

Financial Statements

North Sydney District Rugby League Football Club Limited

ABN 65 003 009 158

For the year ended 31 October 2022

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Directors' Report

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

Your Directors present their report together with the financial report of North Sydney District Rugby League Football Club Limited (the Company) for the financial year ended 31 October 2022.

Directors

The names of the Directors in office throughout the year and at the date of this report are:

| Director | Position | Experience | Qualification |
|--|-------------------|--|----------------------|
| Daniel Dickson | Chairman | Member NSDRLFC Representative to NSLC Board | Company Director |
| Peter McGrath | Deputy Chairman | Member NSDRLFC | Company Director |
| Justin Owen | Company Secretary | Member NSDRLFC Representative to NSLC Board | Lawyer |
| Mark Dowel (Resigned 4/4/22) | Director | Member NSDRLFC | Retired |
| Martin Lawson | Director | Member NSDRLFC | Company Director |
| William Moore | Director | Member NSDRLFC | Former Player |
| Michael Chetner | Director | Member NSDRLFC | Chartered Accountant |
| Guy Gunasekera | Director | Member NSDRLFC | Chartered Accountant |
| Anthony Crawford (Appointed 19/10/22) | Director | Member NSDRLFC | Finance Executive |

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 were as follows:

| Director | Number of Meetings Attended | Number of Meetings Eligible to Attend |
|------------------|-----------------------------|---------------------------------------|
| Daniel Dickson | 10 | 10 |
| Peter McGrath | 9 | 10 |
| Justin Owen | 10 | 10 |
| Mark Dowel | 3 | 4 |
| Martin Lawson | 10 | 10 |
| William Moore | 8 | 10 |
| Michael Chetner | 9 | 10 |
| Guy Gunasekera | 10 | 10 |
| Anthony Crawford | 1 | 1 |

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 Company 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.

Operating Result

The surplus for the financial year amounted to \$2,536.

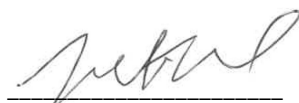
Members' Limited Liability

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 \$1.00 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. Based on the number of members at 31 October 2022, the total members' liability would be \$1,952.

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 5.

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



Daniel Dickson (Chairman)



Michael Chetner (Director)

Dated this 15th day of February 2023

AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the Corporations Act 2001

To the Directors of North Sydney District Rugby League Football Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 October 2022 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.

MAHER GROUP ASSURANCE PTY LIMITED



Jason Maher
Director

Taren Point

Dated this 15th day of February 2023

Statement of Profit or Loss and Other Comprehensive Income

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

| | 2022 | 2021 |
|--|------------------|------------------|
| Income | | |
| Revenue | 1,889,861 | 1,690,773 |
| Total Income | 1,889,861 | 1,690,773 |
| Expenses | | |
| Administration expenses | 192,055 | 62,672 |
| Depreciation | 2,185 | 847 |
| Employee benefits expenses | 573,439 | 578,922 |
| Football expenses | 769,877 | 641,808 |
| Finance costs | - | 216 |
| Junior League expenses | 61,077 | 42,261 |
| Merchandise purchases | 268,693 | 182,043 |
| Loss on disposal of assets | 20,000 | - |
| Total Expenses | 1,887,325 | 1,508,770 |
| Profit (Loss) for the year | 2,536 | 182,003 |
| Total comprehensive income for the year | 2,536 | 182,003 |

The accompanying notes form part of these financial statements.

Statement of Financial Position

North Sydney District Rugby League Football Club Limited As at 31 October 2022

| | NOTES | 31 OCT 2022 | 31 OCT 2021 |
|--------------------------------------|-------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 3 | 175,262 | 232,801 |
| Receivables | 4 | 107,881 | 70,833 |
| Prepayments | 5 | 5,250 | - |
| Total Current Assets | | 288,393 | 303,634 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 6 | 6,123 | 6,548 |
| Total Non-Current Assets | | 6,123 | 6,548 |
| Total Assets | | 294,517 | 310,182 |
| Liabilities | | | |
| Current Liabilities | | | |
| Payables | 7 | 33,229 | 62,331 |
| Provisions | 8 | 45,251 | 32,464 |
| Total Current Liabilities | | 78,481 | 94,795 |
| Non-Current Liabilities | | | |
| Provisions | 8 | 5,212 | 7,099 |
| Total Non-Current Liabilities | | 5,212 | 7,099 |
| Total Liabilities | | 83,693 | 101,894 |
| Net Assets | | 210,824 | 208,288 |
| Equity | | | |
| Retained Earnings | 9 | 210,824 | 208,288 |
| Total Equity | | 210,824 | 208,288 |

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

North Sydney District Rugby League Football Club Limited
For the year ended 31 October 2022

| | 2022 | 2021 |
|------------------------|----------------|----------------|
| Equity | | |
| Opening Balance | 208,288 | 26,285 |
| Increases | | |
| Profit for the Period | 2,536 | 182,003 |
| Total Increases | 2,536 | 182,003 |
| Total Equity | 210,824 | 208,288 |

The accompanying notes form part of these financial statements.

Statement of Cash Flows

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

| | 2022 | 2021 |
|---|-----------------|----------------|
| Cash Flows | | |
| Operating Activities | | |
| Receipts from customers and others | 1,852,813 | 1,703,982 |
| Payments to suppliers and employees | (1,888,592) | (1,492,564) |
| Interest received | - | 1 |
| Finance costs | - | - |
| Total Operating Activities | (35,779) | 211,419 |
| Investing Activities | | |
| Proceeds from sale of property, plant and equipment | 25,782 | - |
| Payment for property, plant and equipment | (47,542) | (6,103) |
| Total Investing Activities | (21,760) | (6,103) |
| Net Cash Flows | (57,539) | 205,316 |
| Cash and Cash Equivalents | | |
| Cash and cash equivalents at beginning of period | 232,801 | 27,485 |
| Cash and cash equivalents at end of period | 175,262 | 232,801 |
| | 2022 | 2021 |

Reconciliation of Cash Flows

| | | |
|--|-----------------|----------------|
| Operating profit (loss) for the year | | |
| Operating profit (loss) for the year | 2,536 | 182,003 |
| Total Operating profit (loss) for the year | 2,536 | 182,003 |
| Non-cash flows in operating profit (loss) | | |
| Depreciation | 2,185 | 847 |
| Loss on sale | 20,000 | - |
| Total Non-cash flows in operating profit (loss) | 22,185 | 847 |
| Changes in assets and liabilities | | |
| (Increase) Decrease in receivables | (37,048) | 13,210 |
| (Increase) Decrease in other assets | (5,250) | 18,651 |
| Increase (Decrease) in payables | (29,102) | (3,991) |
| Increase (Decrease) in provisions | 10,900 | 699 |
| Total Changes in assets and liabilities | (60,500) | 28,569 |
| Net cash provided by operating activities | (35,779) | 211,419 |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

1. Statement of Significant Accounting Policies

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

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by 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 financial statements are presented in Australian dollars, which is the Company's functional currency, and have been rounded to the nearest dollar.

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by Directors to ensure that the carrying amount 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 utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating 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 plant & equipment are in the range 20% - 33%.

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.

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.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at 31 October 2022. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

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.

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.

Revenue Recognition

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.

Membership subscriptions

Membership subscriptions paid in advance are initially recognised as a liability. Revenue is recognised on a straight line basis over the membership period, based on the membership category for which subscriptions have been received.

Contract 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.

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.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

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

Goods and Services Tax

Transactions are recognised net of 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 balance sheet.

Income Tax

The Company is considered to be exempt from income tax under Section 50-45 of the Income Tax Assessment Act, being a non-profit organisation, not carried on for the purpose of profit or gain to its individual members and which was established for the encouragement of a game or sport. Accordingly, no account for income tax has been taken in these financial statements.

Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Going Concern

The financial report has been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company receives 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.

The Directors have concluded that the use of the going concern assumption in the preparation of the financial report is appropriate given there is no reason to believe that the support of its stakeholders will not continue and that there is no uncertainty around the continued operation and financial viability of the Company.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities at amounts different from those currently stated in the financial report.

Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make estimates and judgements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly to those estimated.

Key judgments - Impairment of non-financial assets

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Key judgments - Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at reporting date. In determining the present value of the liability, attrition rates, salary growth rates and an appropriate discount factor have been considered.

| | 2022 | 2021 |
|--|------------------|------------------|
| 2. Revenue | | |
| Canteen & Gate Takings | 69,639 | 50,748 |
| Fundraising Income | 51,797 | 8,598 |
| Function & Events Income | 40,576 | 498 |
| Government COVID-19 Grants and Subsidies | 17,591 | 175,816 |
| Interest Income | - | 1 |
| Junior League Income | 50,000 | 50,000 |
| Membership Income | 93,953 | 32,228 |
| Merchandise Income | 328,774 | 255,092 |
| Norths Grant | 548,000 | 548,000 |
| NSWRL Grant | 273,000 | 247,500 |
| Postage Income | 27,879 | - |
| Roosters Grant / Contribution | 30,000 | 30,000 |
| Royalties | - | 3,399 |
| Sponsorship Income | 282,364 | 218,458 |
| Sponsorship Rebates | 58,615 | 68,085 |
| Other Revenue | 17,673 | 2,350 |
| Total Revenue | 1,889,861 | 1,690,773 |
| | 2022 | 2021 |

3. Cash and Cash Equivalents

| | | |
|--|----------------|----------------|
| Bank Accounts | 175,262 | 232,801 |
| Total Cash and Cash Equivalents | 175,262 | 232,801 |
| | 2022 | 2021 |

4. Receivables

| | | |
|--------------------------|----------------|---------------|
| Accounts Receivable | 103,143 | 70,833 |
| GST Receivable | 4,738 | - |
| Total Receivables | 107,881 | 70,833 |
| | 2022 | 2021 |

5. Prepayments

| | | |
|-----------------------------|--------------|----------|
| Players' Advance | 3,250 | - |
| Bond - North Sydney Council | 2,000 | - |
| Total Prepayments | 5,250 | - |

2022 2021

6. Property Plant and Equipment**Plant and Equipment**

| | | |
|---|--------------|--------------|
| Plant and Equipment at Cost | 69,358 | 67,598 |
| Accumulated Depreciation of Plant and Equipment | (63,235) | (61,050) |
| Total Plant and Equipment | 6,123 | 6,548 |
| Total Property Plant and Equipment | 6,123 | 6,548 |

Property Movement Note

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 at start of period | 6,548 | 6,548 |
| Additions | 47,542 | 47,542 |
| Disposals | (45,782) | (45,782) |
| Depreciation | (2,185) | (2,185) |
| Balance at end of period | 6,123 | 6,123 |

2022 2021

7. Payables

| | | |
|---------------------------|---------------|---------------|
| Accounts Payable | 27,900 | 38,309 |
| Accrued Charges | 4,417 | 7,203 |
| GST Payable | - | 8,463 |
| PAYG Withholdings Payable | - | 8,356 |
| Superannuation Payable | 913 | - |
| Total Payables | 33,229 | 62,331 |

2022 2021

8. Provisions**Current**

| | | |
|----------------------------|---------------|---------------|
| Annual Leave Accrual | 36,374 | 25,202 |
| Long Service Leave Accrual | 8,878 | 7,262 |
| Total Current | 45,251 | 32,464 |

Non Current

| | | |
|--|--------------|--------------|
| Long Service Leave Accrual (Non Current) | 5,212 | 7,099 |
| Total Non Current | 5,212 | 7,099 |

| | | |
|-------------------------|---------------|---------------|
| Total Provisions | 50,463 | 39,563 |
|-------------------------|---------------|---------------|

| | 2022 | 2021 |
|--------------------------------|----------------|----------------|
| 9. Retained Earnings | | |
| Current Year Earnings | 2,536 | 182,003 |
| Retained Earnings | 208,288 | 26,285 |
| Total Retained Earnings | 210,824 | 208,288 |

10. Contingent Liabilities

In the opinion of the Directors, the Company did not have any contingent liabilities at 31 October 2022.

11. Key Management Personnel

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

The totals of remuneration paid to key management personnel (KMP) of the Company during the year are as follows:

| | 2022 | 2021 |
|--|---------|---------|
| Key Management Personnel Compensation | | |
| Short-term benefits | 263,461 | 278,808 |

12. Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated. Transactions with related parties:

Phat Sourcing

Mr Daniel Dickson is a Director of the Company and also has indirect financial interests in Phat Sourcing Pty Ltd which was engaged by the Company for the procurement of plant & equipment and merchandise. All engagements were performed under normal market conditions and at normal market rates.

| | 2022 | 2021 |
|-----------------------------------|--------|------|
| Related Party Transactions | | |
| Phat Sourcing | 48,670 | 560 |

13. Company Details

The registered office address of the Company is:

12 Abbott Street, CAMMERAY, NSW, 2062

14. Events Occurring Ater the Reporting Date

In the interval between the end of the financial year and the date of this report, no transactions or event of material and unusual nature has arisen to significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in the future financial years.

Directors' Declaration

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

The Directors of the Company declare that:

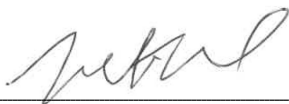
1. The financial statements and notes, as set out on pages 6 to 16, are in accordance with the Corporations Act 2001 and:

a) present a true and fair view of the Company's financial position as at 31 October 2022 and its performance for the year ended on that date; and

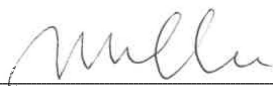
b) comply with the requirements of the Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001; and

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.



Daniel Dickson



Michael Chetner

Dated this 15th day of February 2023

INDEPENDENT AUDITOR'S REPORT

To the members of North Sydney District Rugby League Football Club Limited

Auditor's opinion

We have audited the accompanying financial report of North Sydney District Rugby League Football Club Limited (the Company), which comprises the statement of financial position as at 31 October 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 October 2022 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for auditor's opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We are independent of the company in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' report, 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 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 regard.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and Australian Accounting Standards – Simplified Disclosures and is appropriate to meet the needs of the members. The Directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that 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 intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

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

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

We 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.

We 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.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors.

We 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.

We 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 any significant deficiencies in internal control that we identify during our audit.

MAHER GROUP ASSURANCE PTY LIMITED



Jason Maher
Director

Taren Point

Dated this 15th day of February 2023

AUDITOR'S DISCLAIMER

For the year ended 31 October 2022

Disclaimer

The additional financial data presented on pages 22 to 24 is in accordance with the books and records of North Sydney District Rugby League Football Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 October 2022. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the Company) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

MAHER GROUP ASSURANCE PTY LIMITED



Jason Maher
Director

Taren Point

Dated this 15th day of February 2023

Detailed Profit and Loss Statement

North Sydney District Rugby League Football Club Limited For the year ended 31 October 2022

| | 2022 | 2021 |
|--|------------------|------------------|
| Income | | |
| Bears Business Club | 1,136 | - |
| Canteen Takings | 1,727 | 19,026 |
| Foundation Fundraising - Junior League | 2,875 | 2,464 |
| Foundation Fundrasing - Red & Black Foundation | 48,922 | 6,134 |
| Function & Events Income | 40,576 | 498 |
| Gate Income | 67,912 | 31,722 |
| Government COVID-19 Grants and Subsidies | 17,591 | 175,816 |
| Junior League Income | 50,000 | 50,000 |
| Legends Lounge Income | 6,432 | - |
| Membership Income | 93,953 | 32,228 |
| Merchandise Income | 328,774 | 255,092 |
| Norths Grant - Community & Welfare | 60,000 | 60,000 |
| Norths Grant - Men's League | 368,000 | 368,000 |
| Norths Grant - Women's League | 120,000 | 120,000 |
| NSWRL Grant | 273,000 | 247,500 |
| Postage Income | 27,879 | - |
| Roosters Grant / Contribution | 30,000 | 30,000 |
| Royalties | - | 3,399 |
| Sponsorship Income | 282,364 | 218,458 |
| Sponsorship Rebates | 58,615 | 68,085 |
| Supplement Income | 305 | 100 |
| Interest Income | - | 1 |
| Other Revenue | 9,800 | 2,250 |
| Total Income | 1,889,861 | 1,690,773 |
| Total Income | 1,889,861 | 1,690,773 |
| Expenses | | |
| Accounting Program | 1,467 | 1,648 |
| Advertising and Promotions | 3,685 | 2,106 |
| Audit Fees | 5,100 | 3,300 |
| Bad Debts | - | 2,145 |
| Bank Fees | 10,579 | 3,654 |
| Canteen COGS | - | 4,210 |
| Cleaning | 82 | - |
| Credit Card / Merchant Fees | 131 | 1,424 |
| Depreciation | 2,185 | 847 |
| Donations | 2,000 | 909 |
| Education & Wellbeing Expenses | 235 | - |
| Framing | 250 | - |
| Function & Events Expenses | 46,409 | 3,080 |

| | 2022 | 2021 |
|--|----------------|----------------|
| Gifts & Gestures | 328 | 675 |
| Information Technology | 1,375 | 4,004 |
| Interest Expense | - | 216 |
| Legal Expenses | 30,053 | 16,000 |
| Lodgement Fees | 962 | 384 |
| Meeting Expenses | 792 | 98 |
| Membership Expenses | 43,508 | 528 |
| Memorabilia Costs | - | 140 |
| Merchandise Purchases | 268,693 | 182,043 |
| Motor Vehicle Expenses | 7,017 | 7,536 |
| NRL Bid Associated Costs | 750 | - |
| Office Expenses | 1,843 | 1,217 |
| Postage | 29,292 | 979 |
| Printing & Stationery | 2,112 | 2,692 |
| Profit/Loss on Disposal of Assets | 20,000 | - |
| Repairs and Maintenance | 727 | 1,886 |
| Telephone & Internet | 3,357 | 4,056 |
| Employee Benefits Expense | | |
| Employee Leave Expense | 10,900 | 3,378 |
| Junior League - Wages | 16,951 | 19,060 |
| Salary - Football Staff | 264,454 | 264,560 |
| Superannuation (All) | 53,189 | 49,620 |
| Wages and Salaries - Administration | 227,945 | 242,305 |
| Total Employee Benefits Expense | 573,439 | 578,922 |
| Football Expenses | | |
| Doctor's Gap Payments | 13,077 | 2,491 |
| Entertainment | 4,285 | 2,121 |
| Equipment Purchases | 9,262 | 3,064 |
| Football Expenses | 3,113 | 5,559 |
| Game Day Marketing, Advertising and Promotions | 25,187 | 16,115 |
| Game Day Medical Fees | 21,416 | 12,909 |
| Game Day Support | 8,515 | 7,290 |
| Ground Hire | 24,237 | 19,974 |
| Ground Hire -Training | 31,270 | 43,221 |
| Insurance | 5,343 | 10,394 |
| Insurance - Workers Compensation | 8,800 | 13,762 |
| Laundry | 1,838 | 818 |
| Medical Equipment | 1,480 | 310 |
| Physiotherapy Fees | 46,783 | 35,345 |
| Player Payments - HNWP | 58,744 | 43,151 |
| Player Payments - Junior Reps | 4,750 | - |
| Player Payments - NSW Cup | 180,722 | 134,186 |
| Players' Entertainment | 3,820 | 2,417 |
| Players' Food | 22,435 | 14,019 |

| | 2022 | 2021 |
|-------------------------------------|------------------|------------------|
| Players' Outfits | 92,802 | 137,051 |
| Program Publication | 5,535 | 3,050 |
| Storage Fees | 6,873 | 6,297 |
| Strapping | 16,821 | 25,794 |
| Subscriptions | 6,017 | 7,264 |
| Supplements | 2,021 | 1,272 |
| Video and DVD Recording | 5,830 | 7,700 |
| Legends Lounge Expenses | 18,516 | - |
| Staff Payments - Suppliers | 120,750 | 71,250 |
| Training Course | 3,875 | 1,748 |
| Trophies | 909 | 1,383 |
| Travel - National | 14,851 | 11,853 |
| Total Football Expenses | 769,877 | 641,808 |
| Junior League Expenses | | |
| Junior League - Ground Hire | 27,497 | 9,457 |
| Junior League - Insurances | - | 4,661 |
| Junior League - Referees | 33,580 | 28,143 |
| Total Junior League Expenses | 61,077 | 42,261 |
| Total Expenses | 1,887,325 | 1,508,770 |
| Profit (Loss) for the Year | 2,536 | 182,003 |