

# ANNUAL REPORT & FINANCIAL STATEMENTS

For the financial year ending 30th June 2021







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## 2021 SUMMARY OF DONATION RECIPIENTS

WESTPAC RESCUE HELICOPTER

LIFE EDUCATION - HUNTER REGION

MAITLAND NEIGHBOURHOOD CENTRE

MAITLAND UNITING CHURCH - MUNCH

NEWCASTLE ROTARY

CARRIES PLACE

RUTHERFORD TECHNOLOGY HIGH SCHOOL

ROTARY MEHV HEALTH VAN

ZONE 6 BOWLING ASSOCIATION

RUTHERFORD PUBLIC SCHOOL

AUSTRALIAN MUSEUM OF CLOTHING AND TEXTILES

SPECIAL CHILDREN'S CHRISTMAS PARTY

IMMUNE DEFICIENCIES FOUNDATION

MAITLAND DISTRICT CRICKET ASSOCIATION

MAITLAND PICKERS RL JUNIORS

MAITLAND SAINTS AFL

NSW GREYHOUND BREEDERS & TRAINERS ASSOCIATION

CHRISTMAS TOY DRIVE JENNY AITCHISON MP

MAITLAND WALLAROOS

MAITLAND TOUCH FOOTBALL ASSOCIATION

MARK HUGHES FOUNDATION

WEST RUTHERFORD TELARAH NETBALL

MAITLAND DISTRICT MOTORCYCLE CLUB

MAITLAND DARTS CLUB





# Club Maitland City

THE HEART OF MAITLAND





## HIGHLIGHTS OF 2021



DIRECT AND  
INKIND  
SUPPORT TO  
EXTERNAL  
ORGANISATION  
EXCEEDING  
\$300,000 UP 24%  
ON 2020

# 2021 PRESIDENTS REPORT

I would like to start by thanking the valued members, Staff and Directors of Club Maitland City for their support of our club during the year of 2020/2021. This year commenced with the re-opening of the Club after COVID-19 forced us to close the doors. Although the enforced conditions have taken a toll on the staff and members of our club, business has progressively improved since re-opening in June 2020.

The hard work of staff and valuable contribution of the 8900 members has seen the business work its way back to the pre-pandemic levels. We continue to encourage you to support your Club and its values of family and community support. Unfortunately due to the relaxing of sign in requirements for clubs this year, we did see a reduction in membership, however given trade and lack of trade for 62 days, we have been able to maintain and increase the total amount of direct and in kind community contributions. A terrific achievement.

This year planned renovations - commenced at the southern end of the club facility 23rd April 2021. It is hoped these renovations will be completed by August 2021 with only minor interruptions to access and facilities being experienced during this time. We are positive the result will position Club Maitland City as the premium Club in the Maitland LGA.

Club Maitland City supports many local sporting and community groups, through grants and fee free room hire at the Club. Our financial support of sporting groups, including Club Maitland City sporting groups, community groups and charities numbers in the hundreds of thousands of dollars. This support is a cornerstone of our operations and an activity we are proud to undertake.

I will take this opportunity to thank the pennant selectors. This is a difficult

job, often completed in the face of harshest of critics, the bowlers! However, it has resulted in 2021 having eight teams in the pennants including one team representing in the ladies' pennants. Our support enables the Women's Bowling League to continue to function at a highly competitive level and achieve a much-desired result. I congratulate all pennant participants on their performance, and for continuing to hold Club Maitland City's name in highest esteem.

Many thanks must go to my Board of Directors for the dedication they have shown over the past 12 months. Without their efforts, we would not be in our present comfortable position. It was not without some robust debate and difficult decisions being made on important items. So, thank you again for working as a great team.

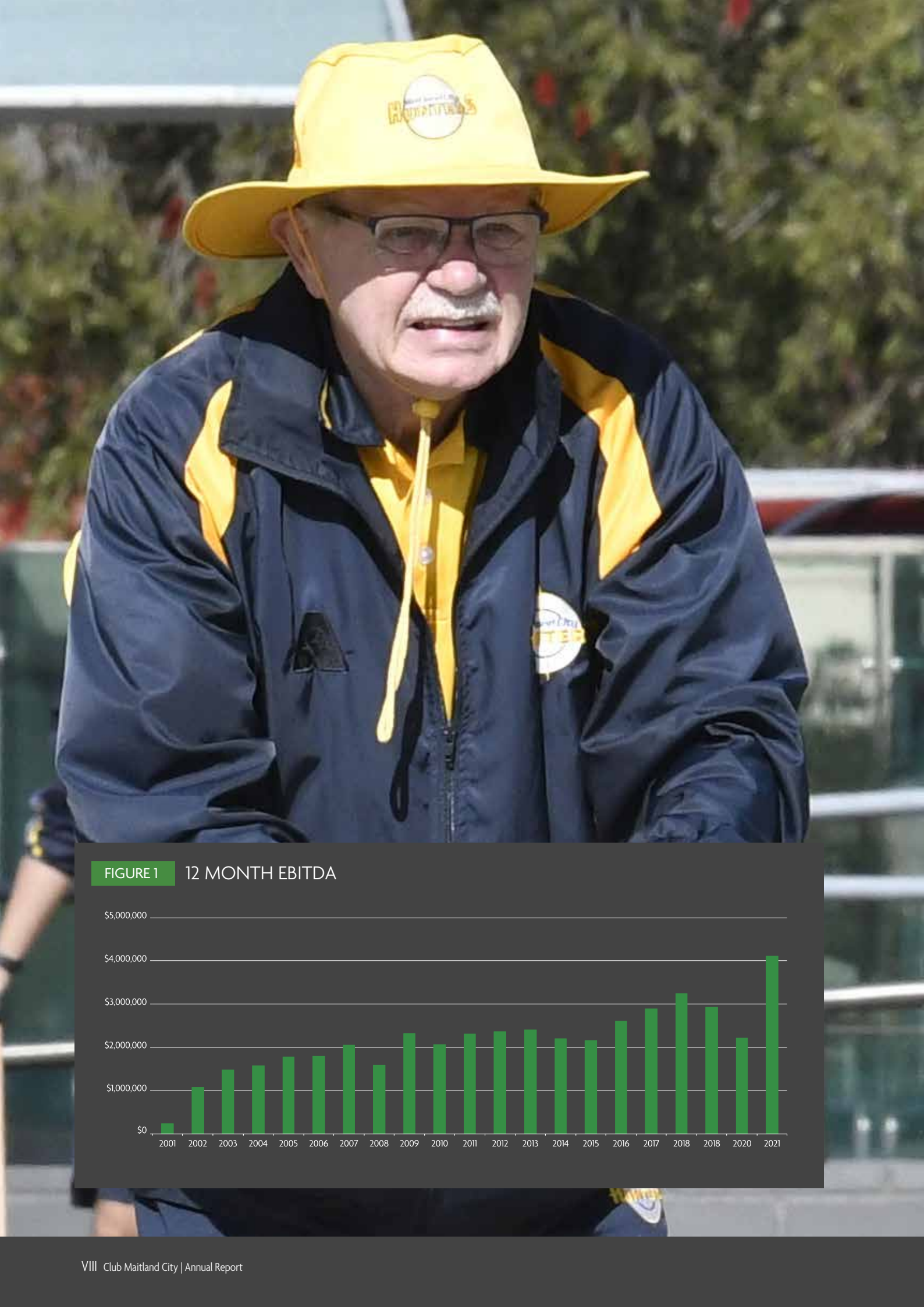
I would also like to thank Ian and Matt and their staff, Jon and his greenkeeping staff, DJ and Greg for their tireless efforts over the past 12 months for bowls. To our floor staff, for their professionalism and commitment to providing a quality service to our members and customers. Our employees are the backbone of our operations and there is no doubt that their loyalty and consistent delivery of exceptional customer service has substantially contributed to reaching our trading goals.

Thank you to all of those involved in Club Maitland City, for your focus on our values, contribution to our community and dedication to your role. It has been a good year, and your efforts mean the Club is heading in the right direction, getting better each year.

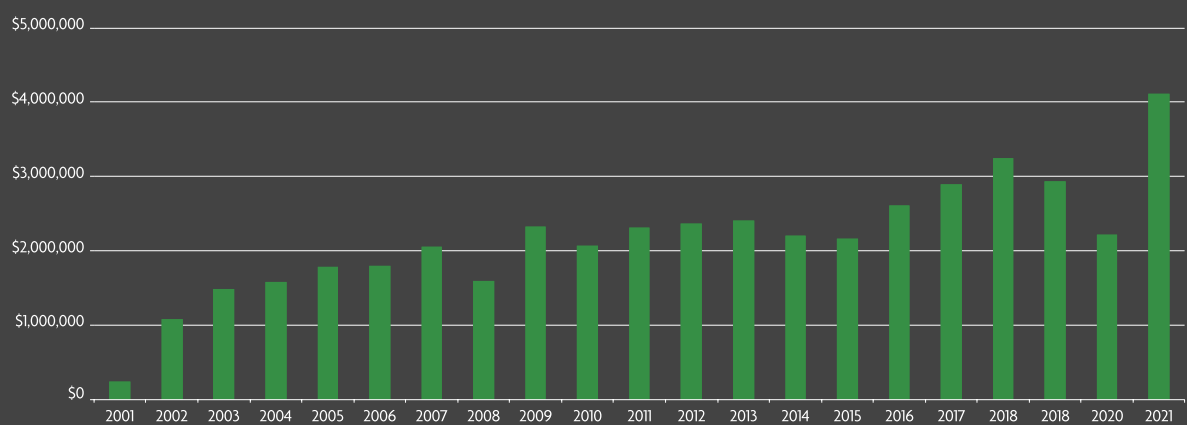
Henry Meskauskas  
President







**FIGURE 1** 12 MONTH EBITDA





# 2021

## TREASURERS REPORT

There is an old saying that “the third time proves it” and so after two unusual years we have managed to deliver a huge surplus of \$6.4 million but before everyone goes out and spends it we need to look a little deeper into that number.

Accounting standards require the Board each year to assess the carrying value of assets to ensure that the accounts reflect their true worth and every five years that assessment needs to be backed up by an expert's valuation. This year we have had our assets valued by an external valuer hence our result has been increased by some \$4.2 mil. due to us realigning the book value of our land and buildings to those values. In addition, we received \$0.5 mil. in JobKeeper allowances during the year so after these are taken into account, the “real” result for the period is still a healthy \$1.6 mil. so one could ask “why has the cash position decreased some \$250,000 between the two years?” the answer to that question is as follows:

- 1) we paid \$1,060,000 of our loans during the 12 months, and
  - 2) we spent some \$1.3 mil on capital items, mainly the renovations that have just been opened (total cost of the project is in the vicinity of \$5.5 mil.).
- What this means is that the ‘real’ result cannot always be gleaned just by looking at the “bottom line” so we need to look at other measurements to gauge our robustness viz.:
- 1) EBITDA (Earnings Before Interest, Taxation, Depreciation & Amortisation) and I'll leave it to you to assess our performance here, and
  - 2) Our capacity to pay our debts as and when they are due. This is a simple calculation matching EBITDA to the trading income generated by the business with a percentage above 20% being in the very good category, so again I'll let you be the judge of our performance.

The result has definitely benefitted from the COVID lockdown of March/ May '21 as people were desperate to get back out there & get back to “normal”, something we sincerely hope will reoccur after the latest lockdown. We sincerely hope that CMC is still where everyone comes to relieve their pent up frustration and thoroughly enjoy our “NEW” bar and dining facilities.

I wish to thank all of our members for putting up with the reduced facilities during the renovations but I think you will all agree that the Team has certainly delivered to you, our Members, a truly magnificent venue. We have a new bar and greatly expanded eating experience and of course, the kids weren't forgotten with a new expanded play area just for them to have fun whilst their carers enjoy a meal and a cold one.

We certainly have had a very interesting couple of years but, as the results show your, Management Team & Board are up to the mark and we will continue to provide you with the facilities you deserve.

I personally thank the Management Team for their diligence this past year and the result that we have managed to deliver, however their job is never finished and 2021 has already thrown us a huge curved ball but I know we will come out of this latest frustration on the right side and will continue to deliver.

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



### FINANCIAL HIGHLIGHTS OF 2021



EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION & AMORTISATION UP 50% ON 2020



OUR CAPACITY TO PAY OUR DEBTS UP OVER 30%



# 2021

## CHIEF EXECUTIVE OFFICERS REPORT

### HIGHLIGHTS OF 2021



TOTAL  
REVENUE UP  
23% ON 2020



NET PROFIT UP  
**193%**  
VERSUS 2019  
(EX COVID  
SUBSIDISES)

Thankyou members for the opportunity to present the 2021 annual report. The last 12 months has been focused on the recovery of the business post the COVID-19 lockdown. For the most part the year enabled trade to return to normal with the exception around difficulty trading in the accommodation sector which has endured a roller coaster year with occupancies from 0-100% caused by these external factors.

Restrictions on travel, company site attendance restrictions, cancellation of large events and general travelling confidence all had a major impact. In land for road trip type holidays and destinations such as beaches were the only reason for revenues to hold. The sector of business and everyday travel which we occupy has been extremely hard hit by travel restrictions. [Figure 1](#) Motels began to have a positive recovery around February 2021 after the northern beaches compounded the lockdown of 2020. Forward bookings were looking strong for the remaining calendar year. Unfortunately, the impacts of the latest Sydney outbreak have resulted in large amount of cancellations.

For 2020-21 financial year, the group's results are very encouraging with \$2.15m

from 14.1m revenue. This represents an overall EBITDA of 29.7%. As with many businesses in Australia, our business was the recipient of substantial subsidies from the Federal and State governments in relation to COVID-19 support. In this financial year this represented \$530,000, for which we are extremely grateful. This enabled staff disruption to be kept to a minimum, and employment continuity to be achieved.

At the beginning of the financial year, the outlook for trading conditions remained variable. Your Board and Management decision to ensure cost minimisation was a priority during venue restrictions. This has not only has resulted in a record result this year but has also resulted in a healthy business that has an increased ability to be agile in changing business environments. This is a major achievement. [Figure 2 & 3](#)

Further to this, your board and management considered to the business into the future. We considered questions including, post COVID business models, profitability of departments, costs and cost control, income streams and realistically what this business needs moving forward. The results of these decisions are now coming together in a revised business

FIGURE 1

### TOTAL REVENUE MOTELS

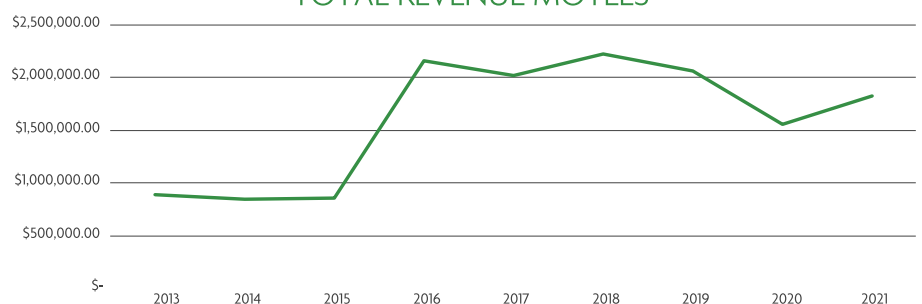




FIGURE 2

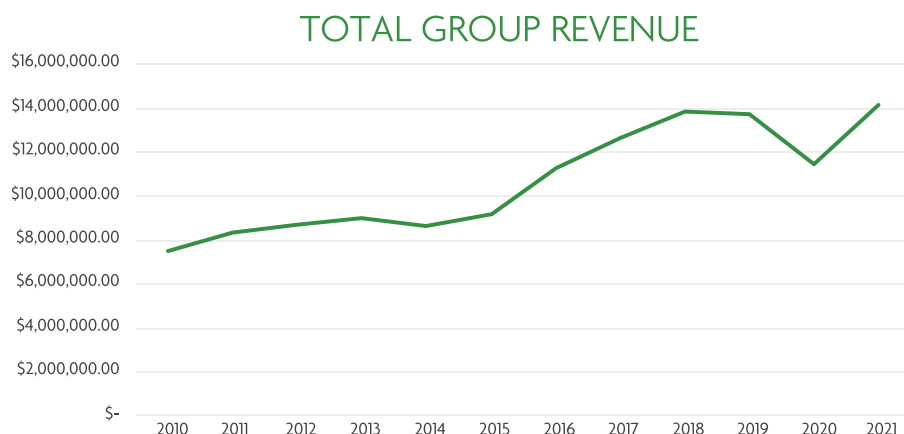
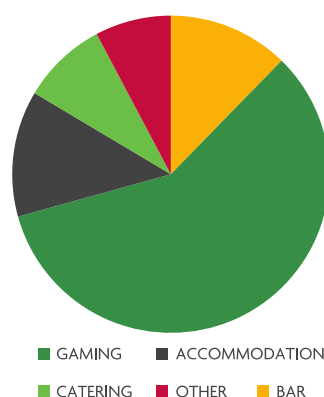


FIGURE 3

**REVENUE SOURCE**

model and refurbishment which we anticipate will increase the profitability per dollar of revenue.

During August we will open a major shift in Maitland City's operations. Areas including, Foyer, Toilets, Gaming, Dining, Sport, will all be positively affected by these exciting changes. Bowls will shift to the Southeast of the Club as we prepare for the next step which includes all bowls shifting to a new arena. This arena will be complemented by the brand-new Sports Bar, new locker space, sports meeting room and Sports & Sponsorship Administration office.

The new Quarry Dining facility will be a game changer. A big yet intimate space that will accommodate small, large groups and the family experience. Semi private 40 person function space and an additional 200 seat capacity with multi-level kids play (enclosed with AC), and a diverse menu, we anticipate that dining at the Quarry will be a preferred choice for many in our community. Complementing the Quarry will be the Quarry Café, which add all day

meals to the convenience of members. Whilst the Sports lover will be treated to a Sports Bar that will be the envy of venues all around the state. It will house one of the biggest indoor HD screens in the Hunter Valley, and offer an experience that cannot be achieved in other venues. We are truly excited about the experience we will be able to deliver to the sports lover. **Figure 4**

The Club team has all but concluded our integration project which has seen POS, accounting and payroll link together to gain efficiencies in administration. The project identified quite a few unforeseen hurdles, which, with the right staff and support was overcome. Other projects are now being discussed as we bring the currently building works to a close. Made public now is the lot plan for Club Maitland City for the next 10 years. This will see many changes occur as outlined earlier. This will start in September with further geotechnical investigation, which will assist in structural design.

As always your management team continues to advance the interests of CMC members. Matthew and DJ are excellent and engaged in the collaborative direction of the Club. The operations team led by Matt including, Alex, Lucy, Suz, Jon and all the supervisors continue to develop their skills and expertise. These people operate our club through the 18 hours a day we are open and do an excellent job. We welcomed Paul and Kirstine Roadley as Motel managers in February. Paul and Kirstine have hit the ground running and will be part of our team for sometime to come. Thank you for the year that has been, it has had a few bumps for such a short period of time.

A record breaking year which we are proud of the evolution of Club Maitland City for the benefits of you all.

See you at the City  
Ian Martin ACCM  
CEO

FIGURE 4



# 2021

## SPORTS AND SPONSORSHIP MANAGER



### HIGHLIGHTS OF 2021



22% INCREASE  
IN PENNANT  
PLAYERS Vs 2019



54.2% WIN RATIO

After a Covid affected 2020 we finally got back underway with most of our championships able to be played to completion!! With that excitement started building for the 2021 season with everyone keen to get a bowls season under their belts.

The focus in 2020 was to get our main blue-ribbon events played in both the Women's and the open events. In the women's we saw Jessica Fisher take her first major singles title for the club in a dominant display throughout the competition. Jessica then teamed up with her ever-present partner and serial mixed winner Caroline Hooker to win their first major pairs title together. Both ladies got to experience state finals for the first time and are all the better for the experience. It took an inform Natasha Van Eldik to knock Jessica out of the singles in a tight tussle with experience coming through in the end. In the Open event we had a returning bowler take out the title in Simon Mitchell. Simon took a year break from CMC with a holiday at Soldiers Point but has returned with renewed motivation to succeed at and with the club. Simon came up against the much-fancied Zone 6 Singles Champion Dylan Riley in the final but was able to over come in and win his first CMC Major Singles crown. The Open Major Pairs went the way of 2 more recruits in Mick Cronin and Danny Mathieson with a 1 shot victory over Dylan Riley and DJ Dilworth. The game went all the way down to the last bowl with the biggest leading margin being 3 throughout the whole game. Simon, Mick and Danny then went all the way to the state finals after securing the Zone 6 Champion of Champion titles in their disciplines and with that Mick and Simon shared the Zone 6 Bowler of the year award for 2020.

After a year break in 2020 the anticipation for the 2021 pennant season was sky high with everyone keen for a game where they could. Some new faces and the addition of the women to the weekend Pennants gave a renewed life around the place and some very competitive sides were put on the paddock throughout the year. The 1 Grade secured a place at the state finals, whenever they may be! They were 2nd going into the final round of play knowing a final home victory over leaders Charlestown would secure automatic qualification for the state finals. 9-1 was enough to get them over the line and they now have a trip to Forster in October, after 2 rescheduled dates. Grade 5, 6 and 7 all showed promise for much of the reason but just faded near the end of the year, feeding their hunger for next years event. We look forward now to welcoming Grade 6 finalists to our newly refurbished sports bar and bistro in October!! The Ladies cut back to 1 Grade this year contesting the Grade 1 HRDWBA Pennant with Kurri Kurri and East Maitland. After a positive start with a home victory over Kurri the return fixture was not so kind to the ladies with Kurri winning both rinks and winning the flag.

Zone Championships in 2021 were good to us again this year. We opened the year with Senior Fours victory for Les Greedy, Max Wilton, George Niznik and Dave Button. Wayne Van Maastricht added to his growing credibility adding the President Reserve Pairs to his trophy cabinet. With any luck Wayne will step up a couple of levels and test himself, the results show he could handle it but does he want to? Simon and Mick then defended their 2020 Zone 6 Pairs title with victory in 2021. The downside to this being that with covid locking down most of the state it





looks unlikely that they will contest to State finals in 2021.

2021 Club Championships were back this year with a couple of modifications. Minor Singles and Pairs after success in 2021 remain open to men and women but this year we have modified the Consistency Singles to be open and rebranded it as the Club Singles Championship, it will be interesting to see who runs out winner in this event. The main focus is all around the Major's as normal and at the time of writing the singles have been run and won. Jessica and Simon were the bowlers with the targets on their backs this time around having won in 2020. Ladies first and Jessica went back-to-back making her way through the field to prove that 2020 wasn't a fluke and she can be a force for years to come. Unfortunately, we await a date for the Champion of Champions to be played due to Covid and hope Jessica can add to her few victories in that from last year. The Open Singles

seen Simon trying to copy Jessica and go back-to-back. At 15-3 this looked a formality but his wily opponent and 2009 winner Darren Fogarty had other plans and clawed his way back into the game. With the game against Darren he was able to save a couple of times before leapfrogging Simon to take the victory 31-30 and win his second Major Singles at CMC. Turn back the Clock Darren.

We started off well with the Terry Harmer Pairs being filled as normal and our first team to win the event for the second time! New Recruit Brody Pitham and Simon Mitchell ran out winners with 6 wins from 6 showing they made the right choice calling CMC home. The King and Queen has been cancelled, the 4 and unders is on the verge of cancellation, Our new ladies Pairs is hanging on by a thread. Our saving grace will be the Ken Guy Mixed fours in October and the over 55 Pairs too. If covid has calmed down by then those events will run again.

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 and 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.

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  
Sport and Sponsorship Manager

# 2021

## FLYING BOWLERS REPORT



Unfortunately due to the Covid pandemic we were unable to have a trip away this year so it was decided that we would have a day out at Club Maitland City. All those who attended had a great time.

Once again we thank the club for it's continued support and we have

arrangements already in place for our trip away later year.

Regards

Graham Solomons

President of Maitland City's  
Flying Bowlers



## GOLF CLUB REPORT

With the COVID disruption of 2020-2021 not a lot was able to be achieved. We now look forward to the annual trip in late November 2021. Happy Golfing

James Mullen

President CMC Social Golf Club



## FISHING CLUB REPORT

The last year has been a difficult one with many restrictions caused by the pandemic. The offshore fishing club continues to be in a great financial position and well supported by Club Maitland City. We look forward to

restrictions lifting and getting back to doing what we do best.

Herbie Turner (Treasurer)



## BOXING GYM REPORT

Well unfortunately we do not have a lot to report this year. Due to COVID our sport has virtually come to a standstill.

The only event that we have attended was in Queensland in March with 4 boys

representing the Club, 2 boys won and 2 boys lost.

We are hoping things pick up in the later half of this year.







# MAITLAND PICKERS RUGBY LEAGUE CLUB

The Maitland Pickers enjoyed a successful 2021 season albeit interrupted by Covid-19 with our club securing its first club championship in 10 years. This is a significant milestone in our list of club achievements showcasing the depth of player and the results we achieved across the board.

Our First Grade team got off to a mixed start to the season by their own standards with inconsistent performances in the opening month of the competition. A round 3 defeat to Cessnock saw the teams only loss of the year before building into the season stringing together 13 straight wins.

Tested with some long term injuries to Matt Allwood, Tom Hughes and Pat Mata'utia the club looked to its youth to take the opportunities provided through those injuries. We were very proud to provide four players a First Grade debut this year in Tom Cant, Noah Nailagoliva, Taj Ridley and Lachlan Matthews. Three of those players came from our U19s and all four players being local juniors.

Congratulations must also go to Matt Soper Lawler, James Taylor, Jayden Butterfield and James Bradley on their Newcastle Rebels selections. Special mention must also be made of Taj Ridley being selected in the NSWCCC U18s team this year.

Our Reserve Grade had to manage using 46 players this year again providing opportunity to our U19s to be integrated into our team over the course of the year. This will provide the boys with valuable experience heading into next year. The team finished the year with 3 draws and had they turned those games into wins would have gone into the last round against Wests vying for second spot on the ladder.

The U19s like our reserve grade had to rely on the regular support of our U17s to prop them up through the middle of the year as injury took its toll throughout the club. Hanging tough through that mid part of the season the boys clung to a position in the top 5 and with players coming back at a rapid rate towards the end of the season were in a very strong position to give the finals a real shake.

Our Ladies Tag team backed up their 2020 success with first class performances week in week out. The girls eventually finishing second on the ladder but were successful in defeating all top 5 sides across the course of the year. We're looking forward to watching the girls get back on the field next season with some unfinished business to take care of.

We'd also like to acknowledge the efforts of our U17s players, parents, and coaching staff. It was great to see the kids having the opportunity to wear the black and white coming through from our highly valued Pickers affiliate clubs to form a very competitive team. Having the kids under the Pickers banner allows us to invest time into their development and prepare them for grade. It was great to see several them come up throughout the season to assist our U19s.

The Maitland Pickers would like to thank all our generous sponsors in particular our major partner Club Maitland City.

Congratulations to all our coaching staff your dedication across all areas is inspiring for our players and volunteers to continue to become better in all areas of our club.

Frank Lawler  
President







# WEST RUTHERFORD TELARAH NETBALL CLUB

2021 netball season has been a fantastic year of netball following the Covid upset of 2020. We would like to take this opportunity to thank Club Maitland City for their continued support of Netball in the Maitland area.

We met with DJ Dilworth early in the season and were thrilled with a new 3 year agreement with CMC. This allows us to continue to supply the necessary equipment and apparel to all our members.

## CLUB MEMBERSHIP

This year West Rutherford Telarah netball club has have 30 teams in the Maitland Netball Association competition.

This equates to 291 members, some new to West's and some returning after years away from the game or playing with other clubs.

This includes:

- 3 Net Set Go teams of girls from 5 to 9 years
- 5 Junior teams from 10 to 12 years
- 3 Inter teams aged 13 and 14 years
- 5 Cadets teams aged 15 to 17 years and
- 14 Senior teams aged 18 and over

We have two sponsored A1 teams Club Maitland City, and Quarry Bar and Grill. These girls are performing very well in 2021 with CMC currently sitting in second position and Quarry Bar and Grill sitting in fifth position on the ladder.

## MERCHANDISE & EQUIPMENT

With the support of CMC every player who has registered has received a new training shirt with Club Maitland City logos on them. They look fantastic on the girls who wear them to training and on a Saturday to warm up over the dresses.

Our kit bags have been replenished with supplies thanks to the continued support of CMC. Each team received a new game ball for the season which are very distinctive Red and White with CMC logos and WRTNC logo on them.

CMC support allows our club to have a home base, somewhere to meet, have team dinners, have educational sessions and return to after our games on Saturdays.

We have packed pies for our pie drive in the Opal room and know that due to the support that CMC continue to give WRTNC we are always welcomed by the amazing staff any time we are at the club.

## THANKYOU FOR YOUR SUPPORT!

We are hoping to hold a presentation this year as we missed out on one last year due to Covid. However due to recent events, this remains to be seen, but the presentation will be held at CMC and all players and the committee are hopeful that it will go ahead.

We would like to acknowledge and thank the continuing support of DJ. He is always available to assist us and answer any queries that we have. He helps with the merchandising needs of the club and is always so helpful.

We look forward to continuing to build a strong partnership with CMC well into the future. Thanks so much for all your support.

Kate Mathews

President

WRTNC







# MAITLAND TOUCH ASSOCIATION

It was a different season for us to due to COVID, the Junior Comp ran on a Sunday for the first time and the fields upgrades, which limited the number of grounds available, resulting in capping playing numbers.

## JUNIOR PLAYERS:

Boys 418 & girls 313 = total 731

## JUNIOR TEAMS:

Boys 48 & girls 32 = total 80

Senior Comp also had its challenges for the same reasons but remained on the traditional nights of Monday and Tuesday evening with numbers;

## SENIOR PLAYERS:

Men 165 & ladies 101

Mixed 337 = total 603

## SENIOR TEAMS:

Men 15 & ladies 9 (ended with 7)

Mixed 30 (ended with 29) = total 54 (ended with 51)

## SENIOR REP:

7 teams total, due to COVID, the regionals was cancelled, the Country championships ran under a modified capacity, however only 4 Maitland sides participated in Country due to these changes.

For the Senior State Cup at Port Macquarie in December, 7 sides competed for the first time, which included a 20s men's team. We had 2 sides who made the semi-finals with Mixed Open progressing through to the grand final in the plate division.

## JUNIOR REP:

10 teams total, 10s-18s played in the regionals at Nelson Bay in Feb 2021 with the majority of the teams qualifying for the quarter finals, Maitland Touch had 4 teams reach the semi-finals.

Regrettably, the Junior State Cup at Port Macquarie in February 2021 was cancelled after the first day of play due to extreme weather.









# LOCHINVAR ROVERS FOOTBALL CLUB INC.

Over the past year, Lochinvar Rovers Football Club has continued to grow 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 but have their own families continuing to play the game of Football that we love and cherish.

2020 was tough for all around the world with the Covid-19 Global Pandemic but still football went on. Rovers worked hard with the support of Club Maitland City to get a late and reduced season off the ground. There were many restrictions to begin and a very unknown season ahead which saw many clubs withdrawing from the 2020 Season. We fielded more teams than ever including a Zone League 2 squad. The players and their families worked hard to ensure the season was not jeopardised by Covid-19 complying with all regulations released by the Office of Sport and Northern NSW Football.

2021 has seen our first teens, both female and male, transition from a junior team to an adult team successfully. This is a gap we have been working on bridging for 10 years and are proud of the achievement of offering our players a team for every age group and gender. Our senior players have been welcoming of both our male and female teens and are enjoying a great season with some looking forward to a run into finals.

With the financial backing of Club Maitland City, our junior and senior ranks have expanded in 2021, within all our age groups, as well as in both Boys and Girls teams. The support of Club Maitland City, even in a Global

Pandemic, has allowed Rovers to provide the opportunity for all to play the game they love. Helping safely reunite the community through a Covid Season.

Our junior ranks have expanded in our MiniRoos (4-11) players and remained constant in our teens and seniors. Several of our female teens were selected in the new Maitland WPL sides and a few of our MiniRoos also being selected in the JDL sides at Maitland and Weston, producing the next stars of the future.

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 146 players in 2021. On top of the impressive player growth, we have increased our coaches and managers from a few female managers and no coaches scattered throughout the club to 50:50 ratio of male to female coaches and managers.

Rovers have led the way in the return to a "normal" season holding the first Gala Day post Covid which was enjoyed by all families who attended with plans to repeat post season for our mixed teams. This was a Girls Gala Day with the players being given a shirt with funds available from Club Maitland City. These shirts are still seen around the Hunter region from 2018 and we look forward to continuing to watch the new ones show up.

Most recently during Northern NSW Female Football Week, Kylie Rhodes one of our female coaches was awarded a scholarship worth \$1000 to complete her C Class Coaching License. Once completed, Kylie will be the first to hold this qualification at our club and one of very few coaches across community clubs.

Without the support of Club Maitland City, our ever expanding, Family orientated, 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

Anita Lopez

LRFC President









# WEST MAITLAND JUNIOR RUGBY LEAGUE

2020 saw a shortened season of 8 rounds due to the Covid 19 pandemic, West Maitland Wallaroos fielded 21 teams across from under 6's to 17's, over all player registrations 349 players, with Covid restrictions in place in order to make the season go ahead, it took a huge effort by our small group of our committee members to assure our players got back into the field playing. Hats off to everyone involved.

2021 season has seen a dramatic increase of about 30% for the West Maitland Wallaroos Junior Rugby League club sitting at approx 470 player registrations up from 349 last season. A total of 31 teams spread from under 6's to under 18's, which includes three all female teams in the 13's, 15's and 17's age bracket being the only club fielding teams in all three age divisions. The strength of the club is looking while strong with many of our international teams pushing up into higher divisions, our Mod teams are big in numbers having three teams in both 10's and 11's age groups which is very pleasing!

2021 has also seen us developing improving our players skill through assistance from our senior club the

Maitland Pickers and hope continue building on this relationship with the Pickers into the future.

West Maitland JRL club can't thank Club Maitland City enough for its ongoing support and sponsorship this season and hope both clubs can continue strong relationships in the future in building into the local community.

West Maitland JRL Committee









# MAITLAND CITY SOFTBALL CLUB

## What an awesome season...

As we wrap up of MCSC's ninth season in the NDSA Competition has been another successful one both on and off the diamond with 4 teams taking out the Minor Premiership, 7 teams playing in various Grand Finals and 3 teams being crowned Major Premiers.

2020/2021 started off well except for very limited numbers in the U18 competition. With only enough registered players to fill 3 teams MCSC was approached by NDSA to see if there was any way of us forming an extra team and after plenty of shuffling of players and officials, we managed to form a fourth competitive team and the season was all systems go this shows the strength and commitment we have within our association from some of younger players playing up to form the additional team.

Every season is better than the last and it is only helped by some great people who help not only to run our club, but those who support us as a player, team official, parent or supporter.

## PLAYING NUMBERS

Registrations were pretty much the same as the 2019/ 2020 season with approximately 160 members. Although we had lots of new registrations this season, we also lost a few members which always makes member retention tricky but we have managed to the majority of our members happy.

We were able to field players in every grade again this season as well as 2 teams in some grades:

Seniors:

1W - Meteors

1W - Eclipse

2W - Mercury

2W - Neptune

3W - Lunar Leopards

3W - Space Monkeys

4W - Galaxy

1M - X-Men

2M - Jedis

3M - Vulcans

3M - Klingons

Juniors:

U18 - Moonbeams

U18 - Padawans

U15 - Martians

U15 - Astros

U13 - Invaders

U13 - Blast Off

U11 - Rockets

U9 - Comets

Junior Development:

Junior development is massive task, but it is vital to the survival of this great sport and at MCSC we pride ourselves on the time and effort we put into ALL our juniors and not just our elite athletes. We also work hard to nurture and mentor our junior players as they make the transition from juniors to seniors.

## FUNDRAISING & MANAGEMENT

Once again Covid-19 played a massive part in disrupting our fundraising plans throughout the season but with the ongoing support of our club members, their families and friends, we were able to conduct another successful trivia night which was held at Club Maitland City in Rutherford. A huge thanks to all our local businesses who donated goods and vouchers to our trivia night.

## THANK YOU

As everyone knows local sporting Clubs really struggle to survive without the help of sponsors, we would like to say a MASSIVE thank you to our Major

Sponsors especially, Club Maitland City in Rutherford and Mars Building for supporting us off the diamond. We are fortunate to have a great partnership with both sponsors and hope to continue with their support for many years to come.

Maitland City Softball looks forward to an even bigger and better season in 2021/2022, We wish all the other clubs in our Association all the best and can't wait to see you all back at Stevenson Park in the very near future.

Let's continue to keep working together on and off the diamond to ensure Newcastle Softball continues to grow. Afterall, SOFTBALL IS ALWAYS THE WINNER!!!

Yours in Sport

Shane Haley

Vice President - Maitland City Softball Club













MAITLAND CITY BOWLS, SPORTS  
& RECREATION CLUB LIMITED

A.C.N. 000 912 005

# FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

# MAITLAND CITY BOWLS, SPORTS & RECREATION CLUB LIMITED

A.C.N. 000 912 005

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

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## Directors' Report

30 June 2021

The directors present their report on Maitland City Bowls, Sports and Recreation Club Limited for the financial year ended 30 June 2021.

### 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 Henry Meskauskas	President
Occupation	Councillor
Consecutive Years Service	11 years
Mr Hal Cheetham	Vice President
Occupation	Retired (Business Manager)
Consecutive Years Service	20 years
Mr Robert Bullen	Treasurer
Occupation	Retired
Consecutive Years Service	20 years
Mr David Button	Director
Occupation	Retired (Business Manager)
Consecutive Years Service	8 years
Mr Greg Moy	Director
Occupation	Retired (Sales Manager)
Consecutive Years Service	8 years
Mr Gary Cuthbert	Director
Occupation	Retired
Consecutive Years Service	2 years
Mr John McMurray	Director
Occupation	Retired
Consecutive Years Service	2 years

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 2021

### Meetings of directors

During the financial year, 27 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	12	12	0	11	11	0	4	4	0
Hal Cheetham	12	11	0	11	11	0	4	4	0
Robert Bullen	12	11	0	11	10	0	4	4	0
David Button	12	12	0	11	10	1	4	4	0
Greg Moy	12	12	0	11	11	0	4	4	0
Garry Cuthbert	12	11	0	11	10	0	4	4	0
John McMurray	12	12	0	11	11	0	4	4	0

Partial attendance is defined as attendance exceeding 50% of the time of the meeting. Directors further attended the annual general meeting held on 25 October 2020.

### Principal activities

The principal activity of Maitland City Bowls, Sports and Recreation Club Limited during the financial year were the conduct and promotion of Sport, Bowling Club and Accommodation 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 Club'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 2021

### 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 Club and whether the Club'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 2021 the collective liability of members was \$174,180 (2020: \$164,500).

### Review of operations

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

- The profit of the Company amounted to \$2,157,229 (2020: \$97,347).
- Profit from bar trading amounted to \$427,911 (2020: \$354,448) and gross profit percentage of 52.4% (2020: 56.4%) was obtained from sales of \$1,739,670 (2020: \$1,551,564).
- Net gaming revenue amounted to \$8,253,280 (2020: \$5,869,635).
- Net operating profit from the two Motels (excluding interest expenses) amounted to \$315,261 (2020: \$23,960).

During the financial year the Club's Directors were focused 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.

### Significant changes in state of affairs

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 required to close in line with the government health orders during and subsequent to the end of the financial year.

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 various federal and state stimulus programs as well as deferred payment arrangements with some creditors, for example, deferring gaming tax payments in line with Revenue NSW announcements. The Company has closely monitored expenditure to limit the impact of the trading conditions to the Company's gross profit and continues to generate an operating cash flow surplus.

## Directors' Report

30 June 2021

### Significant changes in state of affairs

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 which contemplates the realisation of assets and extinguishment of liabilities in the ordinary course of business.

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 they are a member, or with a Company in which they have 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 2021 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 Henry Meskauskas

Director:   
Mr Robert Bullen

11 October 2021





## 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 2021, 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

Director

11 October 2021

Newcastle

#### Sydney

Level 11  
309 Kent Street  
Sydney NSW 2000  
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T 02 8262 8700

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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

## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Bar Sales		1,739,670	1,551,564
Cost of Sales		(827,447)	(677,104)
Gross Profit		912,223	874,460
Net Poker Machine Revenue		8,253,280	5,869,635
Gaming Commissions		230,380	176,922
Bowls Revenue		44,828	26,081
Bistro and Catering Revenue		1,171,489	1,372,933
Motel Revenue		1,816,851	1,534,825
Coffee Revenue		59,211	69,591
Raffles and Commissions		169,820	225,925
Other Income	3	649,978	601,702
<b>Expenditure</b>			
Bistro and Catering		(1,333,605)	(1,493,502)
Gaming Commissions		(103,839)	(92,312)
Bar Trading		(484,312)	(520,013)
Coffee Shop		(137,764)	(90,190)
Poker Machine		(3,076,515)	(2,190,627)
Insurance		(173,191)	(205,530)
Promotion and Entertainment		(191,530)	(434,042)
Motel Trading		(1,331,441)	(1,476,030)
Bowling Costs		(368,694)	(320,813)
Administration		(3,766,973)	(3,635,954)
Borrowing Costs		(182,967)	(195,714)
<b>Profit before income tax</b>	4	2,157,229	97,347
Income tax expense		-	-
<b>Profit for the year</b>		2,157,229	97,347
<b>Other comprehensive income</b>			
Revaluation of property, plant and equipment		4,221,190	-
<b>Total comprehensive income for the year</b>		6,378,419	97,347

The accompanying notes form part of these financial statements.



## Statement of Financial Position

### As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,231,220	1,483,857
Trade and other receivables	6	60,432	197,551
Inventories		163,824	121,936
Other assets		29,938	13,281
<b>TOTAL CURRENT ASSETS</b>		<b>1,485,414</b>	<b>1,816,625</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	31,494,095	24,982,670
Intangible assets	8	4,921,185	4,697,032
<b>TOTAL NON-CURRENT ASSETS</b>		<b>36,415,280</b>	<b>29,679,702</b>
<b>TOTAL ASSETS</b>		<b>37,900,694</b>	<b>31,496,327</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	2,086,369	1,042,119
Borrowings	10	360,000	360,000
Employee benefits	11	296,613	205,763
Other liabilities		106,929	153,952
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,849,911</b>	<b>1,761,834</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	10	5,055,000	6,115,000
Employee benefits	11	50,800	52,929
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>5,105,800</b>	<b>6,167,929</b>
<b>TOTAL LIABILITIES</b>		<b>7,955,711</b>	<b>7,929,763</b>
<b>NET ASSETS</b>		<b>29,944,983</b>	<b>23,566,564</b>
<b>EQUITY</b>			
Reserves	12	9,862,859	5,641,669
Retained Earnings		20,082,124	17,924,895
<b>TOTAL EQUITY</b>		<b>29,944,983</b>	<b>23,566,564</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 30 June 2021

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>17,924,895</b>	<b>5,641,669</b>	<b>23,566,564</b>
Profit/ (Loss) for the year	2,157,229	-	2,157,229
Other comprehensive income	-	4,221,190	4,221,190
<b>Balance at 30 June 2021</b>	<b>20,082,124</b>	<b>9,862,859</b>	<b>29,944,983</b>

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

The accompanying notes form part of these financial statements.



## Statement of Cash Flows

### For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		15,409,984	12,418,038
Payments to suppliers and employees		(11,920,464)	(10,408,807)
Interest received		422	314
Interest paid		(182,967)	(195,714)
Receipt from government stimulus		703,000	285,000
Net cash provided by/(used in) operating activities		<u>4,009,975</u>	<u>2,098,831</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of plant and equipment		-	44,682
Purchase of property, plant and equipment		(3,202,612)	(1,164,643)
Net cash provided by/(used in) investing activities		<u>(3,202,612)</u>	<u>(1,119,961)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		(1,060,000)	(1,070,000)
Net cash provided by/(used in) financing activities		<u>(1,060,000)</u>	<u>(1,070,000)</u>
Net increase/(decrease) in cash and cash equivalents held		(252,637)	(91,130)
Cash and cash equivalents at beginning of year		1,483,857	1,574,987
Cash and cash equivalents at end of financial year	5	<u>1,231,220</u>	<u>1,483,857</u>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

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 Company limited by guarantee, incorporated and domiciled in Australia.

#### 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.

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

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

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

#### 2 Summary of Significant Accounting Policies

##### (a) Revenue and other income

The Company sells a range of food and beverages at the club premises. Revenue from bar sales, bistro and catering and coffee is recognised when the Company sells a product to the customer as the obligation of the Company is satisfied upon delivery of the product to the customer.

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 such as motel revenue 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 2021

#### 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.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

##### (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.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (f) Property, plant and equipment

###### Freehold Property

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.

###### Other assets

Other assets comprise land improvements (greens and car parks), plant, equipment, furniture and fittings. They are measured using the cost model. Other assets are carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount 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
Independent valuation in 2021	2.5% - 10%
Plant and Equipment	10% - 33%

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 2021

#### 2 Summary of Significant Accounting Policies

##### (h) Impairment of assets

At the end of each reporting period, the Club 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 2021

#### 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 expect to receive selling 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 2021

#### 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 Company measures and recognises freehold land and buildings at fair value on a recurring basis after initial recognition and has selected a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. Recurring fair value measurements include the Company's freehold land and buildings (Note 7) which are based on a directors' valuation taking into account an external independent valuation performed in the current year, which used comparable market data for similar properties.

The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- the income approach, which converts estimated future cash flows or income and expenses into a single discounted present value; and
- the cost approach, which reflects the current replacement cost of an asset at its current service capacity.

##### (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 2021. 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 2021.

##### (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 Club have assessed that new standards has no impact on the financial statements.

##### (q) Coronavirus Pandemic and Going Concern

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 required to close in line with the government health orders during and subsequent to the end of the financial year.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (q) Coronavirus Pandemic and Going Concern

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 various federal and state stimulus programs as well as deferred payment arrangements with some creditors, for example, deferring gaming tax payments in line with Revenue NSW announcements. The Company has closely monitored expenditure to limit the impact of the trading conditions to the Company's gross profit and continues to generate an operating cash flow surplus. Management and the Directors continue to assess the situation on an ongoing basis.

The Company commenced a major refurbishment project at the end of the financial year. At 30 June 2021, current liabilities include \$1.2 million relating to this project which were converted into long-term debt subsequent to the reporting date using the Club's \$4.0 million undrawn loan facility. This resulted in the Company returning to a net current asset position subsequent to the end of the financial year. The Directors are confident that the Company will be successful in navigating the challenges of the pandemic and accordingly, the Company has prepared the financial report on a going concern basis which contemplates the realisation of assets and extinguishment of liabilities in the ordinary course of business.

#### 3 Revenue and Other Income

	2021	2020
	\$	\$
Trading revenue	13,485,530	10,827,476
Other Income		
- JobKeeper and Cash Flow Boost income	535,000	503,000
- Profit on sale of assets	49,687	43,982
- Interest received	422	314
- Membership subscriptions	40,985	48,462
- Other Income	23,884	55,944
	<b>649,978</b>	<b>651,702</b>

#### 4 Profit for the Year

The result for the year includes the following specific expenses:

Employee benefits expense	3,153,447	2,698,755
Depreciation expenses	1,860,100	1,887,711

#### 5 Cash and Cash Equivalents

Cash on hand	401,100	216,710
Cash at bank	830,120	1,267,147
	<b>1,231,220</b>	<b>1,483,857</b>



## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 6 Trade and Other Receivables

	2021	2020
	\$	\$
Trade receivables	39,567	23,855
GST receivable	20,812	-
Job Keeper receivable	-	168,000
Other receivables	53	5,696
	<b>60,432</b>	<b>197,551</b>

#### 7 Property, Plant and Equipment

Freehold land		
At fair value	<b>3,000,000</b>	2,061,562
	<b>3,000,000</b>	<b>2,061,562</b>
Freehold buildings		
Independent valuation in 2021	<b>20,850,000</b>	-
Buildings at fair value	-	23,656,647
Less: Accumulated depreciation	-	(4,504,904)
	<b>20,850,000</b>	<b>19,151,743</b>
Other assets		
At cost	<b>15,914,643</b>	11,923,109
Accumulated depreciation	<b>(11,363,924)</b>	(8,203,368)
	<b>4,550,719</b>	<b>3,719,741</b>
Capital Works in Progress at cost	<b>3,093,376</b>	49,624
	<b>3,093,376</b>	<b>49,624</b>
<b>Total property, plant and equipment</b>	<b>31,494,095</b>	<b>24,982,670</b>

#### (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 2021, 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 2021 is approximately \$4.5m.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 7 Property, Plant and Equipment

##### (b) Revaluation of land and buildings

The freehold land and buildings were independently valued at 30 June 2021 by Andrew Nock Valuers (Valuer Registration No. 68548). The valuation was based on the market approach for land and the current replacement cost approach for buildings. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties. The valuation resulted in a revaluation increment of \$4.2 million being recognised for the year ended 30 June 2021.

##### (c) Capital works

During 2021 the Club undertook a capital expenditure program relating to gaming floor and other renovations to the Club of approximately \$4.0m.

##### (d) 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	Land	Buildings	Other assets	Total
	\$	\$	\$	\$	\$
Balance at the start of the year	49,624	2,061,562	19,151,743	3,719,741	24,982,670
Additions	3,093,376	-	-	1,299,437	4,392,813
Disposals and transfers	(49,624)	174,207	(965,493)	598,432	(242,478)
Depreciation	-	-	(793,209)	(1,066,891)	(1,860,100)
Revaluation	-	764,231	3,456,959	-	4,221,190
<b>Balance at the end of the year</b>	<b>3,093,376</b>	<b>3,000,000</b>	<b>20,850,000</b>	<b>4,550,719</b>	<b>31,494,095</b>

The Company re-aligned the fixed asset register to the asset classes report above in conjunction with the revaluation process as at 30 June 2021 resulting in the transfers reported above.

Additions of \$1,190,201 are included in trade and other payables at 30 June 2021 and were converted to long-term debt subsequent to the reporting date.

#### 8 Intangible Assets

	2021	2020
	\$	\$
Goodwill	1,315,676	1,091,523
Accumulated impairment losses	(94,491)	(94,491)
<b>Net carrying value</b>	<b>1,221,185</b>	<b>997,032</b>
Poker machines licenses (170) at directors valuation	3,700,000	3,700,000
<b>Total Intangibles</b>	<b>4,921,185</b>	<b>4,697,032</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 8 Intangible Assets

##### (a) Movements in carrying amounts of intangible assets

	Poker Machine Entitlements	Goodwill	Total
	\$	\$	\$
Balance at the start of the year	3,700,000	997,032	4,697,032
Adjustment to Old Maitland Inn	-	224,153	224,153
<b>Closing value at 30 June 2021</b>	<b>3,700,000</b>	<b>1,221,185</b>	<b>4,921,185</b>

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 2021 was \$20,000 per entitlement (2020: \$20,000).

The adjustment processed to Old Maitland Inn in the 2019/20 financial year was reversed in 2020/21 and re-allocated to property, plant and equipment. There is no impact to the statement of profit or loss as a result of this adjustment.

#### 9 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade creditors	1,700,309	102,218
GST payable	-	59,593
Poker machine duty	108,483	504,527
Sundry payables and accruals	277,577	375,781
	<b>2,086,369</b>	<b>1,042,119</b>

#### 10 Interest Bearing Liabilities

CURRENT		
Bank loans - secured	360,000	360,000
Credit card balance - unsecured	680	297
	<b>360,680</b>	<b>360,297</b>
NON-CURRENT		
Bank loans - secured	5,055,000	6,115,000
	<b>5,055,000</b>	<b>6,115,000</b>



## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 10 Interest Bearing Liabilities

##### Bank loans

The Club has three bank loans with a maximum facility limits of \$2,195,000, \$4,860,000 and \$4,000,000, respectively. The first two loans incurred an interest rate of BBSY + 2.46% during the year (termination date 28 February 2024). The third loan obtained on December 2020 has a termination date of three (3) years and two (2) months from the date of funding. As at 30 June 2021, the Club has not withdrawn the funding.

As a consequence of the COVID-19 pandemic on motel trading conditions, the Company breached the EBITDA (Old Maitland Inn) covenant. The Club is confident of the ongoing support of the lender and expects to return to complying with all covenants in future years as trading conditions become less affected by the COVID-19 pandemic.

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).

#### 11 Provisions

	2021 \$	2020 \$
<b>CURRENT</b>		
Provision for long service leave	59,409	47,062
Provision for annual leave	237,204	158,701
	<b>296,613</b>	<b>205,763</b>
<b>NON-CURRENT</b>		
Provision for long service leave	50,800	52,929
	<b>50,800</b>	<b>52,929</b>

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.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 12 Asset 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:

	2021	2020
	\$	\$
Intangible assets - poker machine licenses	2,800,000	2,800,000
Property, plant and equipment - land	1,771,560	1,007,329
Property, plant and equipment- buildings	5,291,299	1,834,340
	<b>9,862,859</b>	<b>5,641,669</b>

#### 13 Auditors' Remuneration

- auditing the financial statements	16,000	15,500
- tax compilation and advisory services	6,512	3,171
- advice and training for finance system transition	-	13,600
- bookkeeping services (processing of routine transactional information from client originated data)	7,375	85,975
	<b>29,887</b>	<b>118,246</b>

#### 14 Capital and Leasing Commitments

##### (a) Capital expenditure projects

During 2021 the Club undertook a capital expenditure program relating to gaming floor and other renovations to the Club of approximately \$4.0m.

##### (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	323,318	330,106
Superannuation	37,640	36,683
Non-financial benefits	42,689	35,338
	<b>403,647</b>	<b>402,127</b>

#### 16 Related Party Transactions

There were no related party transactions during the year (2020: no transactions).

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 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:

	2021	2020
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	1,231,220	1,483,857
Trade and other receivables	60,431	197,551
	<b>1,291,651</b>	<b>1,681,408</b>
<b>Financial Liabilities</b>		
Trade and other payables	2,086,370	1,042,119
Bank loans - secured	5,415,000	6,475,000
	<b>7,501,370</b>	<b>7,517,119</b>

#### 18 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (2020: None).

#### 19 Events after the end of the Reporting Period

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 required to close in line with the government health orders during and subsequent to the end of the financial year. The Company anticipates a re-opening date of approximately 18 October 2021.

No other 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.

#### 20 Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2021, the number of members was 8,709 (2020: 8,225).

#### 21 Company Details

The registered office and principal place of business of the company is:

Maitland City Bowls, Sports and Recreation Club Limited  
14 Arthur Street  
Rutherford NSW 2320




## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 22, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director:   
Mr Henry Meskauskas

Director:   
Mr Robert Bullen

11 October 2021



## 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, being a special purpose financial report of Maitland City Bowls, Sports and Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 June 2021, 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 2021 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**

##### *Directors 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 2021. 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 2021 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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## **Maitland City Bowls, Sports and Recreation Club Limited**

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

### *Classification of Interest-Bearing Liabilities*

As reported in Note 10 to the financial statements, the Company breached a covenant during the year as a result of trading conditions associated with the COVID-19 pandemic. Notwithstanding the breaches, the Company has classified the liabilities as non-current in the statement of financial position. This represents a departure from the requirements of AASB 101 Presentation of Financial Statements as the Company did not have an unconditional right to defer settlement of the liabilities for at least twelve months from the reporting date. The financial effect for the year ended 30 June 2021 of the above departure is an overstatement of non-current interest-bearing liabilities of \$5,055,000 and an understatement of current interest-bearing liabilities of the same amount.

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

### **Emphasis of Matter**

We draw attention to Notes 2(q) and 10 of the financial report which outline the Company's financial position with respect to the COVID-19 pandemic and bank loan facilities at 30 June 2021.

### **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 has no realistic alternative but to do so.





## Maitland City Bowls, Sports and Recreation Club Limited

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

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 management.
- Conclude on the appropriateness of the management's 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 reporter, 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.



## **Maitland City Bowls, Sports and Recreation Club Limited**

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

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

#### **PROSPERITY AUDIT SERVICES**

#### **ALEX HARDY**

Director

11 October 2021  
Newcastle





Club  
Maitland City

Maitland City  
Motel



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