
North Sydney District Rugby League Football Club Limited
ACN 003 009 158

Annual Report
For The Year Ended
31 October 2017

North Sydney District Rugby League Football Club Limited
ACN 003 009 158

Annual Report
For The Year Ended 31 October 2017

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North Sydney District Rugby League Football Club Limited
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Directors' Report

Your directors present their report together with the financial report of the company for the year ended 31 October 2017 and the auditor's report thereon.

Directors

The names of the directors in office at any time during or since the end of the year are:

Name	Qualification	Experience	Special Responsibilities
Perry Lopez	Company Director	14 Yrs Member NSDRLF Club	Chairman Representative to NSLC Board
Fred Thompson	Retired	56 Yrs Member NSDRLF Club Life Member	Representative to NSLC Board
Mark Dowel	Retired	17 Yrs Member NSDRLF Club	
Martin Lawson	Company Director	15 Yrs Member NSDRLF Club	
Peter McGrath	Company Director	12 Yrs Member NSDRLF Club	
Sean Wiles	Chartered Accountant	4 Yrs Member NSDRLF Club	
Justin Owen	Lawyer	6 Yr Member NSDRLF Club	Company Secretary

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

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Directors' Report

Directors' Meetings

The number of directors' meetings including special meetings of directors and the number of meetings attended by each of the directors of the company during the financial year are:

Board Meetings

Director	Number of Meetings Attended	Number of Meetings Held
Perry Lopez	10	11
Fred Thompson	10	11
Mark Dowel	11	11
Martin Lawson	9	11
Peter McGrath	9	11
Sean Wiles	9	11
Justin Owen	11	11

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 October 2017 was 275 .

Operating Result

The net loss for the year amounted to \$18,903.

Principal Activities

The principal activities of the company during the year were to encourage, promote and control the development, playing and interests of Rugby League Football in the North Sydney District and within the area of the boundaries of the Club as defined in the by-Laws of the New South Wales Rugby League Limited.

There have been no significant changes in the nature of these activities during the year.

Liability of members on winding up

The Company is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$1 per member in the event of the winding up of the Company during the time that he/she is a member or within one year thereafter. At 31 October 2017 there were 275 members.

Directors' Report

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the directors.

Dated at Cammeray this 28 day of Nov 2017.



Perry Lopez
Director



Sean Wiles
Director

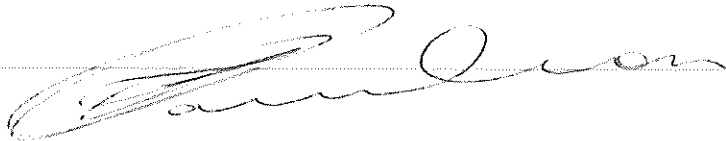
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Auditor's Independence Declaration
To the Directors
of North Sydney District Rugby League Football Club Limited

As lead auditor for the audit of North Sydney District Rugby League Football Club Limited for the year ended 31 October 2017, I declare that to the best of my knowledge and belief there have been:

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

FORTUNITY ASSURANCE



T R Davidson
Partner

155 The Entrance Road
Erina NSW 2250

Dated: 28 November, 2017

North Sydney District Rugby League Football Club Limited
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Statement of Profit or Loss & Other Comprehensive Income
For The Year Ended 31 October 2017

	Note	2017	2016
		\$	\$
Revenue	2	1,081,122	1,045,644
Employee costs		(219,524)	(184,613)
Depreciation		(10,920)	(10,653)
Administration expenses		(34,550)	(45,459)
Junior League expenses		(101,603)	(50,923)
NRL bid expenses		(158,324)	(151,336)
Other expenses		(575,104)	(625,800)
Profit/(loss) before income tax expense		<u>(18,903)</u>	<u>(23,140)</u>
Income tax expense		-	-
Net profit/(loss) after income tax		<u>(18,903)</u>	<u>(23,140)</u>
Other comprehensive Income		-	-
Total comprehensive income/(loss) for the year		<u>(18,903)</u>	<u>(23,140)</u>

The accompanying notes form part of these financial statements.

North Sydney District Rugby League Football Club Limited
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Statement of Financial Position
As at 31 October 2017

	Note	2017	2016
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	4	17,065	3,773
Other receivables	5	51,184	78,418
Total Current Assets		68,249	82,191
Non-Current Assets			
Property, plant and equipment	6	20,727	29,132
Total Non-current Assets		20,727	29,132
Total Assets		88,976	111,323
Current Liabilities			
Trade and other payables	7	89,054	102,301
Employee benefits	8	53,222	43,419
Total Current Liabilities		142,276	145,720
Total Liabilities		142,276	145,720
Net Assets		(53,300)	(34,397)
Members' Funds			
Retained earnings		59,504	78,407
League Football Club		(112,804)	(112,804)
		(53,300)	(34,397)

The accompanying notes form part of these financial statements.

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Statement of Changes in Members Funds
For the Year Ended 31 October 2017

	2017 \$	2016 \$
Balance at the beginning of the year	(34,397)	(11,257)
Profit/(loss) for the year	(18,903)	(23,140)
Balance at the end of the year	<u>(59,504)</u>	<u>(34,397)</u>

The accompanying notes form part of the financial statements.

North Sydney District Rugby League Football Club Limited
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Statement of Cash Flows
For Year Ended 31 October 2017

	Note	2017 \$ Inflows (Outflows)	2016 \$ Inflows (Outflows)
Cash flows from operating activities			
Receipts from members, sponsors		1,108,324	988,182
Payments to suppliers and employees		(1,092,549)	(986,200)
Interest received		32	64
Interest paid		-	(58)
Net cash provided by operating activities	9	15,807	1,988
Cash flows from investing activities			
Payments for property, plant & equipment		(2,515)	(760)
Proceeds on disposal of property, plant & equipment		-	-
Net cash used in investing activities		(2,515)	(760)
Cash flows from financing activities			
Repayment of borrowings		-	(20,000)
Net cash provided by financing activities		-	(20,000)
Net (decrease)/increase in cash held		13,292	(18,772)
Cash at the beginning of the financial year		3,773	22,545
Cash at the end of the financial year		17,065	3,773

The accompanying notes form part of these financial statements.

North Sydney District Rugby League Football Club Limited

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Notes to the Financial Statements For The Year Ended 31 October 2017

Note 1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are for North Sydney District Rugby League Football Club Limited as an individual entity, incorporated and domiciled in Australia. North Sydney District Football Club Limited is a company limited by guarantee.

North Sydney District Rugby League Football Club Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

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

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

The financial statements, except for the cash flow information, have been prepared on an accrual 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 in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

The company has applied to the Australia Taxation Office for an exemption from income tax as it is a sporting club.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) 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 losses.

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Notes to the Financial Statements
For The Year Ended 31 October 2017

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

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

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant & equipment	7.5% - 30%
Leasehold Improvements	2.5% - 4%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Impairment of Assets

At each reporting date, the company reviews the carrying values of its 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

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Notes to the Financial Statements
For The Year Ended 31 October 2017

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

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other bank accounts and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(f) Revenue

Revenue from the sale of goods, services and gaming is recognised upon the sale to customers and members.

Interest revenue is recognised upon receipt.

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

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Members Subscriptions

Members subscriptions received in advance are amounts received from members in respect of subscriptions for 2017 and subsequent years, and are shown in the balance sheet under trade and other payables.

(i) Limitation of Members' Liability

In accordance with the Club's Constitution the liability of members in the event of the Club being wound up would not exceed \$1 per member.

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2017

	2017 \$	2016 \$
Note 2. Revenue		
Operating activities		
Membership subscriptions	6,320	10,671
Grant – North Sydney Leagues Club Ltd	407,698	400,005
Grant – NSW Rugby League	100,000	114,831
Function Income	53,386	65,985
Fundraising proceeds	23,345	-
Takings	27,588	26,463
Interest received	32	64
Sponsorship	211,520	186,006
Junior League Income	50,956	49,995
Merchandise Income	33,154	29,759
NRL Bid associated income	158,324	151,336
Royalties	-	2,664
Sales	-	2,920
Sundry Income	8,799	4,945
Total Revenue	1,081,122	1,045,644
 Note 3. Expenses		
Depreciation	10,920	10,653
	10,920	10,653
 Note 4. Cash and Cash Equivalents		
Cash at bank and in hand	17,065	3,773
	17,065	3,773
 Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	17,065	3,773
	17,065	3,773

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Notes to the Financial Statements
For The Year Ended 31 October 2017

	2017 \$	2016 \$
Note 5. Other Receivables		
Other debtors & prepayments	51,184	78,418
	51,184	78,418
Note 6. Property Plant and Equipment		
Plant and equipment – at cost	55,561	53,046
Less accumulated depreciation	(34,834)	(23,914)
	20,727	29,132

(a) Movements in Carry 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.

	Plant & Equipment	Total
Balance 1 November 2016	29,132	29,132
Additions	2,515	2,515
Disposals	-	-
Depreciation	(10,920)	(10,920)
Balance 31 October 2017	20,727	20,727

Note 7. Trade and Other Payables

Trade payables	71,656	89,091
GST Payable	(7,936)	(7,266)
Accrued Expenses	12,772	8,555
Superannuation Payable	12,562	11,921
	89,054	102,301

Note 8. Employee Benefits

Current		
Annual Leave	22,789	13,671
Long service leave	30,433	29,748
	53,222	43,419

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Notes to the Financial Statements
For The Year Ended 31 October 2017

	2017	2016
	\$	\$
Note 9. Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit/(loss) from ordinary activities after Income tax	(18,903)	(23,140)
Non-cash flows in profit from ordinary activities		
Depreciation	10,920	10,653
Loss and disposal of assets		-
Changes in assets and liabilities		
(Increase)/decrease in other debtors	27,234	(57,398)
Increase/(decrease) in payables	(13,247)	53,204
Increase/(decrease) in employee benefits	9,803	18,669
Cashflow from operations	15,807	1,988

Note 10. Related Party Disclosures

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

Note 11. Financial Reporting By Segments

The company operates predominantly in one industry. The principal activity of the company is that of the promotion of rugby league in the North Sydney area. The company operates predominantly in one geographical area, being North Sydney, NSW.

Note 12. Key Management Personnel Compensation

The following persons had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, during the financial year.

Name

Gregory Florimo
David Perry

Key management personnel compensation

Short-term benefits	178,750	135,000
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North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2017

Note 13. Contingent Liabilities

In the opinion of the directors, North Sydney District Rugby League Football Club Limited did not have any contingencies at 31 October 2017.

Note 14. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to financial loss to North Sydney District Rugby League Football Club Limited and arises principally from the receivables.

Note 15. Registered Office

The registered office address of the company is:

12 Abbott Street
Camberay NSW 2062

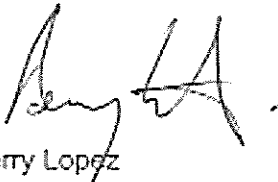
North Sydney District Rugby League Football Club Limited
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Directors' Declaration
For The Year Ended 31 October 2017

The directors of the company declare that:-

1. The financial statements and notes, as set out on pages 7 to 18 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 October, 2017 and of the performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Perry Lopez
Director



Sean Wiles
Director

Signed at Cammeray this 28 day of NOV 2017.

North Sydney District Rugby League Football Club Limited
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Independent Auditor's Report to the Members
Of North Sydney District Rugby League Football Club Limited

Report on the Financial Report

Opinion

We have audited the financial report of North Sydney District Rugby League Football Club Limited (the company), which comprises the statement of financial position as at 31 October, 2017, the statement of profit or loss and other comprehensive income, statement of changes member's funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of North Sydney District Rugby League Football Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 October, 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of North Sydney District Rugby League Football Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June, 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

North Sydney District Rugby League Football Club Limited

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Independent Audit Report To The Members Of North Sydney District Rugby League Football Club Limited

Other Information (continued...)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this report.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

**Independent Audit Report To The Members
Of North Sydney District Rugby League Football Club Limited**

Auditor's Responsibilities for the Audit of the Financial Report (continued...)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

FORTUNITY ASSURANCE



T R Davidson
Partner

155 The Entrance Road
ERINA NSW 2250

Dated: 28 November, 2017

North Sydney District Rugby League Football Club Limited
ACN 003 009 158

Additional Financial Information
Detailed Profit And Loss Statement
For The Year Ended 31 October 2017

	2017	2016
	\$	\$
Income		
Membership subscriptions	6,320	10,671
Grant – North Sydney Leagues Club Ltd	407,698	400,005
Grant – NSW Rugby League	100,000	114,831
Function income	53,386	65,985
Fundraising proceeds	23,345	-
Takings	27,588	26,463
Interest received	32	64
Sponsorship	211,520	186,006
Junior League income	50,956	49,995
Merchandise income	33,154	29,759
NRL Bid income	158,324	151,336
Royalties	-	2,664
Sales	-	2,920
Sundry income	8,799	4,945
	1,081,122	1,045,644
Less: Expenses		
Administration:		
Salary & wages	189,892	152,479
Superannuation	19,829	13,465
Advertising	6,759	9,145
Annual leave	9,118	13,671
Audit fees	1,100	2,600
Bank charges	792	524
Discretionary Fund	5,898	-
Donations	-	1,000
Interest	-	58
Motor vehicle expenses	6,623	4,211
Long service leave	685	4,998
Postage	316	1,734
Printing & stationery	7,987	2,646
Repairs & maintenance	-	252
Telephone	2,406	1,041
Sundry expense	1,321	6,582
Social/Special Event/Fundraising	29,824	43,124
Computer expenses	7,246	12,487

North Sydney District Rugby League Football Club Limited
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Additional Financial Information
Detailed Profit And Loss Statement
For The Year Ended 31 October 2017

	2017	2016
	\$	\$
Less: Expenses (cont'd)		
Football team expenses	601,338	602,005
Game day expenses	39,647	34,773
Depreciation	10,920	10,653
NRL bid expenses	158,324	151,336
	<u>1,100,025</u>	<u>1,068,784</u>
Net Profit/(Loss) for the Year	<u>(18,903)</u>	<u>(23,140)</u>
