring additional gaming entitlements, further food options, achieving energy efficiency, upgrading gaming software and implementing a venue wide loyalty programme. The Club wants to ensure that it maintains an emphasis on friendly and personalised customer service.

These long term objectives will be supported by undertaking continual research of the Club's Key markets to ensure that the Club has a competitive edge in its market. The Club will continue to develop products that will foster stronger relationships with sporting groups, local community and local schools.

Strategy for achieving the objectives

The strategy for achieving the Club's objectives is to ensure that the Club's Financial Performance is optimised and be able to be monitored by the Board to achieve desired outcomes. Ensuring the profitability of the gaming, and food and beverage sections are maximised through sound management principles and continuing to listen to our members & guests needs and to deliver on these needs.

Performance measurement and key performance indicators

The Club has key performance indicators in place and these key performance indicators are monitored and reviewed on a regular basis to assist and formulate ways to achieve industry benchmark performance in all trading areas of the Club.

Liability of members on winding up

The company 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 \$5 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. At 30 September 2016 there were 16,169 members.

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the company's accounts, or the fixed salary of a full-time employee of the company or a related body corporate.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the period.

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Directors' Report

Auditor's Independence Declaration

The auditor's independence declaration for the financial year ended 30 September 2016 has been received and can be found on page 7 of the financial statements.

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

V P Mitchell
Director

M J Bates
Director

BATEAU BAY NSW

Dated:

The Entrance Leagues Club Limited
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**Auditor's Independence Declaration Under Section 307C of the Corporations
Act 2001 to the Directors of
The Entrance Leagues Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2016 there have been:

1. No contraventions of the auditor independence requirements as set out in 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.

FORTUNITY ASSURANCE

T R Davidson
Partner

155 The Entrance Road
Erina NSW 2250

Dated

The Entrance Leagues Club Limited
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Statement of Comprehensive Income
For The Year Ended 30 September 2016

	Note	2016 \$	2015 \$
Revenue and Income from operations			
Sale of goods revenue		4,772,589	4,681,845
Rendering of services revenue		8,847,580	9,027,003
Other income		370,147	437,834
	2	13,990,316	14,146,682
Expenses			
Cost of goods sold		(1,994,394)	(1,997,961)
Employee benefits expense		(3,774,249)	(3,700,227)
Poker machine tax, licences and donations		(1,758,246)	(1,788,989)
Entertainment and promotions		(794,442)	(723,928)
Property costs		(766,521)	(780,931)
Other expenses		(2,384,383)	(2,267,131)
		(11,472,235)	(11,259,167)
Earnings before depreciation & finance costs		2,518,081	2,887,515
Depreciation and amortisation		(1,730,404)	(1,642,964)
Finance costs		(43,037)	(58,277)
Profit before income tax expense		744,640	1,186,274
Income tax expense		-	-
Net profit for the year after income tax		744,640	1,186,274
Other comprehensive income		-	-
Total comprehensive income for the year		744,640	1,186,274

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Statement of Financial Position
As At 30 September 2016

	Note	2016 \$	2015 \$
Assets			
Current Assets			
Cash and cash equivalents	4	3,189,019	2,698,386
Trade and other receivables	5	58,696	82,502
Inventories	6	101,929	98,283
Other assets	7	182,668	195,460
Total Current Assets		3,532,312	3,074,631
Non-Current Assets			
Property, plant and equipment	8	9,916,901	10,635,907
Intangible assets	9	172,190	172,190
Total Non-Current Assets		10,089,091	10,808,097
Total Assets		13,621,403	13,882,728
Current Liabilities			
Trade and other payables	10	806,361	468,901
Borrowings	11	-	386,371
Provisions	12	341,320	311,468
Other Liabilities	13	11,724	11,071
Total Current Liabilities		1,159,405	1,177,811
Non-Current Liabilities			
Borrowings	11	1,000	1,030,220
Provisions	12	159,099	121,771
Other	13	34,465	30,132
Total Non-Current Liabilities		194,564	1,182,123
Total Liabilities		1,353,969	2,359,934
Net Assets		12,267,434	11,522,794
Members' Funds			
Retained earnings		12,267,434	11,522,794
Total Members Funds		12,267,434	11,522,794

The accompanying notes form part of these financial statements.

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Statement of Changes in Members Funds
For The Financial Year Ended 30 September 2016

	Retained Earnings \$	Total \$
Balance at 1 October 2014	10,336,520	10,336,520
Total comprehensive income for the year	1,186,274	1,186,274
	<hr/>	<hr/>
Balance at 30 September 2015	11,522,794	11,522,794
Total comprehensive income for the year	744,640	744,640
	<hr/>	<hr/>
Balance at 30 September 2016	12,267,434	12,267,434
	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Statement Of Cash Flows
For The Year Ended 30 September 2016

	Note	2016 \$	2015 \$
Cash flows from Operating Activities			
Receipts from customers		13,855,328	14,116,727
Receipts from members		44,510	45,364
Payments to employees and suppliers		(11,058,449)	(11,820,565)
Interest received		28,980	37,856
Borrowing costs		(43,037)	(58,277)
Net cash provided by operating activities	(18b)	2,827,332	2,321,105
Cash flows from Investing Activities			
Purchase of property, plant and equipment		(1,019,728)	(3,933,713)
Proceeds from sale of equipment		98,620	548,176
Net cash used in investing activities		(921,108)	(3,385,537)
Cash flows from Financing Activities			
Repayments of borrowings		(1,415,591)	(384,684)
Proceeds from borrowings		-	931,013
Net cash used in financing activities		(1,415,591)	546,329
Net increase/(decrease) in cash held		490,633	(518,103)
Cash at beginning of the financial year		2,698,386	3,216,489
Cash at the end of the financial year	(18a)	3,189,019	2,698,386

The accompanying notes form part of these financial statements.

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies

Basis of Preparation

The Entrance Leagues Club (Reduced Disclosure Requirements) Limited has elected to early adopt the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards abs AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. The company has also adopted AASB 2011-2: Amendments to the Australian Accounting Standards arising from the Trans-Tasman Convergence Project- Reduced Disclosure and AASB 2012-7: Amendments to the Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards- Reduced Disclosure Requirements of Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Donations are recognised as revenue when received.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(a) Revenue (cont'd)

All revenue is stated net of the amount of goods and services tax (GST).

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land is measured on the cost basis. Buildings are measured on the cost basis less depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when the impairment indicators are present (refer to note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(c) Property, Plant and Equipment (cont'd)

Depreciation (cont'd)

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

Class of Fixed Asset	Depreciation Rate
Leasehold Building	3%
Furniture, fittings and fixtures	6-27%
Office equipment and furniture	9-24%
Poker Machines	30%
Leased plant and equipment	30%

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplusw relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) that are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell that asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs where the instrument is classified “at fair value through profit or loss” in which case transaction costs are expensed to profit and loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(i) Financial assets at fair value through Profit or loss

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(e) Financial Instruments (cont'd)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available for sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which as an impact on the estimated future cash flows of the financial asset(s).

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(e) Financial Instruments (cont'd)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount if an asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit and loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment or loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

Note 1. Statement of Significant Accounting Policies (cont'd)

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Income Tax

The Company is exempt from income tax under section 23 (g) of the Income Tax Assessment act.

(k) Comparative Figures

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

(l) Trade and other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(m) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

(n) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(o) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 September 2016 reporting periods. The Company's assessment of the impact of these new standards and interpretations is that their adoption is not expected to have a material impact on future financial statements.

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Notes To The Financial Statements
For The Year Ended 30 September 2016

	2016 \$	2015 \$
Note 2. Revenue		
Sale of Goods		
Bar sales	2,770,604	2,897,406
Catering sales	2,001,985	1,784,439
Total sale of goods	<u>4,772,589</u>	<u>4,681,845</u>
Rendering of services		
Poker machine clearances	7,926,097	8,090,071
TAB commission	90,423	93,470
Keno commission	161,909	171,381
Football club income	285,732	293,659
Bowling club income	29,321	26,955
Other promotions income	354,098	351,467
Total rendering of services	<u>8,847,580</u>	<u>9,027,003</u>
Other Income		
Commission received	122,201	116,545
Interest received	28,980	37,856
Members subscriptions	39,524	37,757
Other income	89,152	45,989
Proceeds from sale of non-current asset	90,290	199,687
Total other income	<u>370,147</u>	<u>437,834</u>
Total revenue and other income	<u>13,990,316</u>	<u>14,146,682</u>

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2016

	2016 \$	2015 \$
Note 3. Profit for the Year		
Depreciation		
Leasehold buildings	323,574	326,600
Leasehold buildings-bowling club	70,542	59,029
Furniture, Fittings and plant	346,358	298,277
Office Equipment Furniture	13,271	18,471
Poker machines	976,659	940,587
	_____	_____

Note 4. Cash and Cash Equivalents

Cash on hand	195,000	190,000
Cash at bank	2,994,019	2,508,386
	_____	_____
	3,189,019	2,698,386
	_____	_____

Note 5. Trade and Other Receivables

Other debtors	58,696	82,502
	_____	_____
	58,696	82,502
	_____	_____

Note 6. Inventories

Bar Stock	64,498	50,070
Catering Stock	14,873	10,454
Merchandise and prizes	22,558	37,759
	_____	_____
	101,929	98,283
	_____	_____

Note 7. Other Assets

Prepayments	175,155	186,547
Deposits	7,513	8,913
	_____	_____
	182,668	195,460
	_____	_____

The Entrance Leagues Club Limited
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Notes To The Financial Statements
For The Year Ended 30 September 2016

	Note	2016 \$	2015 \$
Note 8. Property, Plant and Equipment			
Leasehold buildings - at cost		11,010,274	10,991,806
Less: Accumulated depreciation		(3,962,398)	(3,638,824)
		7,047,876	7,352,982
Leasehold Buildings - Bowling Club - at independent valuation	(a)	813,671	751,265
Less: Accumulated amortisation		(391,966)	(321,424)
		421,705	429,841
Furniture, fittings & plant - at cost		4,067,130	3,842,780
Less: Accumulated depreciation		(3,072,463)	(2,761,313)
		994,667	1,081,467
Office equipment & furniture - at cost		252,855	246,699
Less: Accumulated depreciation		(240,368)	(227,097)
		12,487	19,602
Poker machines - at cost		6,000,603	5,725,206
Less: Accumulated depreciation		(4,560,437)	(3,973,191)
		1,440,166	1,752,015
Plant, equipment & vehicles under lease		123,495	123,495
Less: Accumulated amortisation		(123,495)	(123,495)
		-	-
Total Property, Plant and Equipment		9,916,901	10,635,907

The Entrance Leagues Club Limited
ABN 86 002 501 313

Notes To The Financial Statements
For The Year Ended 30 September 2016

2016
\$

2015
\$

Note 8. Property, Plant and Equipment (cont'd)

(a) The valuation of The Golden Hind Women's Bowling Club leasehold buildings was based on the assessment of the current market value. The independent valuation on 7 September 2000 was carried out by Robertson & Robertson.

Movements in Carrying Amounts

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

	Leasehold Buildings	Leasehold Buildings – Bowling Club	Furniture, Fittings & Plant	Office Equipment & Furniture	Poker Machines	Total
Balance at beginning of year	7,352,982	429,841	1,081,467	19,602	1,752,015	10,635,907
Additions	18,468	62,406	259,558	6,156	673,140	1,019,728
Disposals	-	-	-	-	(8,330)	(8,330)
Depreciation expense	(323,574)	(70,542)	(346,358)	(13,271)	(976,659)	(1,730,404)
Carrying amount at the end of the year	7,047,876	421,705	994,667	12,487	1,440,166	9,916,901

Note 9. Intangible assets

Poker machine entitlements

172,190

172,190

Note 10. Trade and other payables

Current

Trade Creditors

Accruals

281,032

525,329

806,361

133,651

335,250

468,901

The Entrance Leagues Club Limited
ABN 86 002 501 313

Notes To The Financial Statements
For The Year Ended 30 September 2016

	Note	2016 \$	2015 \$
Note 11. Borrowings			
<i>Current:</i>			
Secured:			
Bill Facility	(i)	-	360,000
Hire purchase		-	26,371
		-	386,371
 <i>Non-Current:</i>			
Secured:			
Bill Facility	(i)	1,000	1,014,013
Hire purchase		-	16,207
		1,000	1,030,220

Secured Liabilities:

- (i) Secured by Registered First Mortgage over the Company's leased land and buildings, an equitable mortgage over the assets and undertakings of the Company and a letter of set-off over Term deposits.
- (ii) Effectively secured over the assets involved.

Note 12. Provisions

<i>Current</i>			
Annual leave		139,141	128,452
Long Service Leave		202,179	183,016
		341,320	311,468
 <i>Non-Current</i>			
Long Service Leave		89,452	70,277
Annual Leave		69,647	51,494
		159,099	121,771

The Entrance Leagues Club Limited
ABN 86 002 501 313

Notes To The Financial Statements
For The Year Ended 30 September 2016

	2016 \$	2015 \$
Note 13. Other Liabilities		
<i>Current</i>		
Members' subscriptions in advance	11,724	11,071
<i>Non Current</i>		
Members' subscriptions in advance	34,465	30,132
Total	46,189	41,203

Note 14. Financial Risk Management

The carrying amounts for each category of financial instruments, measured in accordance with the accounting policies to these financial statements, are as follows:

Financial assets

Cash and other equivalents	3,189,019	2,698,386
Trade and other receivables	58,696	82,502
	3,247,715	2,780,888

Financial liabilities

Financial liabilities at amortised cost:		
-Trade and other payables	806,361	468,901
-Borrowings	1,000	1,416,591
	807,361	1,885,492

Note 15. Key Management Personnel Disclosures

Key management personnel compensation	544,690	534,283

Note 16. Related Party Transactions

The directors also purchased goods from the company on the same terms and conditions available to the company's employees, members and guests.

The Entrance Leagues Club Limited
ABN 86 002 501 313

Notes To The Financial Statements
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Note 17. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements payable		
- not later than 1 year	177,115	164,560
- later than 1 year but not later than 5 years	708,460	658,240
- later than 5 years but not later than 10 years	838,235	822,800
	1,723,810	1,645,600
Note 18. Cash Flow Information		
(a) Cash and Cash Equivalents		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the items in the statement of financial position as follows:		
Cash on hand	195,000	190,000
Cash at bank	2,994,019	2,508,386
	3,189,019	2,698,386
(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax		
Operating profit after Income Tax	744,640	1,186,274
Non-cash flows in operating profit		
Amortisation	70,542	59,029
Depreciation	1,659,862	1,583,935
Profit on sale of non-current assets	(90,290)	(199,687)
Changes in assets and liabilities		
Decrease in trade and other receivables	23,806	53,265
Increase in inventories	(3,646)	(9,174)
Increase in other assets	12,792	(16,725)
Decrease in trade and other payables	337,460	(312,500)
Increase in other liabilities	4,986	1,551
Decrease in provisions	67,180	(24,863)
Cash Flows from Operations	2,827,332	2,321,105

The Entrance Leagues Club Limited
ABN 86 002 501 313

Directors' Declaration
For The Financial Year Ended 30 September 2016

In accordance with a resolution of the directors of The Entrance Leagues Club (Reduced Disclosure Requirements) Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 30, are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards- Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 September 2016 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

V P Mitchell
Director

M J Bates
Director

BATEAU BAY NSW

Dated:

The Entrance Leagues Club Limited
ABN 86 002 501 313

Independent Auditor's Report to the Members
Of The Entrance Leagues Club Limited

Report on the Financial Report

We have audited the accompanying financial report of The Entrance Leagues Club Limited (the company), which comprises the statement of financial position as at 30 September 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional and ethical pronouncements and the Corporations Act 2001. We confirm that the independence declaration required by the Corporation Act 2001, which has been given to the directors of The Entrance Leagues Club Limited, would be in the same terms if given to the directors as at the time of the auditors report.

The Entrance Leagues Club Limited
ABN 86 002 501 313

Independent Auditor's Report To The Members
Of The Entrance Leagues Club Limited

Opinion

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

- (i) giving a true and fair view of the company's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards-Reduced Disclosure Requirements and the Corporations Regulations 2001.

FORTUNITY ASSURANCE

T R Davidson
Partner

ERINA NSW 2250

Dated:

The Entrance Leagues Club Limited
ABN 86 002 501 313

Additional Financial Information
Profit And Loss Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Net profit from bar trading	871,187	997,996
Net profit from poker machine trading	4,724,474	4,967,067
Net profit from catering trading	157,758	78,078
Net profit from Keno trading	70,855	84,467
Net loss from TAB trading	(84,570)	(83,909)
Net cost of promotions	(520,812)	(461,478)
Commission received	122,201	116,545
Interest received	28,980	37,856
Member subscriptions	39,524	37,757
Telephone receipts	307	677
Courtesy Bus	26,261	31,523
Sundry income	62,584	13,789
Profit on sale of fixed assets	5,000	12,196
	5,503,749	5,832,564
Less: Expenses		
Advertising	44,165	22,975
Amortisation	70,542	59,029
Auditors remuneration	27,162	27,391
Bank charges	17,158	12,055
Cleaning materials	16,900	20,601
Cleaning contractors	160,507	159,925
Computer expenses	44,480	56,978
Consultant fees	3,594	1,750
Courtesy bus	170,555	181,240
Depreciation	683,204	643,394
Directors expenses	8,588	9,758
Donations	68,722	57,266
Entertainment	2,643	2,022
Finance costs	1,650	10,073
First aid	139	365
Floral arrangements	2,210	4,048
Fringe Benefits Tax	10,587	8,859
Insurance	157,407	156,153
Indoor plants	10,665	10,905
Interest	43,037	48,204
Legal Fees	7,525	10,393
Licences, permits & fees	46,492	42,263
Light, power & fuel	220,732	238,068
Membership costs & promotions	199,408	212,611
Members entertainment	83,025	84,054
Motor vehicle expenses	18,720	22,667
Newspapers & periodicals	6,828	7,041
Payroll Tax	166,049	162,461

The Entrance Leagues Club Limited
ABN 86 002 501 313

Additional Financial Information
Profit And Loss Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Expenses (cont'd)		
Printing, postage & stationery	47,782	44,530
Rates & taxes	43,649	42,292
Rent	104,518	102,485
Repairs & maintenance	118,742	117,786
Security	149,601	139,687
Staff recruitment & training	5,955	3,883
Sporting sponsorship	92,880	82,031
Staff amenities	1,170	1,161
Subscriptions	19,727	19,203
Sundry expenses	35,597	29,447
Seminars & conferences	13,258	6,177
Telephone	17,182	17,543
Uniforms	6,408	8,804
Wages & associated costs	1,469,937	1,383,737
Waste removal	34,994	34,930
	4,454,094	4,306,245
Net trading profit for the financial year	1,049,655	1,526,319
Add/(less) Football Committee	(196,349)	(225,773)
Bowling Club	(108,666)	(114,272)
Net profit for the year	744,640	1,186,274
Retained earnings at the beginning of the financial year	11,522,794	10,336,520
Retained earnings at the end of the financial year	12,267,434	11,522,794

The Entrance Leagues Club Limited
ABN 86 002 501 313

Additional Financial Information
Bar Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Sales	2,770,604	2,897,406
	<hr/>	<hr/>
Opening stock	50,070	51,210
Purchases	1,200,711	1226,207
	<hr/>	<hr/>
Closing stock	1,250,781	1,277,417
	64,498	50,070
	<hr/>	<hr/>
Cost of goods sold	1,186,283	1,227,347
	<hr/>	<hr/>
Gross profit	1,584,321	1,670,059
	<hr/>	<hr/>
Gross profit percentage	57.2%	57.6%
	<hr/>	<hr/>
Less: Expenses		
Freight	21,333	21,893
Glasses & coasters	15,748	13,158
Promotions – Bonus Points	22,278	-
Repairs & maintenance	10,361	12,647
Wages & associated costs	643,414	624,365
	<hr/>	<hr/>
	713,134	672,063
	<hr/>	<hr/>
Net bar trading profit	871,187	997,996
	<hr/>	<hr/>

The Entrance Leagues Club Limited
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Additional Financial Information
Poker Machine Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Net clearances	7,908,917	8,072,891
Government GST Subsidy	17,180	17,180
Profit/loss on disposal	85,290	187,491
	<u>8,011,387</u>	<u>8,277,562</u>
Less: Expense		
Central monitoring	79,454	76,199
Depreciation	976,659	940,574
Poker machine duty	1,643,752	1,672,010
Promotions	83,207	118,809
Repairs & maintenance	67,718	65,625
Wages & associated costs	392,665	385,901
Members amenities	8,418	10,597
Maxgaming	35,040	40,780
	<u>3,286,913</u>	<u>3,310,495</u>
Net poker machine trading profit	<u>4,724,474</u>	<u>4,967,067</u>

The Entrance Leagues Club Limited
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Additional Financial Information
Promotions and Entertainment Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Bingo	57,415	57,791
Functions	30,321	40,477
Market nights and raffles	266,362	253,199
	354,098	351,467
Less: Expenses		
APRA licence	8,166	9,690
Artists	41,082	43,013
Bar Subsidy	-	9,972
Bingo cards & prizes	98,872	104,905
Catering Subsidy	52,038	31,033
Functions	10,224	20,446
Hire of equipment	45,797	44,392
Market nights & raffles	338,844	305,675
Printing & stationery	1,788	3,474
Promotions	197,631	151,328
Wages & associated costs	80,468	89,017
	874,910	812,945
Net cost of promotions	(520,812)	(461,478)

The Entrance Leagues Club Limited
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Additional Financial Information
Keno Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Commission received	161,909	171,381
Less: Expenses		
Operating costs	11,238	9,798
Promotions	912	194
Overs/Unders	189	589
Wages & associated costs	78,715	76,333
	<u>91,054</u>	<u>86,914</u>
Net Keno trading profit	<u>70,855</u>	<u>84,467</u>

TAB Trading Statement

Income		
Commission received	90,423	93,470
Less: Expenses		
Operating costs	15,780	18,817
Promotions	3,710	4,598
Sky Channel	30,032	30,682
Overs/Unders	2,377	2,376
Wages & associated costs	123,094	120,906
	<u>174,993</u>	<u>177,379</u>
Net TAB trading loss	<u>(84,570)</u>	<u>(83,909)</u>

The Entrance Leagues Club Limited
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Additional Financial Information
Catering Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Sales	2,001,985	1,784,439
	<hr/>	<hr/>
Opening stock	10,454	11,823
Purchases	812,530	769,245
	<hr/>	<hr/>
Closing Stock	14,873	10,454
	<hr/>	<hr/>
Cost of goods sold	808,111	770,614
	<hr/>	<hr/>
Gross profit	1,193,874	1,013,825
	<hr/>	<hr/>
Gross profit percentage	59.6%	56.8%
Less: Expenses		
Cost of functions	508	613
Equipment	7,079	8,378
Linen hire	14,555	14,987
Promotions – Bonus Points	12,498	-
Replacements	18,661	17,765
Cleaning costs	14,571	14,822
Wages and associated costs	968,244	879,182
	<hr/>	<hr/>
	1,036,116	935,747
	<hr/>	<hr/>
Net catering trading profit (loss)	157,758	78,078
	<hr/>	<hr/>

The Entrance Leagues Club Limited
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Additional Financial Information
Football Committee Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Players Insurance, Fees & Registration	7,880	12,992
Canteen & Gate Receipts	29,153	31,394
Raffle	15,965	13,549
Sponsorships	193,793	185,908
Functions	18,545	17,842
Sundry Income	5,477	3,321
Sales - Beer	12,874	22,289
Competition Receipts	2,045	6,364
	285,732	293,659
Less: Expenses		
Advertising	2,373	1,281
Beer Purchases	11,769	14,789
Canteen Purchases	9,410	13,933
Coaching Aids/Strapping	24,449	15,100
Coaching Fees	24,093	25,951
Cost of Functions	26,719	32,403
Donations	-	364
First Aid & Medical	24,579	31,026
Football Merchandise	3,500	2,907
Ground Fees	3,876	3,960
Ground Repairs & Maintenance	3,221	4,131
Motor Vehicle Expenses	937	871
Players Fees & Associated Costs	231,271	255,199
Players Insurance & Registration	1,463	10,028
Photos & Video Costs	11,323	10,110
Printing & Stationery	-	727
Raffle Expenses	5,920	4,962
Referee Fees	9,365	7,650
Security & Bar Staff	4,749	4,761
Sponsorship & Scholarship	16,021	21,201
Sundry	3,784	1,817

The Entrance Leagues Club Limited
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Additional Financial Information
Football Committee Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Expenses (cont'd)		
Telephone	-	1,100
Training & Equipment	543	1,599
Trophies & Awards	8,439	27,899
Travelling Expenses	4,546	909
Uniforms & Laundry	49,731	24,754
	<u>482,081</u>	<u>519,432</u>
Net cost of football	<u>(196,349)</u>	<u>(225,773)</u>

The Entrance Leagues Club Limited
ABN 86 002 501 313

Additional Financial Information
Golden Hind Trading Statement
For The Year Ended 30 September 2016

	2016	2015
	\$	\$
Income		
Fees received	14,511	12,277
Sales	300	413
Interest received	321	335
Sundry income	5,161	5,525
Bus Trip income	9,028	8,405
	<u>29,321</u>	<u>26,955</u>
Expenses		
Bank charges	294	427
Catering	4,551	2,979
Cleaning	748	881
Contractor	45,799	45,799
Donations	-	1,012
Equipment	328	425
Fees – Association	4,209	4,670
Light and power	3,339	3,169
Printing and stationery	580	1,092
Rates and taxes	11,225	11,085
Rent	51,648	50,643
Repairs and maintenance	4,026	1,295
Sundry	9,327	15,333
Telephone	1,254	1,399
Trophies	659	1,018
	<u>137,987</u>	<u>141,227</u>
Net cost of bowls	<u>(108,666)</u>	<u>(114,272)</u>