

Club
Maitland City

ANNUAL REPORT & FINANCIAL STATEMENTS

For the financial year ending 30th June 2020

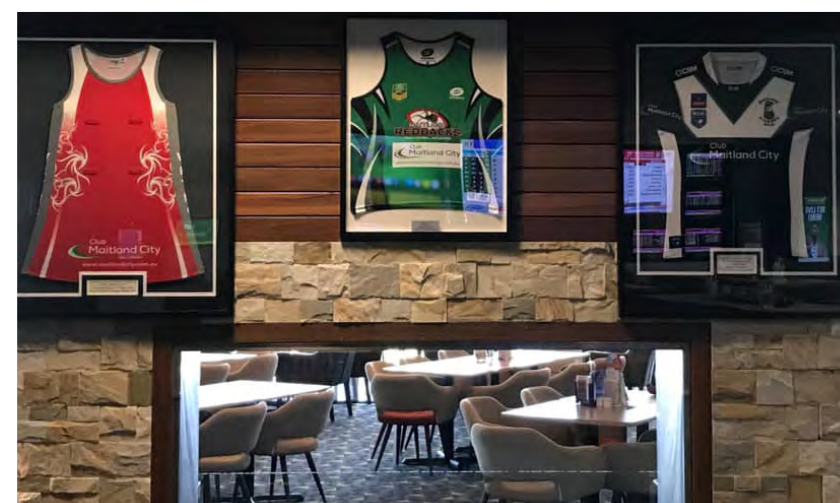




CMC for Sport



CMC for Community



CMC the Heart of Maitland

Notice of Annual General Meeting

Notice is hereby given that the **Annual General Meeting of Maitland City Bowls, Sports & Recreation Club Ltd ABN 64 000 912 005 (“the Club”)** will be held on **Sunday, 25 October 2020 at 10:00am at the Club’s premises at 14 Arthur Street, Rutherford NSW 2320.**

BUSINESS

1. Apologies and a Minutes Silence for Deceased Members.
2. To confirm the Minutes of the previous Annual General Meeting.
3. To receive and consider the Report of Directors.
4. To receive and consider the Financial Report.
5. To receive and consider the Auditors Report.
6. To consideration recommendations from the Board of Directors for Life membership in accordance with Article 23 of the Club constitution, if applicable (75% majority required).
7. To consider resolutions as listed.
8. Any other business of which proper notice has been given.

RESOLUTION 1 - ORDINARY RESOLUTION

To consider, and if thought fit, to pass the following ordinary resolution:

“That pursuant to the Registered Clubs Act 1976, the members hereby approve and agree to the members of the Board, during the period preceding the next Annual General Meeting, receiving the following benefits having a total value not exceeding \$25,000 and the members further acknowledge that the benefits outlined in paragraphs (a) to (f) are not available to members generally, but only to the Directors of the Club (and those other persons identified in this Resolution):

- (a) reasonable meals and refreshments for each Director in conjunction with each Board or Committee meeting;
- (b) reasonable costs or expenses in relation to the professional development and education of Directors including:
 - (i) attending meetings of associations of which the Club is a member or Directors of the Club are members;
 - (ii) attending other registered clubs or gaming venues for the purposes of observing their facilities and methods of operation;
 - (iii) attending conferences and training sessions in relation to their roles and responsibilities under the Registered Clubs Act 1976, the Corporations Act 2001 and any other relevant legislation;
- (c) reasonable costs or expenses of attending functions whilst representing the Club with partners where appropriate;
- (d) reasonable costs or expenses of travelling by either private or public transport to and from Directors’ or other duly constituted meetings, held at places other than the Club;
- (e) reasonable costs or expenses in relation to the provision of uniforms and other Club monogrammed apparel for the use of each Director when representing the Club; and
- (f) the provision of a total of four (4) reserved parking spaces at the Club for the Director’s use when attending the Club to carry out their duties.

EXPLANATORY NOTES

- Pursuant to the requirements of the Registered Clubs Act 1976 (Registered Clubs Act) the Club is required at each Annual General Meeting to have approved by ordinary resolution, the benefits to be provided to the Directors of the Club. The purpose of this resolution is to comply with the requirements of the Registered Clubs Act.
- To be passed, Resolution 1 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote and who vote on the Resolution.
- Life Members, financial Voting Members and financial Premium Social Members are entitled to vote on the Resolution.
- The Board recommends Resolution 1 to the

RESOLUTION 2 - ORDINARY RESOLUTION

To consider and if thought fit, to pass the following ordinary resolution:

“That pursuant to the Registered Clubs Act 1976, the members hereby approve and agree to the members of the Board, during the period preceding the next Annual General Meeting, receiving honoraria to the positions named and for the sums referred to below, in respect of services rendered to the Club and the members further acknowledge that the honoraria are not available to members generally but only to those members who are Directors of the Club:

- (i) \$5,500 to the President;
- (ii) \$4,000 to the Vice President;
- (iii) \$4,500 to the Treasurer; and
- (iv) \$4,000 to each other Director”.

EXPLANATORY NOTES

- Pursuant to the requirements of the Registered Clubs Act the Club is required to have the honoraria for Directors approved by the members at the Annual General Meeting. The purpose of this resolution is to comply with the requirements of the Registered Clubs Act.
- To be passed, Resolution 2 must receive a simple majority of votes in its favour from those members present at the meeting who are eligible to vote and who vote on the Resolution.
- Life Members, financial Voting Members and financial Premium Social Members are entitled to vote on the Resolution.
- The Board recommends Resolution 2 to the meeting.

RESOLUTION 3 – SPECIAL RESOLUTION

To consider, and if thought fit, to pass the following special resolution:

“That the Constitution of Maitland City Bowls, Sports & Recreation Club Ltd (“Constitution”) be amended as follows:

- (a) Amending the definition of “General Meeting” in Rule 2 by adding to it after the word “includes” the words “any General Meeting and”.
 - (b) Inserting a new definition of “Honorarium” in Rule 2 as follows: ““Honorarium” means a payment given for services that are rendered nominally without charge.”
 - (c) Inserting a new definition of “Registered Clubs Accountability Code” as follows: “Registered Clubs Accountability Code” means the code set out in Schedule 2 of the Registered Club
- Regulations 2015 pursuant to clause 41C of the Registered Clubs Act.”
 - (d) Amending rule 9 by the addition a new subclause (f) as follows: “(f) All of the rules deemed to apply to the Club by section 30 of the Registered Clubs Act apply.”
 - (e) Amending rule 9 by the addition a new subclause (g) as follows: “(g) The membership of the Board must not exceed the maximum number of persons permitted by Section 10(k1) of the Registered Clubs Act.”
 - (f) Amending rule 9 by the addition a new subclause (h) as follows: “(h) The Club must comply with the reporting requirements imposed on the Club under section 38 of the Registered Clubs Act (including requirements relating to the financial statements and accounts of the Club and the information to be disclosed by the Club).
 - (g) Amending rule 9 by the addition a new subclause (i) as follows: “(i) The Club must comply with the accountability, disposal of property and termination of contracts requirements imposed on the Club by Part 4A of the Registered Clubs Act including without limitation the requirements of the Registered Clubs Accountability Code.”
 - (h) Amending Rule 11 to replace “honorariums” with “Honorariums”.
 - (i) Amending Rule 24 by adding after the words “any office on the Board of the Club” in the first paragraph the words “, to vote in the election of the Board of the Club” and by adding the words “nor vote in the election of the Board of the Club” at the end of the last paragraph.

<p>(j) Amending Rule 50(b) by adding after the words “and remain said financial members” the words “of the Royal New South Wales Bowling Association Inc., or the New South Wales Women’s Bowling Association Inc.”.</p> <p>(k) Amending Rule 50 (c) by deleting the current wording and replacing it with the following words: “A director may be re-elected at the end of a term of office.”</p> <p>(l) Amending Rule 53 by adding after the words “The election of” the words “members to the position of” and deleting the word “the” which follows.</p> <p>(m)Amending Rule 53(a) by:</p> <p>a. Adding the word “by nominating” after the words “and/or not a financial member” and deleting the words “shall be at liberty to nominate”;</p> <p>b. Adding the words “and 50(b)” after the words “Rule 51”.</p> <p>(n) Amending Rule 53(f) by adding after the words “The election of Directors” the words “to fill the position vacant on the Board”.</p> <p>(o) Amending Rule 57(o) to replace “honorarium” with “Honorarium” three times throughout the clause.</p> <p>(p) Deleting after Rule 70 the heading “DISCLOSURE OF INTERESTS BY DIRECTORS”</p> <p>(q) Deleting Rule 70(a) and (b).</p> <p>(r) Deleting Rule 71, 72A, 72B and 72C.</p> <p>(s) Inserting a new heading after Rule 70 as follows: “DIRECTORS’ INTERESTS AND PROHIBITION ON DIRECTORS WITH MATERIAL INTEREST FROM VOTING”</p> <p>(t) Inserting after the new heading as contemplated above a new Rule 71 as follows: “71 A Director of the Club must disclose any of the following matters to the club to the extent that they relate to the Director:</p> <p>(i) any material personal interest that the Director has in a matter relating to</p>	<p>the affairs of the Club;</p> <p>(ii) any personal or financial interest of the Director in a contract relating to the procurement of goods or services or any major capital works of the Club;</p> <p>(iii) any financial interest of the Director in a hotel situated within 40 kilometres of the Club’s premises;</p> <p>(iv) any gift valued at \$1,000 or more, or any remuneration of an amount of \$1,000 or more, received by the Director from an affiliated body of the Club or from a person or body that has entered into a contract with the Club; and</p> <p>(v) any other matters required to be disclosed by the Director by the Reregistered Clubs Act or the Corporations Act.”</p> <p>(u) Inserting a new Rule 72 as follows: “72 Subject to Rule 71, a Director must disclose any matter required to be disclosed by Rule 71 above within 21 days after the Director becomes aware of the matter by providing written notice of the same to the Secretary.”</p> <p>(v) Inserting a new Rule 73 as follows: “73 The Secretary must upon receipt of any disclosure made by a Director pursuant to Rule 72 above forward such disclosure to all other Directors of the Club and the Board must at the next meeting of the Board table such disclosure and record it in the minutes of the Board meeting. “</p> <p>(w) Inserting a new Rule 74 as follows: “74 A notice of a material personal interest must set out:</p> <p>(i) the nature and extent of the interest; and</p> <p>(ii) the relation of the interest to the affairs of the Club.”</p> <p>(x) Inserting a new Rule 75 as follows: “75 In accordance with Section 195 of the Act, a Director who has a material personal interest in a matter that is being considered at a Board meeting must not:</p> <p>(a) vote on the matter at a meeting; or</p>	<p>(b) be present while the matter is being considered at the meeting, and accordingly will not count for the purposes of determining whether there is a quorum unless, and only to the extent that, an exception is applicable as permitted by Section 195 of the Act.”</p> <p>(y) Inserting a new Rule 76 as follows: “In accordance with Registered Clubs Accountability Code the Club must not enter into a commercial arrangement or a contract with a director or with a company or other body in which a director has a pecuniary interest (as defined in the Registered Clubs Accountability Code and not including interests exempted by the Registered Clubs Act) unless the proposed commercial arrangement or contract is first approved by the Board.”</p> <p>(z) Inserting a new Rule 77 as follows: “The Board must ensure that the Club complies with all requirements relating to the provision of information to members of the Club as required by the Registered Clubs Accountability Code including without limitation sections 9 (Provision of information to Members) and 10 (Financial Statements) of the Registered Clubs Accountability Code.”</p> <p>(aa)Amending Rule 72D(a) (ii) by replacing the words “Registered Clubs Act” with the words “the Registered Club Accountability Code”.</p> <p>(bb)Amending Rule 72D(a) (iii) by replacing the words “Registered Clubs Act” with the words “the Registered Club Accountability Code”.</p> <p>(cc) Amending Rule 73 by adding a new paragraph as follows (movement of Rule 75 into Rule 73): “Notice of the intention to move a resolution to remove a member of the Board from office must be given to the Club at least two months before the meeting at which the resolution is to be considered and voted on. The provisions of Sections 203D and 203E of the Act shall be followed in relation to that meeting.”</p>	<p>(dd) Amending Rule 84(i) by replacing “honorarium” with “Honorarium”.</p> <p>(ee) Inserting a new Rule immediately before Rule 82 as follows: “86 (a) The chair of a General Meeting. Including the Annual General Meeting, may refuse admission to (or turn out), anyone who is not entitled under this Constitution to be at that meeting and also turn out any member if they:</p> <p>(i) seek to activate an audio or visual recording device or have a camera, tape recorder or video camera or other audio or visual recording device;</p> <p>(ii) have a placard or banner;</p> <p>(iii) have any article which the chair considers to be dangerous, offensive or liable to cause disruption;</p> <p>(iv) refuse to produce or to permit examination of any article, or the contents of any article in their possession;</p> <p>(v) is intoxicated or approaching intoxication or under the influence of alcohol or any other substance or drug; or</p> <p>(vi) behave or threaten to behave in a dangerous, disorderly, inappropriate, offensive or disruptive manner.</p> <p>(b) The chair of a General Meeting is responsible for the general conduct of the meeting and for the procedures to be adopted at the meeting and may require the adoption of any procedures which are in his or her opinion reasonably necessary or desirable for:</p> <p>(i) proper and orderly debate or discussion including limiting the time that a person present may speak on a motion or other item of business before the meeting; and</p> <p>(ii) the proper and orderly casting or recording of votes, whether on a show of hands or on a poll.</p> <p>(c) Subject to sections 250S and 250T of the</p>	<p>Corporations Act, the chair of a General Meeting may at any time he or she considers it reasonably necessary or desirable for the proper and orderly conduct of the meeting:</p> <p>(i) terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote;</p> <p>(ii) allow debate or discussion on any business, question, motion or resolution being considered by the meeting to continue; and</p> <p>(iii) decline to take or act on a point of order or procedural motion (and so there is no doubt, it is recorded that nothing in this Rule 86 takes anything away from the duty of the Chair under sections 250S and 250T of the Corporations Act and to ensure the proper and fair conduct of the meeting including in relation to debating and voting on motions on the notice paper).</p> <p>(ff) Amending Rule 82(e) by replacing “honoraria” with “Honoraria” and adding the word “and” at the end of the clause.</p> <p>(gg)Amending Rule 82 by the addition of a new subclause (f) as follows: “(f) to deal with any other business of which due notice has been given to the members.”</p> <p>(hh)Amending Rule 86 to replace the word “Article 85” with the word “Rule 90”, replace the words “general meeting” with the words “General Meeting”.</p> <p>(ii) Amending Rule 107 by deleting the words “in excess of \$5,000 ex GST by the authority of a resolution passed at a meeting of the Board previously given” with the words “, or is to be signed pursuant to section 127 of the Act, unless the prior approval of the Board has firstly been</p>	<p>obtained approving the execution of the relevant document evidenced by a resolution passed at a meeting of the Board.”</p> <p>(jj) Deleting Rule 108.</p> <p>(kk) By making any and all consequential amendments to the numbering of Rules and internal cross referencing to the give effect to the changes above.</p>	<div> <h2>EXPLANATORY NOTES</h2> <ul style="list-style-type: none"> - The amendments to the constitution reflect: <ul style="list-style-type: none"> • the requirements of the Registered Clubs Act 1976 (NSW) including the Registered Clubs Accountability Code which has been recently introduced. • Include improvements to operating of meetings. - To be passed the Special Resolution must receive votes in its favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolution at the meeting. - Only Life members and financial Voting members are eligible to vote on the Resolution. - Under the Registered Clubs Act: <ul style="list-style-type: none"> (a) members who are employees of the Club are not entitled to vote; and (b) proxy voting is prohibited. - The Board of the Club recommends the Resolution to members. - Life Members, financial Voting Members and financial Premium Social Members are entitled to vote on the resolution. </div> <div> <p>By direction of the Board</p>  <p>Ian Martin Chief Executive Officer / Secretary</p> </div>
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2020 Donations

2020 “SPOTLIGHT” Carrie’s Place Knitting Support Group

SUMMARY OF DONATION RECIPIENTS

Carries Place	Rutherford Telarah Rotary
Rutherford high school	Maitland Rotary
Westpac Rescue Helicopter	Maitland Lions
Hunter Life Education	Zone 6 Bowls
Maitland Neighborhood Centre	Maitland Vale Rural Fire Service
Maitland Uniting Church – Munch Program	Maitland Neighborhood Watch
Men of League	Maitland Camera Club
Maitland Grossman High	
GBOTA	



Continuing our focus on the growth of all sports in the area, Club Maitland City has made financial contributions to the following sporting clubs:

Maitland Pickers Rugby League Club	Maitland Touch Association
West Maitland Rugby League Club	Lochinvar Rovers Football Club
Maitland Saints AFL Club	Maitland City Softball Club
West Rutherford Telarah Netball Club	Cobra Darts

VALUES

- Honesty & Integrity
- Unique & Diverse
- Passion for Service
- Fun & Nurturing
- Respect & Support
- Community Centric



Since our last report in June of this year we have donated of 27 rugs and 38 trauma bear's and numerous hats and scarves to Carries Place, a total of 127 rugs and 133 bears from June 2019.

We could not have achieved this without the Boards generosity and making it possible for us to purchase all the wool to make all of these items.



2020 Presidents Report



Another year is done and dusted with our Annual General Meeting upon us again.

The 2019-20 year was a year that will be remembered for a long time. The Covid19 virus has taken a toll on our club, staff and members. Closing the club for 3 months was not on our radar. Since the opening of the club we have tried to keep the club clean and safe from the virus and so far all has worked.

The job keeper program has helped Club Maitland City keep its head above water.

I would like to thank you the members, staff and directors of the club for supporting Club Maitland City during the hard year.

Our Quarry Bar & Grill Restaurant now has a new head chef Ken and I ask members and your guests to utilise this venue.

Club Maitland City supports all local sporting and community groups in our area with grants and free room hire within the club.

It's great to see the Women's Bowlers continue to function at a high competitive level and achieving the desired results like past years and I feel that next year they will have another great year for Club Maitland City.

My thanks must go to the pennant selectors it is not an easy job especially because of the critics out there in bowlers land. We played only 3 games this year before it was cancelled due to the Covid19 virus. We will be back next year bigger and better for the 2021 Pennant season.

My many thanks to all my Board of directors for the effort and dedication that they have put in over the past twelve months without these efforts we would not be in our present position. We had to make some important decisions during

the virus and I thank them again for a great effort.

May I also thank Ian and this staff, Jon and the greens staff and DJ and Greg for their tireless efforts over the past twelve months. To our entire floor staff many thanks for your loyalty and persistence knowing that the customer is always right. Our employees are the backbone of our operations and there is no doubt that their dedication to delivering exceptional customer service has contributed substantially to achieving our positive trading result. This was while the Covid 19 virus is still going. We now have a new Operations Manager Matthew Johnston. Welcome Matthew.

Thank you all again for your assistance during the year. It has been a hell of a year and I believe that this club is heading in the right direct and will only get better.

Henry Meskauskas

President

2020 Treasurers Report



Well what a year. Last year I was complaining about the fact that two years in a row our result for the second half of the year was dramatically lower than for the first six months - I should not have complained should I because along came something called COVID-19 - what a disaster!

As the audited accounts show, we managed to finish the year in the black - unlike many other organisations - but it would not have been so except for:

- 1) the huge effort put in by our Management Team in reducing our cost base by the maximum amount possible thus preserving our cash reserves, and
- 2) the Federal Governments JobKeeper subsidy. This subsidy amounts to some \$453,000 for this financial year.

In addition, during the shutdown (23 March to 31 May 2020 inclusive) our Management Team worked diligently to ensure:

- 1) our Club was safe - we had several break-ins during that period
- 2) that as soon as the bell to reopen was sounded, we could open immediately without any hassles, and
- 3) made sure that all policies & practices were in place so that we would be completely and utterly COVID compliant.

There is no sense in dwelling on the reasons for the \$458,000 drop in this year's surplus compared to last year, instead we should be proud that we managed to keep our head above water and are currently trading well in the black.

Your Board are entirely happy with the result - it could have just as easily been a loss - but rest assured we haven't been sitting on our hands waiting for the malaise to

pass as that would be paramount to abandoning our charter of aiming to be "the best Club in the West". Naturally, there will be no obvious changes to our operations in the short-term as, who knows what the little devil has up its sleeve, so it is a wait and see game but making sure we are in the best position possible to pounce once the way forward is clear of road-blocks.

As usual I will finish off with thanking the Management Team for their assistance this past year. It has been one of the most challenging we have had for a long time and, although our results aren't up there with previous year's I know we will certainly get back to those levels as soon as economic certainty returns.

It would be remiss of me to omit thanking our Staff, as Club Maitland City would not be the venue it is today without their relentless effort in constantly providing you, the members, the friendly service you have come to expect. Finally I wish to thank my fellow Board members for their untiring efforts in guaranteeing CMC is what it is today and ensuring it will be here for a very long time.

Bob Bullen

Treasurer

2020 Chief Executive Officer's Report



A year that no one could have predicted which has been completely dominated by the effects of Covid-19 which caused the closure of the club from March 23 to May 31.

In the first half of the year we implemented a gaming floor renovation, and after substantial planning completed the build in 6 weeks including many overnights. The beautiful outcome was delivering positive results until the we all became aware of this new virus.

Similar effects were also seen with many of our sub clubs and sporting teams. Competitions were delayed, modified, or completely cancelled, with some running well beyond their normally season. Situations like these, have caused management to take an increase dynamic position to operations. Resilience and adaption being two keys to the business.

At this point I must thank all my staff, who have adapted and shown tremendous resilience in the face of unprecedented uncertainty. Your patience, particularly when we did re-open have been evident. You all collectively make up "Club Maitland City" and I am extremely proud of the efforts shown. I have to personally thank the efforts of David Dilworth (Dj). Dj has been with us now for some 6 years and has developed his value and career ability which was particularly evident during shutdown. From completing payroll, landscaping gardens, completing venue inspections and alarm activations he has become a jack of all trades. I have to extend my gratitude to you. A bowler, a coordinator, a manager and quickly becoming a leader. Well done Dj.

Financially this year has been difficult emphasised by enormous hits to revenue through the shutdown period. But your club has managed to post a net profit of \$97,347 from \$10,752,074 revenue. The drop in revenue exceeding \$2.5million versus last financial year. The ability to post a profit whilst carrying almost all fixed costs for the full 12 months as well as a component of fixed wages, and operational requirements for the Accommodation department is a credit to the team and the board.

The business pre-emptively reflected on the results and restructured in accordance with long term plans. Our overheads continue to be leaned as we introduce more and more

technologies into the administration side of the business. Cloud based SaaS, VOIP, Software AP integration and the reduction in data entry have or are all forming part of the process. In the recent months we are now see this have a real positive impact which will grow overtime.

Notable recruitments during the year include

- A new Head Chef Ken Marquett. Ken bring a new level of ability and professionalism to our kitchen. Ken joins us after a long tenure at Potters Brewery.
- The return of Matthew Johnston to the Operations Managers role. Matthew joins us again to impart his knowledge and experience successfully once again.

During the year and the shutdown period there was quite a few staff who have left Club Maitland City. I wont mention everyone, rather we wish you all the best in the endeavours you chose in the future.

A year like no other, and its not over yet. Thank you again to Dj, also Lucy, Alex, Jon, Mandy, Rob, Pauline. A difficult year and you all have been wonderful. Thank you to my Board of Directors, you have been supportive when needed and have always worked for the best interests of the Club. I look forward to a prosperous year in 2020-21.

Ian Martin ACCM
CEO



2020 Sports And Sponsorship Manager



Well what a year we were shaping up to have at CMC but Covid had other plans. With that comes a record for the shortest Bowls report I have written.

Pennants in 2020 brought a lot of excitement with some new recruits across all grades adding to our depth. Competition for places was rife and each grade was looking the strongest it has for a while. Unfortunately with our Men's 1, 2 and 1 of the 7 grades, our women's 1 and 2 grade and other men's grades within striking distance of the top spots, the pandemic hit and with it the pennant season was torn the shreds and we are left wondering what could have been. This should serve as motivation for 2021 and hopefully when we get back to normal we can kick on from the momentum we had built early this year.

We still had success at district level with wins for the Senior Triples team of Ronald Solomons, Kevin Byford and John Lill. The Open Pairs win of Simon Mitchell and Mick Cronin, the Presidents Pairs team of Scott Beldon and Wayne Van Maastricht and the blue ribbon event the Open Singles came home to Club Maitland City courtesy of the red hot form of Dylan Riley. These winners will

eventually get to represent us at the state finals, once Covid allows these to take place. The women's events are still going and hopefully we can sneak a winner once the current restrictions are eased.

The 2020 Club Championships have taken a hit with the Match Committee making the hard decision to not play a few regular events in 2020 due to time constraints. We still have our main events happening in the Major Singles and Pairs with 3 out of 4 completed at the time of writing. In the women's event we have a maiden double for Jessica Fisher. Jessica overcame the pretournament favourite and previous winner Jo Blyton in the final, Jessica was in too good a form for Jo on this occasion running away 25/11 winner. Jessica then teamed up with regular partner Caroline Hooker in the Pairs. In the final they came up against reigning champions Adele Johns and Sue O'brien. Jess carried her form from the singles into this game and Caroline lead the house down for them to come away with their first title together. In the Open event the singles went to Simon Mitchell who returns to the club after a sabbatical up to coast. Simon carried his form throughout his run and came u against current Zone 6 singles champion Dylan Riley in the final. The early stages were a great tussle. Simon got a bit of a lead mid-way through the game and never relinquished running out 31-20 winner. Dylan now teams up with DJ Dilworth in the final of the pairs vs new recruits Mick Cronin and Danny Mathieson, this final will be played after the time of writing.

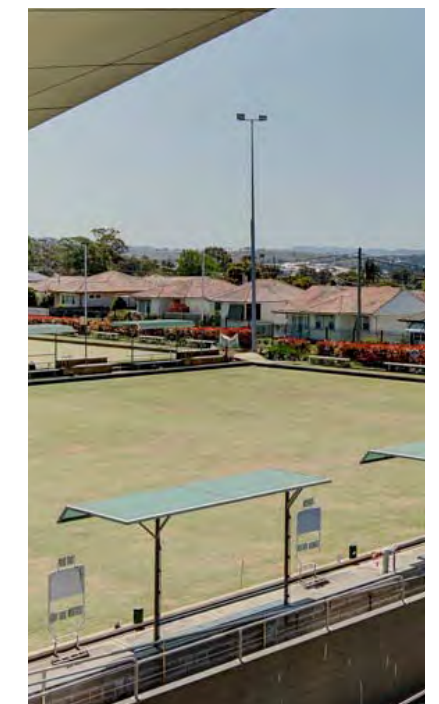
No tournaments were held in 2020 but we will be back better than ever in 2021 and look forward to finally welcoming our new edition over the June Long Weekend, the Ken Guy Memorial Mixed Fours.

My job is made easier through the help of the army of volunteers we have at Club Maitland City. When

we host an event we always have numerous people give up their time to help out, from setting out chairs, to raising flags to emptying bins, without these people our tournaments don't run as well as they can and we don't give visitors the experience they deserve when they visit our great club. Thanks as always to Greg in the bowls office and Jon, Rowan before he moved on and to our newest member Brody on the greens for their work throughout the year. The greens continue to improve year on year from where they were. This is backed up by our continued hosting of State and Zone events. We are the proud home of the State Over 40 Pairs Finals and in 2021 will host the Pennant Finals in grade 6.

Thanks again for the support from Management and the Board of directors and with this continued support we look forward to another successful 12 months at the club.

DJ Dilworth Sports and
Sponsorship Manager



2020 Flying Bowlers Report

Another great trip. Even though it was a long bus excursion, the Wagga Wagga Rules Club made us feel at home.

Accommodation was virtually a stones throw away and it was outstanding. We started out having breakfast at Sandy Hollow Hotel, Pit stop at Rylestone Bowling Club, Lunch at Cowra Bowls and Recreation Club, and then on to Wagga Wagga.

After checking in at the accommodation we had a few drinks and Dinner at the Rules Club. Saturday morning after breakfast, at the Club, we had a tour of the town. I'd organised a stop at a local winery, but the Tour guide was a little out on our tour. So that didn't happen. But otherwise the Tour was okay.

We handed out the shirts and after Lunch we proceeded to have a Social game of bowls.

On Sunday morning we left Wagga Wagga for our first stop, Yass Bowling Club. On wards to Mossvale Services Club for Lunch and then home.

The return trip wasn't as long, timewise, as the downward trip, but we were looking forward to arriving back home.

Once again the trip was heavily subsidised by the Catering that we did prior to the trip. Thank you to the guys that helped out on the Bar B Que.

Club Maitland City again paid for the Coach and we sincerely thank them for their support.

2020's trip doesn't look good with the Coronavirus but its good to see everybody is well and not affected family wise with the virus.

Hoping everyone keeps safe during these trying times.

Regards

Graham Solomons

President of Maitland City's Flying Bowlers

2020 Golf Club Report



Firstly may I say thank you to club management/board of directors for your continued support in these trying times. As you all will appreciate with the COVID 19 situation with lockdown in N.S.W. and restrictions put on us as golfers through golf association we unfortunately had to cancel a number of golf events. In looking on the brighter side we in N.S.W. seem to be striving out the other side of this pandemic with the club open with restrictions that will unfortunately be ongoing.

As a golf club we are now being able to have some golfing together being different conditions compared to normal. The social golf club is still in a strong position financially with our continued support of our sponsors being Club Maitland City, Harvey Norman Electrical Rutherford, Reids Meats Telarah and John Hardiman Services, please accept our thanks

for your continued support also thank you Bob Bullen for your continued support of auditing our books.

Our annual trip was decided to go ahead under slightly restricted circumstances and I would like to finish thanking my executive committee Alan Brew, Henry Meskauskas, Greg Marron, Col Ede and all committee members for all of your dedication toward making the social golf club what it is today.

HAPPY GOLFING

James G. Mullen

President
Club Maitland City Social Golf Club



2020 Offshore Fishing Club Report



Maitland City Offshore Fishing Club has just completed its 46th year of operation out of Club Maitland City. 2020 saw the club activities affected by the Corvid -19 virus with all activities such as meeting and regular fishing programs ceasing from March until meetings could be recommenced in July 2020.

The clubs membership has decreased slightly mainly by juniors who have not joined since becoming 18, although we hope to see them re-join in a few years' time

As stated earlier our organised fishing program was severely affected by the virus especially days like Morpeth and Lake St Clair which all had been cancelled.

A few of the highlights are listed below

1. Annual presentation and Xmas party attended by approximately by 90 members and family. Again this function was held and catered for by Club Maitland City and proved an outstanding success.
2. The monthly raffle has been affected by the virus which has also affected the monthly get- together for dinner at Club Maitland City, Hopefully these dinners will recommence shortly.
3. Luckily we managed to get Swansea in before things got locked down by the virus. This event is now an important part of our activities

All members of the fishing Club really appreciate the continual support given by Club Maitland City, whether it is by donations, use of facilities or just moral support. In a report such as this I can't let the opportunity pass without acknowledging the support from the CEO, Board Members and staff in general as nothing seems to be a trouble.

We also realise that it's been a very difficult year for Club Maitland City as they continue to meet government requirements which are forever changing. Our Club is looking forward to working with Club Maitland City and its sub-clubs as we come out of these difficult times.

Tom Lantry
President



2020 Sports Teams Reports



Maitland Pickers Rugby League Club

Club Maitland City Maitland Pickers have fielded 7 sides

this year across three different competitions in NSW and none of this would have been possible without the very generous support of "our club" CMC.

For the first time in several years Maitland Pickers have been able to field three junior sides, two sides in U16s Div one, Black & White, and one side in Under 17s Div 1, all sides are doing well and are being educated in the Rugby League transition into the grade ranks over the next few years, this creates a clear pathway for all Maitland Juniors from U16s through to First Grade in the home town and guarantees that in years to come the grade sides will be full of local grown talent.

The Hip Pocket Ladies League Tag have only lost one game to date and look as though they are going to be involved deep into the Final series this year.

The Old Boys & Supporters U 19s are also doing really well and should figure prominently in the final series as well.

Our Reid's Butchers Tier One side and The Mutual Tier 2 side are having a tough development year, with our First Grade side playing in the NSW competition both these sides are playing up a grade and are doing there club proud by putting these best efforts on the park each week against much stronger teams.

The A Plus Contracting Presidents Cup side have secured the Minor Premiership in the newly formed competition in 2020.

The Presidents Cup competition is the strongest available competition in NSW in 2020 outside of the NRL with teams from Sydney, Wollongong, Dubbo, Western NSW, and our very

own Maitland Pickers representing the Newcastle & Coalfields region.

Once again non of this would have been possible without the generous support of Ian Martin, DJ Dilworth & the board of Directors at Club Maitland City.

In what has been a very different and at times difficult year with Covid 19 we are extremely lucky and proud to be representing Club Maitland City and the people of Maitland.

Yours in Sport

Frank Lawler

President



West Maitland Wallaroos

As with All Clubs it was a Difficult year in the Covid-19 environment. Thank

you to all that assisted in getting the game up and running.

Rugby League participation at West Maitland Wallaroos is still at an all-time high. Our primary objective remains as to always to provide a safe and fun environment for any young person, irrespective of ability or background, to learn the game of Rugby League and play the game we love.

In 2020, we had 450 members registered across all age groups ranging from Under 6's to 17's (Mini's, Mod's and International). 16's combined to play at The Pickers, and 17's fielding a Div 2 Team.

The strength of our Club is still recognised as one of strongest in the district with numbers expected to grow, with the bulk of players coming from Abergasslyn, Rutherford, Telarah and Maitland.

Another exciting aspect to our game is the continued growth in the girls game. Whilst the girls mix with the boys up to under 12's we were able to field a women's Team's again

As a club we have engaged the support of local schools in the area, to encourage not only rugby league but an active lifestyle for kids to participate in sport. The NRL development officers assisted us in this process visiting schools and distributing Wallaroo flyers to all primary schools in the area.



2020 Sports Teams Reports - continued

We have invested heavily this year, in coach, support staff and first aider development and education through various courses. Our club would like to thank parents and friends that volunteered to attend.

On behalf of the committee, I would like to thank Club Maitland City for their continued support, without their help club would not be where it is today. I would also like to acknowledge the executive team, general committee members and volunteers that made this year a great year during the difficult period, known as COVID-19. Finally, to all the kids that play the great game of rugby league! Hopefully they had a great year and will be back next year.



West Rutherford Telarah Netball Club

2019 and 2020 has seen a fantastic continuation between our Netball Club- West Rutherford Telarah Netball Club (WRTNC) and that of Club Maitland City. This has been facilitated by the continued support of DJ Dilworth and Belinda McNab and other committee members of WRTNC so that our 350 members and their families have a local club where they feel they belong in the local community.

The continued support from CMC



has meant that we have been able to keep our registrations costs down, while maintaining the very best training equipment required to our members resulting to improved player fitness and therefore improved results on the court. With DJ's assistance we have continued to utilise Aceit for our apparel and all our merchandise now have the Club Maitland City logos in the most prominent positions.

Club Maitland City were generous in hosting each of our activities in the past 12 months. These included our regular monthly meetings, special meetings, annual general meeting, registration days, uniform try on days and collection days, our Enormous Presentation Day and 50th Anniversary celebrations for 2019, as well as many dinners, after match get togethers on Saturdays and team dinners.

As well as the continued support for our inaugural A1 team named "Club Maitland City", CMC generously sponsored a second A1 team for the 2020 season. This team is called "Quarry Bar and Grill". Many of these players continue to come back to CMC after their game to relax and discuss their game in order to support the club which so generously supports them.

By having 2 sponsored teams in the A Grade competition we have continued to have increased interest

from our junior players from WRTNC who want to aim to play in these senior teams.

In the 2019 season Club Maitland City came third in the competition and made it through to the final where they fought hard but were eliminated. The team members for the 2020 season are formed from the backbone of the 2019 team and continue to play excellent netball week in and week out.

With a very different 2020 season due to Covid 19 the competition has been shortened to 11 rounds of netball and increased numbers of teams in each grade. These grades are then to be split into 2 separate semi finals. There will be no final, only sudden death semi finals and then a grand final. Due to Covid 19 we had 9 teams decide in their best interest, that they would de-register. This has meant that instead of having 36 teams for the 2020 season we had 27 plus 1 team decided to play meaning that WRTNC had 28 teams for the 2020 season.

Due to the Covid restrictions brought on by Public Health and the NSW government, WRTNC has been unable to support CMC as we usually would. We cannot have a Presentation this year. We could not hold a Trivia Night or Childrens disco. The number of teams who usually attend the club for team dinners have been reduced as Public Health have asked that this not happen. I am sure that these functions and events will return as soon as we are allowed to do so and we can support the wonderful club who have supported us for the past 2 years Club Maitland City.

We would like to acknowledge the continued support and encouragement we have received from DJ Dilworth who has assisted us over the past 2 years. He is always available for the numerous questions and answers all year round, particularly through the past

very difficult 6 month period. Thank you DJ.

We are looking forward to continuing to build a very strong partnership with Club Maitland Citywell into the future. Thank you for all your support

Kate Mathews

President

WRTNC



Maitland Saints Australian Football Club

2019 was another year of growth and success for Maitland Saints Australian Football Club. With the inclusion of new coaches into junior and senior grades, experience and enthusiasm led to a number of teams playing finals. There were also several individual highlights throughout the season, with several junior players being signed up for the Sydney Swans Academy, and junior and senior men and women earning a place of regional and state representative teams.

However, the shining light was seeing the growth of our junior female teams, and our Senior Women's team playing in their first Grand Final. Whilst they didn't come home with the trophy, they represented the Club and themselves wonderfully. Their positive influence on young women entering the sport was evident throughout the year, and they were well-supported on grand final day by a number of their new-found fans.

2020 has seen even more junior boys and girls, men and women, taking up the game of Australian Rules Football for the Saints. The hurdles that were overcome to see nearly 300 juniors and 80 seniors play football for the shortened 12 week season, highlights the sense of



community amongst our members. It also identifies the dedication and flexibility of our players, families, coaches, managers, and various committees and Board members, to work together to provide opportunities to play a team sport during these difficult times. With results varying, we should see a number of our junior teams in the finals, however, it will be 2021 before our Senior teams have the chance to push for finals again. Whilst the results haven't been as successful as one would always like, the success can be measured in the age and number of debutants in the senior teams. A majority of current players are under 24, with several under 20, making our senior teams the youngest in the competition. It bodes well for the future as they mature and gain further confidence from their experience this year.

It goes without saying, that we are extremely grateful to our sponsors, including Club Maitland City, for their ongoing support through this time. We look forward to continuing our partnership into the future, working together to provide opportunities for members of the local community to become part of the Maitland Saints family and Club Maitland City.

Rob Eddy

Senior President



Maitland Touch Association

Another successful and continuous growth year for Maitland Touch Association (MTA). To the committee that has overseen our Club for the past 12 months; I must say a HUGE thankyou too. Although we are continuing to look for new Committee members for our future growth we have a strong backbone currently in place.

Returning of sponsors within our Club included The Mutual and Nichols Electrical for the junior competition. New major sponsor for a 3-year term sees Club Maitland City join our club. Club Maitland City joining our club has seen the team fees remain the same as the past 2 years. Without all our sponsors support we would be unable to continue to provide low cost competitions, A thank you to them all.

In juniors MTA fielded 9 Representative teams to attend the Hornets Central Coast Championships, PWM held at Nelson Bay and NSWTA JSC. The weekends were our best in many years and we will continue to see our players grow from strength to strength each year. This year saw several teams make the round of 16 and quarter finals. With 3

2020 Sports Teams Reports - continued



Lochinvar Rovers Football Club Inc.

Over the past two years, Lochinvar Rovers Football Club has expanded greatly through the support of our Major Sponsor, Club Maitland City. Lochinvar Rovers has been a major force in expanding Female Football throughout the Hunter Region, and with Club Maitland City behind us, the future is looking fantastic. DJ Dilworth and his team have not only provided much appreciated support and guidance but have introduced their own families to the game of Football that we love and cherish.

2019 was another building season for the Rovers, with many competition teams enjoying finals football in September, two of them shining through to take their respective Premierships. Our All age Mixed Team on Friday night and our Under 14 Girls Team on Sunday tasted victory despite the weather and fierce opponents. The players showed the spirit that has seen many new faces flock to this family orientated club. This was the first year Rovers rewarded their youth and senior competition teams with a separate awards night. Club Maitland City hosted this inaugural event, and all enjoyed the night by packing the venue to capacity and appreciating the abundance of food, beverages and awards night atmosphere. This annual event, now engrained in the club, will be enjoyed for years to come.

Club Maitland City also was also the proud host for our first ever major Fundraising Trivia night, which was enjoyed by all the players, parents and friends that attended. Once again, the venue, food and beverages ensured that all went home very satisfied.

With the financial backing of Club Maitland City, our junior and senior ranks have expanded in 2019 and 2020, within all our age groups, as well as in both Boys and Girls teams.

teams making the top 8 in their age divisions, they were then invited to attend the NSWTA State Finals held in Wollongong. All teams represented our club well for this weekend and the coaches should be proud of the results. Unfortunately for this tournament the feedback from the players, families and coaches was that the season was too long, and the players were burning out as they had begun their winter sports. Feedback from the club was provided to NSWTA when requested.

MTA Senior representative teams had a successful 2018 season. It's wonderful to see players returning year in and out. The Mixed Opens team was very successful along with our Ladies 30s side, the Men's 30s and 40s also made the semi-finals at Hornets Championships.

Our Club had many players named in the Hornets NTL squads and then saw most of our players named in the teams.

2019 saw the return of the Mid-Year Competition with 18 teams registering to play on the cool nights. This was an increase of 6 teams from the previous year. Whilst we

had a break for some 5 years from offering a Mid-year comp, it is sure to remain for years to come with the numbers we have now.

This year Maitland Touch Association was the lucky recipient of NSWTA Hornets Region Affiliate of the Year award! Congratulations all

We also saw Ivan Cole awarded NSWTA Referee Director of the Year and me NSWTA President of the Year. Thank you to all that support us and our Club.

I would like to say a thank you to all our park players, as without you we wouldn't have such a successful Club. To our all our Rep players, both juniors and seniors, congratulations on both your own personal achievements and the teams. The way you continue to show your loyalty and representation of our Club is something I am very proud of and the MTA Committee would like to congratulate you all for.

Melinda Walls

President

The support of Club Maitland City, even in these difficult and highly restrictive times, has allowed Rovers to provide the opportunity for all to play the game they love.

Our junior ranks have expanded from in 2018 we registered 136 Miniros players, aged 5 to 11, and 45 youth players, aged 12 to 18 years to registering in 2020, 191 Miniros players and 96 Youth players. An increase of just over 50%. Within these numbers, the Rovers philosophy to improve Female Sports with the region, has seen our junior Female numbers increase from just 20 young players in 2018 to 105 players in 2020. An amazing increase of 500%. Over the past two years, some of our junior players have been rewarded for the sportsmanship and fair play they display week in, week out. Rovers were lucky enough to have been able to present the medals to the 2019 A-League champions, many appearances at A-League, W-League and Matildas half time games and March pasts, as well as cameo appearances on Fox Sports broadcasts as half time heroes and

guest commentators at A-League games.

Over the past two years our senior ranks throughout this period have remained consistent, but again the club has seen a 100% increase in Senior Female Football, with 26 Senior Ladies signing up. In 2019, the Ladies took on the impossible dream and competed as the lowest graded Community team to enter the NSW State Cup for Women. They played every game as hard as they could and never backed down from their highly ranked opponents including Newcastle Jets players. In another first, 2020 saw the Rovers inaugural entrance into the Zone Football Competition. With the much-appreciated extra support provided by Club Maitland City, the squad has stepped up in a combined COVID competition, playing well above themselves against seasoned opponents, which has seen them currently competing for top spot in their respective grades.

Without the support of Club Maitland City, our ever expanding, Family orientated club, Volunteer driven club at Lochinvar Rovers, would not

have reaped the benefits of providing Football, fun, fair play and sense of achievement to all that have enjoyed lacing up their boots and battling it out for the love of the game. One can only guess who of our appreciative players may one day be the next Football star.

Yours in Football

Daniel Cherry

LRFC Vice President



MAITLAND CITY BOWLS, SPORTS & RECREATION CLUB LIMITED

A.C.N. 000 912 005

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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MAITLAND CITY BOWLS, SPORTS & RECREATION CLUB LIMITED

A.C.N. 000 912 005

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

Directors' Report

30 June 2020

The directors present their report on Maitland City Bowls, Sports and Recreation Club Limited for the financial year ended 30 June 2020.

Information on directors

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

Mr H Meskauskas	President
Occupation	Councillor
Consecutive Years Service	10 years
Mr H Cheetham	Vice President
Occupation	Retired (Business Manager)
Consecutive Years Service	19 years
Mr R Bullen	Treasurer
Occupation	Retired (Accountant)
Consecutive Years Service	19 years
Mr D Button	Director
Occupation	Retired (Business Manager)
Consecutive Years Service	7 years
Mr G Moy	Director
Occupation	Retired (Sales Manager)
Consecutive Years Service	7 years
Ms J Drennan	Director
Occupation	Australian Lawyer
Consecutive Years Service	5 years (retired October 2019)
Mr Steven Schiffmann	Director
Occupation	Retail Businessman
Consecutive Years Service	3 years (retired October 2019)
Mr Gary Cuthbert	Director
Occupation	Retired
Consecutive Years Service	1 year (appointed in October 2019)
Mr John McMurray	Director
Occupation	Retired
Consecutive Years Service	1 year (appointed in October 2019)

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

The company secretary is Mr Ian Martin (Chief Executive Officer). Mr Martin was appointed to this position on 10 March 2010.

Directors' Report

30 June 2020

Meetings of directors

During the financial year, 30 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Director	Board Meetings			Finance Meetings			Special Meetings		
	Eligible	Attended	Partially Attended	Eligible	Attended	Partially Attended	Eligible	Attended	Partially Attended
Henry Meskauskas	10	10	0	10	9	0	5	5	0
Hal Cheetham	10	9	0	10	8	0	5	4	0
Robert Bullen	10	9	0	10	9	0	5	5	0
David Button	10	9	0	10	9	0	5	5	0
John McMurray	6	6	0	6	5	0	5	5	0
Garry Cuthbert	6	5	0	6	5	0	5	5	0
Greg Moy	10	9	0	10	9	0	5	5	0
Jenny Drennan	4	2	0	4	2	0	0	0	0
Steven Schiffmann	4	2	0	4	3	0	0	0	0

Partial attendance is defined as attendance exceeding 50% of the time of the meeting. Directors further attended the annual general meeting held on the 27 October 2020.

Principal activities

The principal activity of Maitland City Bowls, Sports and Recreation Club Limited during the financial year were the conduct of a bowling club and motels and the promotion of sport and bowling activities.

No significant changes in the nature of the Company's activity occurred during the financial year.

Company objectives

The company has established short and long term objectives as outlined in the club's business plan which is reviewed on an annual basis. These objectives are both financial and non-financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non-financial key performance indicators that have been determined relevant to the club industry.

The company's vision is to be the club of choice for the community and employees by delivering a unique, modern, comfortable and diverse experience.

Strategy for achieving the objectives

Each year, the Directors and Senior Management conduct strategic planning sessions to improve the Club's core functions and financial performance as well as identify opportunities for new revenue streams. These activities are undertaken to progress the company's objectives. Underpinning the achievement of the company's objectives are the following key strategies:

- Operation of a profitable business to create adequate capital for re-investment into member amenities and further sporting and community initiatives.
- Conduct company business under sound corporate governance principles and in compliance with relevant legislative and other regulations.

Directors' Report

30 June 2020

Performance measures

The Company measures its own performance through the use of both financial and non-financial benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved. Performance is assessed regularly against previous results, approved budgets and relevant industry benchmarks.

Key performance indicators used include:

- Earnings before interest, tax, depreciation and amortisation;
- Gross profit analysis;
- Solvency tests;
- Wastage benchmarking; and
- Cost centre analysis.

Members' guarantee

Maitland City Bowls, Sports and Recreation Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 20 for members that are corporations and \$ 20 for all other members, subject to the provisions of the company's constitution.

At 30 June 2020 the collective liability of members was \$ 164,500 (2019: \$ 177,940).

Review of operations

The key financial results of the company's operations have been outlined below:

- The profit of the company amounted to \$ 97,347 (2019: \$555,464).
- Profit from bar trading amounted to \$354,448 (2019: \$1,004,125) and gross profit percentage of 56.4% (2019: 55.4%) was obtained from sales of \$1,551,564 (2019: \$1,813,502).
- Net gaming revenue amounted to \$5,869,635 (2019: \$7,448,470).
- Net operating profit from the two Motels (excluding interest expenses) amounted to \$80,086 (2019: \$476,400).

During the financial year the Club's Directors were focussed on the following key matters:

- Ensuring the continued improvement of new business segments and operational departments;
- Continued review and development of the mid to long term strategic master plan;
- Continued vigilance of base cost monitoring and exploration of income expansion opportunities; and
- Successful redesign and renovation of the Club's gaming floor.
- Navigating the COVID-19 pandemic impacts to the business including mandated closures and implementation of the COVID safe plan.

Directors' Report 30 June 2020

Significant changes in state of affairs

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus (SARS-CoV-19) across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements. Due to these effects, the Company was closed from 23 March 2020 to 31 May 2020.

As of the date of this financial report, the Directors are unable to determine the future impact of the pandemic on the Company and the financial report. However, the Company has applied for government relief where available through the JobKeeper and Cash Flow support programmes. The Directors continue to assess the situation on an ongoing basis.

The Directors are confident that the Company will be successful in navigating the challenges of the pandemic and accordingly, the Company have prepared the financial report on a going concern basis. However, should circumstances arising from the pandemic such as long-term mandated closures of club facilities occur, there is uncertainty on the ability of the Company to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business. No provision for such circumstances has been reflected in the financial report.

In the opinion of the Directors there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review.

Directors interests and benefits

No director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with a director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest other than as disclosed in Note 16.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2020 has been received and can be found on page 5 of the financial report.

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

Director: 
Mr H Meskauskas

Director: 
Mr R Bullen

Dated 14 September 2020



Maitland City Bowls, Sports and Recreation Club Limited

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Maitland City Bowls, Sports and Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, 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.



PROSPERITY AUDIT SERVICES



ALEX HARDY
Associate Director

14 September 2020

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Chartered Accountants - Liability limited by a Scheme approved under the Professional Standards Legislation

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
Bar Sales		1,551,564	1,813,502
Cost of sales		(677,104)	(809,377)
Gross profit		874,460	1,004,125
Net Poker Machine		5,869,635	7,448,470
Gaming Commissions		176,922	188,129
Bowls Revenue		26,081	35,770
Bistro and catering revenue		1,372,933	1,577,964
Motel Revenue		1,534,825	2,054,655
Coffee Revenue		69,591	83,728
Raffles & Commissions		225,925	413,776
Other income	3	601,702	95,944
Expenditure			
Bistro and catering		(1,493,502)	(1,657,414)
Gaming Commissions		(92,312)	(158,841)
Bar Trading		(520,013)	(502,312)
Coffee shop		(90,190)	(117,074)
Poker Machine		(2,190,627)	(2,999,787)
Insurance		(205,530)	(194,255)
Promotion and entertainment		(434,042)	(712,149)
Motel trading		(1,476,030)	(1,534,441)
Bowling costs		(320,813)	(435,509)
Administration		(3,635,954)	(3,665,445)
Borrowing Costs		(195,714)	(369,870)
Profit before income tax		97,347	555,464
Income tax expense		-	-
Profit for the year		97,347	555,464
Other comprehensive income			
Total comprehensive income for the year		97,347	555,464

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,483,857	1,574,987
Trade and other receivables	5	197,551	26,753
Inventories		121,936	131,815
Other assets		13,281	16,331
TOTAL CURRENT ASSETS		1,816,625	1,749,886
NON-CURRENT ASSETS			
Property, plant and equipment	6	24,982,670	25,893,507
Intangible assets	7	4,697,032	4,921,185
TOTAL NON-CURRENT ASSETS		29,679,702	30,814,692
TOTAL ASSETS		31,496,327	32,564,578
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,042,119	1,049,405
Borrowings	9	360,000	360,000
Employee benefits	10	205,763	202,353
Other liabilities	11	153,952	217,333
TOTAL CURRENT LIABILITIES		1,761,834	1,829,091
NON-CURRENT LIABILITIES			
Borrowings	9	6,115,000	7,185,000
Employee benefits	10	52,929	81,270
TOTAL NON-CURRENT LIABILITIES		6,167,929	7,266,270
TOTAL LIABILITIES		7,929,763	9,095,361
NET ASSETS		23,566,564	23,469,217
EQUITY			
Reserves	12	5,641,669	5,641,669
Retained Earnings		17,924,895	17,827,548
TOTAL EQUITY		23,566,564	23,469,217

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2020

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2019	17,827,548	5,641,669	23,469,217
Profit/ (Loss) for the year	97,347	-	97,347
Other comprehensive income	-	-	-
Balance at 30 June 2020	17,924,895	5,641,669	23,566,564

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2018	17,272,084	5,641,669	22,913,753
Profit/(Loss) for the year	555,464	-	555,464
Other comprehensive income	-	-	-
Balance at 30 June 2019	17,827,548	5,641,669	23,469,217

Statement of Cash Flows

For the Year Ended 30 June 2020

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers	12,418,038	15,214,837
Payments to suppliers and employees	(10,408,807)	(12,334,922)
Interest received	314	8,581
Interest paid	(195,714)	(351,533)
Receipt from government stimulus	285,000	-
Net cash provided by/(used in) operating activities	2,098,831	2,536,963

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of plant and equipment	44,682	143,699
Purchase of property, plant and equipment	(1,164,643)	(795,221)
Payments for intangible assets	-	(900,000)
Net cash provided by/(used in) investing activities	(1,119,961)	(1,551,522)

CASH FLOWS FROM FINANCING ACTIVITIES:

Repayment of borrowings	(1,070,000)	(1,761,316)
Proceeds from borrowings	-	500,000
Net cash provided by/(used in) financing activities	(1,070,000)	(1,261,316)

Net increase/(decrease) in cash and cash equivalents held	(91,130)	(275,875)
Cash and cash equivalents at beginning of year	1,574,987	1,850,862
Cash and cash equivalents at end of financial year	1,483,857	1,574,987

Note	2020 \$	2019 \$
	12,418,038	15,214,837
	(10,408,807)	(12,334,922)
	314	8,581
	(195,714)	(351,533)
	285,000	-
	2,098,831	2,536,963
	44,682	143,699
	(1,164,643)	(795,221)
	-	(900,000)
	(1,119,961)	(1,551,522)
	(1,070,000)	(1,761,316)
	-	500,000
	(1,070,000)	(1,261,316)
	(91,130)	(275,875)
	1,574,987	1,850,862
4	1,483,857	1,574,987

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Maitland City Bowls, Sports and Recreation Club Limited as an individual entity. Maitland City Bowls, Sports and Recreation Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Maitland City Bowls, Sports and Recreation Club Limited is Australian dollars.

1 Basis of Preparation

Maitland City Bowls, Sports & Recreation Club Limited has elected to adopt the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) 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 a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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.

The financial statements were authorised for issue on the date that the Directors' Declaration was signed.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

The club recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Maitland City Bowls, Sports & Recreation Club Limited's activities as discussed below.

Revenue from the sale of goods is recognised at the point of delivery.

Gaming machine revenue is recognised at the point of sale and represents the difference between the amounts earned through gaming wagers less the payouts from those wagers. Liabilities are recognised for anticipated payouts for progressive jackpots.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

Revenue from membership subscriptions is recognised on a straight line basis over the financial year. All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(b) Income Tax

The Club is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997. The Club has obtained a private ruling from the Australian Tax Office confirming the exemption up to and including the year ending 30 June 2014. After this date the Club will need to reassess the tax exempt status and seek a new private ruling or perform a self-assessment. The Directors have assessed that there has been no material change to the Club that would warrant seeking a new private ruling.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, term deposits and deposits held at call with banks.

(d) Receivables

Accounts receivable and other debtors include amounts due from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Components of cost include the purchase price and, where applicable, any charges in the delivery of inventories.

(f) Property, plant and equipment

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

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least every five years, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Plant and equipment

Plant and equipment are measured using the cost model. Plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the 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 impairment indicators are present.

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 company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5% - 10%
Plant and Equipment	10% - 40%

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

(g) Intangibles

(i) Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment. Refer to Note 2(o) for further information.

(ii) Poker Machine Entitlements

Poker machine entitlements held by the club are recorded at director's valuation. The valuation is based on information on recent sales activity from Liquor and Gaming NSW.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(h) Impairment of assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(i) Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

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.

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.

(j) Accounts Payable

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

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(k) Employee provisions

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 provisions 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 provisions 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 attributable to employee provisions.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(l) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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.

(m) Comparative Figures

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

(n) Fair value of assets and liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(n) Fair value of assets and liabilities

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

(o) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report 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 Company.

Key Estimates - Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The company recognises goodwill for previous business combinations. The Directors have assessed the carrying value of the balance at the reporting date. The result of this analysis indicates that no impairment of goodwill exists as at 30 June 2020.

There were no other assets that were subject to impairments assessments as, in the opinion of the directors, there were no indicators of impairment during the year ended 30 June 2020.

(p) New and Amended Accounting Policies adopted by the Company

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for current reporting periods. The Company has assessed the following pronouncements at this time:

AASB15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-Profit Entities (effective for the year ending 30 June 2020)

These standards introduces a single revenue recognition model based on the transfer of goods and services and the consideration expected to be received for that transfer. Given the nature of the Company's business, these standards have no material impact on the Company.

AASB 16 Leases (effective for the year ending 30 June 2020)

This standard recognises right-of-use assets and liabilities arising from all leases, with exceptions for low value and short term leases. As the Company does not have any material operating leases, the standard has no material impact on the Company.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(q) Coronavirus Pandemic

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus (SARS-CoV-19) across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements. Due to these effects, the Company was closed from 23 March 2020 to 31 May 2020.

As of the date of this financial report, the Directors are unable to determine the future impact of the pandemic on the Company and the financial report. However, the Company has applied for government relief where available through the JobKeeper and Cash Flow support programmes. The Directors continue to assess the situation on an ongoing basis.

The Directors are confident that the Company will be successful in navigating the challenges of the pandemic and accordingly, the Company have prepared the financial report on a going concern basis. However, should circumstances arising from the pandemic such as long-term mandated closures of club facilities occur, there is uncertainty on the ability of the Company to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business. No provision for such circumstances has been reflected in the financial report.

3 Revenue and Other Income

	2020	2019
	\$	\$
- Trading revenue	10,827,476	13,615,994
Other Income		
- JobKeeper and Cash Flow Boost income	503,000	-
- Profit on sale of assets	43,982	29,280
- Reversal of realised acquisition costs	-	14,386
- Interest received	314	8,581
- Membership subscriptions	48,462	43,697
- Other	55,944	-
	651,702	95,944

4 Cash and Cash Equivalents

Cash on hand	216,710	243,000
Cash at bank	1,267,147	1,331,987
	1,483,857	1,574,987

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Trade and Other Receivables

	2020	2019
	\$	\$
Trade receivables	23,855	24,768
Job Keeper receivable	168,000	-
Other receivables	5,696	1,985
	197,551	26,753

6 Property, plant and equipment

	2020	2019
	\$	\$
Freehold land		
At fair value	2,061,562	1,955,000
	2,061,562	1,955,000
Buildings		
At fair value	23,656,647	23,310,410
Accumulated depreciation	(4,504,904)	(3,732,280)
	19,151,743	19,578,130
Plant and equipment		
At cost	11,923,109	11,505,853
Accumulated depreciation	(8,203,368)	(7,265,449)
	3,719,741	4,240,404
Capital Works in Progress at cost	49,624	119,973
	49,624	119,973
Total property, plant and equipment	24,982,670	25,893,507

(a) Core and non-core property

As required by the Registered Clubs Act 1976 all Clubs are required to specify core and non-core property of the Club. As at 30 June 2020, the Directors consider that the entire balance shown for property, plant and equipment above is core property with the exception of the Old Maitland Inn which is considered to be non-core. The total value ascribed to the Old Maitland Inn at 30 June 2020 is approximately \$4.5m.

(b) Revaluation of land and buildings

The Club's land and building assets were revalued at 30 June 2015 by the independent valuers, Andrew Nock Valuers (Valuer Registration No. 2144). Valuations were made on the basis of fair value in accordance with Australian Accounting Standards using the cost approach for the Club's building assets due to their specialised nature and the market approach for the Club's land assets based on comparison to recent market evidence.

Notes to the Financial Statements

For the Year Ended 30 June 2020

6 Property, plant and equipment

(b) Revaluation of land and buildings

The directors have reviewed the key assumptions adopted by the valuers in 2015 and do not believe there has been a significant change in the assumptions at 30 June 2020. The directors therefore believe the carrying amount of the land and holding assets correctly reflects the fair value at 30 June 2020.

(c) Movements in Carrying Amounts

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

	Capital Works in Progress at cost	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2020					
Balance at 1 July 2019	119,973	1,955,000	19,578,130	4,240,404	25,893,507
Additions	49,624	-	519,896	595,123	1,164,643
Disposals	-	-	(187,069)	(700)	(187,769)
Transfers	(119,973)	106,562	13,411	-	-
Depreciation	-	-	(772,625)	(1,115,086)	(1,887,711)
Balance at the end of the year	49,624	2,061,562	19,151,743	3,719,741	24,982,670

7 Intangible Assets

	2020	2019
	\$	\$
Goodwill	1,091,523	1,315,676
Accumulated impairment losses	(94,491)	(94,491)
Net carrying value	997,032	1,221,185
Poker machines licenses (170) at directors valuation	3,700,000	3,700,000
Total Intangibles	4,697,032	4,921,185

Notes to the Financial Statements

For the Year Ended 30 June 2020

7 Intangible Assets

(a)

Movements in carrying amounts of intangible assets

	Poker Machine Entitlements	Goodwill	Total
	\$	\$	\$
Balance at the beginning of the year	3,700,000	1,221,185	4,921,185
Adjustment to Old Maitland Inn	-	(224,153)	(224,153)
Closing value at 30 June 2020	3,700,000	997,032	4,697,032

The recoverable amount of poker machines entitlements is based on the fair value less costs to sell. The methodology used to determine fair value less costs to sell is the observable market price per unit as at the reporting date.

Poker machine entitlements have been assessed as having an indefinite useful life. An indefinite useful life is supported by the absence of an expiry date for the licenses. Factors that were important in determining this indefinite useful life include current government policy, current market conditions and current economic conditions.

The directors assessment of the market value of the 140 existing poker machine entitlements as at 30 June 2020 was \$20,000 per entitlement (2019: \$20,000).

8 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
Trade creditors	102,218	661,276
GST payable	59,593	-
Poker machine duty	504,527	122,096
Sundry payables and accruals	375,781	266,033
	1,042,119	1,049,405

9 Interest bearing liabilities

	2020	2019
	\$	\$
CURRENT		
Bank loans - secured	360,000	360,000
Credit card balance - unsecured	297	-
	360,297	360,000
NON-CURRENT		
Bank loans - secured	6,115,000	7,185,000
	6,115,000	7,185,000

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Interest bearing liabilities

Bank loans

The Club has two bank loans with maximum facility limits of \$5,250,000 and \$5,800,000 (terminating on 31 August 2020). These loans incurred an interest rate of BBSY + 2.36% during the year.

The above facilities are subject to 14 loan covenants based on certain financial ratios and operating conditions. The Club received a letter of waiver with respect to all loan covenants from the lender in June 2020 covering the 2019/20 financial year.

The bank loans are secured by a first registered and equitable mortgage over the land and improvements of the Club together with an equitable mortgage and floating charge over the assets and undertakings of the Club (including the liquor license).

10 Provisions

	2020 \$	2019 \$
CURRENT		
Provision for long service leave	47,062	24,086
Provision for annual leave	158,701	178,267
	<u>205,763</u>	<u>202,353</u>
NON-CURRENT		
Provision for long service leave	52,929	81,270
	<u>52,929</u>	<u>81,270</u>

The current portion for employee provisions includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

11 Other liabilities

Grant funding received	124,515	160,875
Income received in advance	29,437	56,458
	<u>153,952</u>	<u>217,333</u>

Notes to the Financial Statements

For the Year Ended 30 June 2020

12 Reserves

Revaluation Reserve

The revaluation reserve records the directors annual revaluation of intangible assets as well as the independent valuations performed over the Club's land and building assets. The revaluation reserve by class:

Intangible assets - poker machine licenses	2,800,000	2,800,000
Property, plant and equipment - land	1,007,329	1,007,329
Property, plant and equipment- buildings	1,834,340	1,834,340
	<u>5,641,669</u>	<u>5,641,669</u>

13 Auditors' Remuneration

	2020 \$	2019 \$
Remuneration of the auditor for		
- auditing the financial statements	15,500	13,500
- tax compilation and advisory services	2,750	1,135
- advice and training for finance system transition	13,600	61,021
- review of salary packaging	421	400
- Bookkeeping services (processing of routine transactional information from client originated data)	85,975	-
	<u>118,246</u>	<u>76,056</u>

14 Capital and Leasing Commitments

(a) Capital expenditure projects

There were no capital expenditure commitments entered into at the reporting date.

(b) Operating lease commitments

There were no operating lease commitments entered into at the reporting date.

15 Key Management Personnel Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel. Key management personnel compensation:

Short-term benefits		
Salaries, wages and allowances	330,106	264,728
Superannuation	36,683	31,668
Non-financial benefits	35,338	36,500
	<u>402,127</u>	<u>332,896</u>

Notes to the Financial Statements

For the Year Ended 30 June 2020

16 Related Party Transactions

There were no related party transactions during the year (2019: no transactions).

17 Financial risk management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable. The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2020 \$	2019 \$
Financial Assets		
Cash and cash equivalents	1,483,857	1,574,987
Trade and other receivables	197,551	26,753
	1,681,408	1,601,740
Financial Liabilities		
Trade and other payables	1,042,119	1,047,596
Bank loans - secured	6,115,000	7,185,000
	7,157,119	8,232,596

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2020 (30 June 2019: None).

19 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

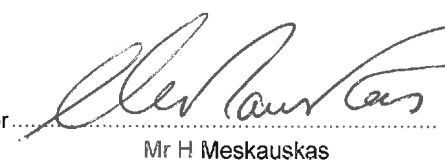
Directors' Declaration

The directors of the Company declare that:

- The financial statements and notes, as set out on pages 6 to 22, are in accordance with the *Corporations Act 2001* and:
 - comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the Company.
- In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

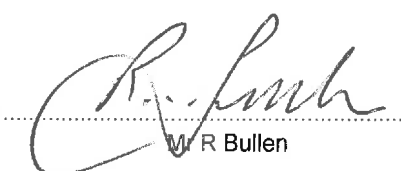
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Mr H Meskauskas

Director



Mr R Bullen

Dated 14 September 2020



Maitland City Bowls, Sports and Recreation Club Limited

Independent Audit Report to the members of Maitland City Bowls, Sports and Recreation Club Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Maitland City Bowls, Sports and Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Company 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 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

Director's Valuation of Poker Machine Licenses

As outlined in Note 2(g) to the financial statements, the Company has recognised a director's valuation in the amount of \$3,700,000 for 170 poker machines licenses held as at 30 June 2020. This practice is not in accordance with the recognition requirements of AASB 138 Intangible Assets. Of this balance, 10 licenses were purchased in 2011 at a cost of \$165,000 and an additional 30 licenses were purchased in 2019 at a cost of \$900,000. The remaining balance relates to licenses that were allocated and not purchased by the Company. In our opinion, the value of the licenses above the initial cost and the licenses not purchased should not have been recognised on the Statement of Financial Position. The financial effect for the year ended 30 June 2020 of the above departure is an overstatement of poker machine licenses of \$2,635,000 and an overstatement of the Revaluation Reserve of the same amount.

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Prosperity Advisers Audit Services Pty Ltd ABN 90 147 151 228
Chartered Accountants - Liability limited by a Scheme approved under the Professional Standards Legislation

Maitland City Bowls, Sports and Recreation Club Limited

Independent Audit Report to the members of Maitland City Bowls, Sports and Recreation Club Limited

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 Company in accordance with the auditor independence requirements of 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 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 qualified opinion.

Emphasis of Matter - Coronavirus Pandemic

We draw attention to Note 2(q) in the financial report, which indicates on 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus (SARS-CoV-19) across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements. The future impact on Maitland City Bowls, Sports and Recreation Club Limited is unable to be predicted at this time due to the evolving nature of the pandemic. Our conclusion is not modified in respect of this matter.

Responsibilities of Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 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 the financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

Alex Hardy

ALEX HARDY
Associate Director

21 September 2020
Newcastle



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