

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

Annual Report
For The Year Ended
31 October 2020

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

Annual Report
For The Year Ended 31 October 2020

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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 2020 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
Daniel Dickson (appointed 27 February 2020)	Company Director	Member NSDRLF Club	Chairman (6 Mar 2020) Representative to NSLC Board Sponsor Director
Peter McGrath	Company Director	Member NSDRLF Club	Deputy Chairman
Justin Owen	Lawyer	Member NSDRLF Club	Company Secretary Representative to NSLC Board
Mark Dowel	Retired	Life Member NSDRLF Club	
Martin Lawson	Company Director	Member NSDRLF Club	
Sean Wiles	Chartered Accountant	Member NSDRLF Club	
William Moore (appointed 22 May 2020)	Former Player	Member NSDRLF Club	Sponsor Director
James Bracey (appointed 1 November 2020)	Sports Presenter	Member NSDRLF Club	
Michael Chetner (appointed 1 November 2020)	Chartered Accountant	Member NSDRLF Club	
Perry Lopez (resigned 21 May 2020)	Company Director	Member NSDRLF Club	
Catherine Osborne (resigned 21 May 2020)	Lawyer	Member NSDRLF Club	

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:

Directors	Board Meetings Numbers of Meetings Attended	Number of Meetings Held
Daniel Dickson (appointed 27 Feb 2020)	8	8
Peter McGrath	12	12
Justin Owen	12	12
Mark Dowel	12	12
Martin Lawson	12	12
Sean Wiles	12	12
William Moore (appointed 22 May 2020)	5	5
James Bracey (appointed 1 Nov 2020)	N/A	N/A
Michael Chetner (appointed 1 Nov 2020)	N/A	N/A
Perry Lopez (resigned 21 May 2020)	8	8
Catherine Osborne (resigned 21 May 2020)	6	7

Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 31 October 2020 was 746.

Operating Result

The surplus for the year amounted to \$182,390 (2019 deficit: \$74,434)

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.

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Directors' Report

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 2020 there were 746 members.

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 Wednesday day of 10th February 2021.



Daniel Dickson
Director



Sean Wiles
Director

**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 2020, 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



Adrian Thompson
Partner

155 The Entrance Road
Erina NSW 2250

Dated: 10 February 2021

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Statement of Profit or Loss & Other Comprehensive Income
For The Year Ended 31 October 2020

	Note	2020	2019
		\$	\$
Revenue	2	1,472,939	1,768,317
Administration expenses		(63,285)	(99,295)
Bad debts expense		(34,062)	-
Depreciation	3	(2,059)	(12,407)
Employee costs		(251,138)	(311,532)
Finance costs		(3,638)	-
Football team expenses		(832,899)	(1,221,284)
Junior League expenses		(50,867)	(152,655)
Merchandise costs		(52,601)	(45,578)
Surplus / (deficit) before income tax expense		182,390	(74,434)
Income tax expense		-	-
Net surplus / (deficit) after income tax		182,390	(74,434)
Other comprehensive Income		-	-
Total comprehensive income for the year		182,390	(74,434)

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 2020

	Note	2020	2019
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	4	27,485	98,176
Other receivables	5	102,042	132,533
GST refundable		650	7,245
Total Current Assets		<u>130,177</u>	<u>237,954</u>
Non-Current Assets			
Property, plant and equipment	6	1,293	3,351
Total Non-current Assets		<u>1,293</u>	<u>3,351</u>
Total Assets		<u>131,470</u>	<u>241,305</u>
Current Liabilities			
Trade and other payables	7	66,322	301,286
Employee benefits	8	33,906	92,587
Total Current Liabilities		<u>100,228</u>	<u>393,873</u>
Non-Current Liabilities			
Employee benefits	8	4,957	3,537
Total Non-Current Liabilities		<u>4,957</u>	<u>3,537</u>
Total Liabilities		<u>105,185</u>	<u>397,410</u>
Net Assets / (Liabilities)		<u>26,285</u>	<u>(156,105)</u>
Members' Funds			
Retained earnings		139,089	(43,301)
League Football Club		(112,804)	(112,804)
		<u>26,285</u>	<u>(156,105)</u>

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 2020

	League Football Club \$	Retained Earnings \$	Total \$
Balance at 1 November 2018	(112,804)	31,133	(81,671)
Other comprehensive income	-	-	-
(Deficit) for the year attributable To the members of the Company	-	(74,434)	(74,434)
Balance at 31 October 2019	(112,804)	(43,301)	(156,105)
Balance at 1 November 2019	(112,804)	(43,301)	(156,105)
Other comprehensive income	-	-	-
Surplus for the year attributable To the members of the Company	-	182,390	182,390
Balance at 31 October 2020	(112,804)	139,089	26,285

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 2020

	Note	2020 \$ Inflows (Outflows)	2019 \$ Inflows (Outflows)
Cash flows from operating activities			
Receipts from members, sponsors, grants		1,491,951	1,817,638
Payments to suppliers and employees		(1,562,704)	(1,869,045)
Interest received		62	101
Net cash provided by operating activities	9	(70,691)	(51,306)
Cash flows from investing activities			
Payments for property, plant & equipment		-	(4,660)
Net cash used in investing activities		-	(4,660)
Net (decrease)/increase in cash held		(70,691)	(55,966)
Cash at the beginning of the financial year		98,176	154,142
Cash at the end of the financial year		27,485	98,176

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 2020

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.

Going concern and economic dependency

The Directors note that the Company receives a substantial contribution from sponsors, supporters, North Sydney Leagues Club and NSW Rugby League to operate the Company. The continued viability of the Company is dependent on the continued support from these stakeholders. During the year the Directors have implemented the following changes to the Company to ensure its continued viability;

- The Directors have made changes to the management and operational structures to reduce costs and improve accountability;
- The Directors have worked with the Club's sponsors to retain and support them during the COVID19 health emergency;
- The Directors have undertaken a review of football operations to deliver high performance sporting excellence, whilst reducing the cost of football operation to the Club; and
- The Directors have encouraged employees to take their annual and long service leave, which has seen a significant reduction in employee entitlements liabilities.

As at the date of this report, the Directors have no reason to believe that the support of its stakeholders will not continue and that the changes being implemented will not ensure the continued operation and financial viability of the Club.

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2020

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

Going concern and economic dependency (cont'd)

The Directors have reviewed the budgets and forecasts prepared in respect to the year ending 31 October 2021 and believe that the Company will generate sufficient cash flow required to continue as a going concern and meets its commitments as and when they fall due. However, the Directors acknowledge a material uncertainties exist due to the impact of the COVID-19 restrictions impacting the ability of many stakeholders to continue with their support of the Company.

Accounting Policies

(a) Income Tax

The Company is exempt from income tax under section 50-45 of the Income Tax Assessment Act.

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

(b) 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.

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 capitalised lease assets, but excluding buildings and 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	20%

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

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Notes to the Financial Statements
For The Year Ended 31 October 2020

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

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

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.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) 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 asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(d) 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.

(e) Revenue

Where the entity receives sponsorships, donations or grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB15.

Where both these condition are satisfied the Company;

- Identifies each performance obligation relating to the grant;
- Recognises a contract liability for its obligations under the grant;
- Recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Company;

- Recognise the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB9, AASB16 and AASB138);
- Recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liabilities);
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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Notes to the Financial Statements
For The Year Ended 31 October 2020

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

(e) Revenue (cont'd)

Sale of Goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

(f) 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.

(g) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the incorporated association will not be able to collect all amounts due according to the original terms of the receivables.

(h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 60 days of recognitions of the liability.

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Notes to the Financial Statements
For The Year Ended 31 October 2020

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

(i) Employee Benefits

Short-Term employee Benefits

Liabilities for wages and salaries including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other Long-Term Employee Benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(j) Members Subscriptions

Members subscriptions received in advance are amounts received from members in respect of subscriptions for 2019/20 and subsequent years, and are shown in the balance sheet under trade and other payables.

(k) 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 2020

	2020 \$	2019 \$
Note 2. Revenue		
Operating activities		
Membership subscriptions	35,776	23,573
Grant – North Sydney Leagues Club Ltd	324,376	520,005
Grant – NSW Rugby League	137,590	350,000
Function Income	4,254	91,080
Fundraising proceeds	60,560	8,209
Takings	2,086	24,896
Interest received	62	101
Sponsorship	331,375	539,858
Junior League Income	30,874	49,995
Merchandise Income	136,026	83,924
Sponsorship rebates	74,072	50,104
Sundry Income	11,388	26,572
Other – Covid Related Subsidies	324,500	-
Total Revenue	<u>1,472,939</u>	<u>1,768,317</u>
Note 3. Expenses		
Depreciation	<u>2,059</u>	<u>12,407</u>

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2020

	2020 \$	2019 \$
Note 4. Cash and Cash Equivalents		
Cash at bank and in hand	27,485	98,176

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	27,485	98,176
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Note 5. Other Receivables

Other debtors	84,042	103,115
Prepayments	18,000	29,418
	<u>102,042</u>	<u>132,533</u>

Note 6. Property Plant and Equipment

Plant and equipment – at cost	61,495	61,495
Less accumulated depreciation	(60,202)	(58,144)
	<u>1,293</u>	<u>3,351</u>

(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 2019	3,351	3,351
Additions	-	-
Disposals	-	-
Depreciation	2,059	2,059
Balance 31 October 2020	<u>1,293</u>	<u>1,293</u>

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2020

	2020 \$	2019 \$
Note 7. Trade and Other Payables		
Trade payables	30,264	142,143
PAYG Liability	15,476	52,412
Accrued Expenses	20,582	46,690
Superannuation Payable	-	60,041
Total and Other Payables	<u>66,322</u>	<u>301,286</u>
Note 8. Employee Benefits		
Current		
Annual Leave	27,880	53,101
Long service leave	6,026	39,486
Total current employee benefits	<u>33,906</u>	<u>92,587</u>
Non-Current		
Long service leave	4,957	3,537
Total non-current employee benefits	<u>4,957</u>	<u>3,537</u>
Total employee benefits	<u>38,863</u>	<u>96,124</u>
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	182,390	(74,434)
Non-cash flows in profit from ordinary activities		
Depreciation	2,059	12,407
Changes in assets and liabilities		
(Increase)/decrease in other debtors	19,073	49,765
(Increase)/decrease in other assets	18,013	-
Increase/(decrease) in payables	(234,965)	(64,182)
Increase/(decrease) in employee benefits	(57,261)	25,138
Cashflow from operations	<u>(70,691)</u>	<u>(51,306)</u>

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2020

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.

	2020 \$	2019 \$
Name		
Gregory Florimo*		
David Perry		
Jason Taylor#		
Key management personnel compensation		
Short-term benefits	228,988	332,575

* Gregory Florimo was included as a member of key management personnel in 2019, however excluded in 2020

Jason Taylor is included in 2020 as key management personnel, however was excluded in 2019

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 2020.

North Sydney District Rugby League Football Club Limited
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Notes to the Financial Statements
For The Year Ended 31 October 2020

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 14. Financial Risk Management (Con't)

Financial Assets

Cash & cash equivalents	27,485	98,176
Trade debtors	84,042	103,115
Total Financial Assets	<u>111,527</u>	<u>201,291</u>

Financial Liabilities

Trade payables	30,264	142,143
Other payables	36,058	159,143
Total Financial Liabilities	<u>66,322</u>	<u>301,286</u>

Note 15. Registered Office

The registered office address of the Company is:

12 Abbott Street
Cammeray NSW 2062

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

Directors' Declaration
For The Year Ended 31 October 2020

The Directors of the Company declare that:-

1. The financial statements and notes, as set out on pages 7 to 20 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 2020 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.



Daniel Dickson
Director



Sean Wiles
Director

Signed at Cammeray this day of 10th February 2021.
Wednesday

**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 2020, the statement of profit or loss and other comprehensive income, statement of changes in members 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 2020 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.

Emphasis of Matter Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates the financial impact of the global pandemic that could have a significant impact on the continued support from sponsors, supports, members and corporate supporters of the Company.

Whilst the Directors have implemented changes and strategies to address the impact of COVID19 health emergency and ensure the continued viability of the Company, as stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

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 31 October 2020, 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.

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.

**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...)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Adrian Thompson
Partner

155 The Entrance Road
ERINA NSW 2250

Dated: 10 February 2021

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 2020

	2020	2019
	\$	\$
Revenue		
Membership subscriptions	35,776	23,573
Grant–North Sydney Leagues Club Ltd	264,376	400,005
Grant–North Sydney Leagues Club Ltd–Women’s Program	60,000	120,000
Grant – NSW Rugby League	137,590	350,000
Function income	4,254	91,080
Fundraising proceeds	60,560	8,209
Takings	2,086	24,896
Interest received	62	101
Sponsorship	331,375	539,858
Junior League income	30,874	49,995
Merchandise income	136,026	83,924
Sponsorship rebates	74,072	50,104
Royalties	332	343
Sundry income	11,056	26,229
Other – Covid Related Subsidies	324,500	-
Total Revenue	<u>1,472,939</u>	<u>1,768,317</u>
Less: Expenses		
Administration:		
Salary & wages (Schedule 3)	249,191	244,510
Superannuation (Schedule 3)	59,208	44,382
Provision for Annual leave (Schedule 3)	(25,221)	14,720
Accounting & Audit fees	4,000	4,500
Bad debts expense	34,062	-
Bank charges	2,368	2,446
Depreciation	2,059	12,407
Donations	-	31
Finance costs	3,638	-
Legal	180	112
Meeting expenses	68	3,738
Merchandise	52,601	45,578
Motor vehicle expenses	7,693	11,961
Long service leave (Schedule 3)	(32,040)	10,417
Postage	7,592	51
Printing & stationery	1,773	4,531
Telephone	4,614	6,121
Sundry expense	5,034	5,447
Social/Special Event/Fundraising	21,541	51,220
Computer expenses	8,423	6,640
Junior League (Schedule 1)	50,867	152,655
Football team expenses (Schedule 2)	832,899	1,221,284
Total Expenses	<u>1,290,549</u>	<u>1,842,751</u>
Net Surplus / (Deficit) for the Year	<u>182,390</u>	<u>(74,434)</u>

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 2020

	2020 \$	2019 \$
Schedule 1 – Junior League		
Ground Hire	7,371	14,337
Referees	25,097	32,326
Wages	18,399	105,992
	<u>50,867</u>	<u>152,655</u>
Schedule 2 – Football Team Expenses		
Development fees	-	15,400
Doctors & medical fees	34,695	9,066
Entertainment	3,672	7,992
Equipment purchases	4,659	12,344
General expenses	2,000	2,688
Game day marketing	20,022	19,710
Ground Hire	21,286	20,429
Ground Hire – Training	35,834	35,544
Insurance	24,332	11,777
Laundry	429	2,671
Medical equipment	-	146
Physiotherapy	35,273	37,800
Players entertainment	509	1,489
Players outfits	151,056	138,172
Player payments	95,517	192,234
Player food	13,321	36,076
Programs	1,015	4,445
Strapping	19,711	34,396
Salaries – Football staff	286,729	476,197
External Player Contributions	61,903	128,900
Storage	247	1,452
Subscriptions	1,042	6,687
Supplements	2,328	4,845
Training course	1,980	1,600
Trophies	5,409	2,674
Travel – National	6,404	9,792
Travel – International	846	1,503
Video/DVD recording	2,680	5,255
	<u>832,899</u>	<u>1,221,284</u>
Schedule 3 – Employee Costs		
Salary & wages (Schedule 3)	249,191	244,510
Superannuation (Schedule 3)	59,208	41,885
Provision for Annual leave (Schedule 3)	(25,221)	14,720
Long service leave (Schedule 3)	(32,040)	10,417
	<u>251,138</u>	<u>311,532</u>