
NSW Leagues' Club Limited

ABN 66 000 005 229

**Annual Financial Report
31 December 2018**

NSW Leagues' Club Limited

Directors' Report

The directors present their report together with the financial statements of NSW Leagues' Club Limited (the company) for the year ended 31 December 2018.

Directors

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

	Date appointed
Ray Dib GAICD Director NSW Rugby League Limited Graduate of the Australian Institute of Company Directors Managing Director d.l.b STEADFAST	26 May 2015
Deborah Jane Healey Academic/Solicitor Director NSW Rugby League Limited	26 May 2015
Ronald George Lanesbury Retired Trade Mechanical Engineer Mining Industry Life Member Muswellbrook Rugby League Life Member Hunter Valley Group 21 Rugby League Life Member Northern Division Rugby League Life Member N.S.W Country Rugby League Life Member N.S.W Rugby League Recipient of Australian Sports Medal Muswellbrook Golf Club Limited	28 February 2007
William Grant McNally Legal Practitioner Life Member, NSW Leagues' Club	10 April 2001
Robert Millward OAM Retired Rugby League Administrator Director Illawarra Steelers Limited Director NSW Rugby League Limited	26 May 2015
Dr George Christopher Peponis OAM Medical Practitioner Chairman NSW Rugby League Limited Director Clubs NSW Director Club Keno	26 May 2015
Geoffrey Gerard NSW Sales Manager Director NSW Rugby League Limited	26 May 2015

NSW Leagues' Club Limited

Directors' Report

Directors (continued)

Directors' meetings

The number of meetings of the company's Board of Directors (the Board) held during the year ended 31 December 2018, and the number of meetings attended by each director were:

Director	Number of meetings attended	Number of meetings held *
Mr R Dib	10	12
Mr G Gerard (Resigned 21/6/18)	5	6
Mrs D J Healey	8	12
Mr R G Lanesbury	12	12
Mr W G McNally	11	12
Mr R Millward OAM	12	12
Dr G C Peponis OAM	12	12

* Number of meetings held during the time the director held office during the year.

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 December 2018 and the comparison with last year is as follows:

	2018	2017
Ordinary	488	521
Honorary	135	135
Life	22	21
B Class	57	59
	<hr/>	<hr/>
	702	736
	<hr/> <hr/>	<hr/> <hr/>

Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$4 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. The liability at 31 December 2018 was \$2,808 (2017: \$2,944).

Operating result

The comprehensive income for the year was a loss of \$345,474, compared to profit of \$595,295 in the prior year. This result came after charging \$1,970 (2017: \$2,334) for depreciation and included \$1,155,962 fair value loss (2017: \$458,506 fair value profit) on available for sale investments.

NSW Leagues' Club Limited

Directors' Report

Objectives

The objective of the Club is to maintain its identity well into the future, and preserve the members' assets which have been accumulated over many years.

Strategy for achieving the objectives

The Club will implement a number of strategies, in order to achieve these objectives that include:

- Investigate the possible re-location of the Club to another site within the greater Sydney area.
- Consider an amalgamation with another like-minded Club.
- Ensure that the Clubs investment portfolio is yielding the highest possible return on members' funds that is in accordance with best practice principles.
- Maintain the original goals of the Club, in its promotion of the game of rugby league in the State of New South Wales.
- The continual monitoring of changing trends in the industry.
- Keeping all other costs to a minimum, whilst these proposals are being evaluated.

Principal activity

The principal activity of the company during the year continued to be that of a licensed social club.

Performance measurement and key performance indicator

A number of KPIs are employed by the Directors in order to measure and improve performance; these include monitoring the returns on a percentage basis of the funds managed by Boag Financial Pty Limited on the Club's behalf, as well as the rise and fall of these investments in terms of their market value.

The Club also uses the EBITDA percentage to measure its financial performance so as to ensure that the assets are being used to their optimum level of return.

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 directors.

Dated at Sydney this 27th day of February 2019.

George Peponis
Chairman

DECLARATION OF INDEPENDENCE BY PAUL CHEESEMAN TO THE DIRECTORS OF NSW LEAGUES' CLUB LIMITED

As lead auditor of NSW Leagues' Club Limited for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Paul Cheeseman
Partner

BDO East Coast Partnership
Sydney, 27 February 2019

INDEPENDENT AUDITOR'S REPORT

To the members of NSW Leagues' Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NSW Leagues' Club Limited (the Company), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of NSW Leagues' 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 December 2018 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is 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 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 on the other information obtained prior to the date of this auditor's report, 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.

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 is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO East Coast Partnership

Paul Cheeseman
Partner

Sydney, 27th February 2019

NSW Leagues' Club Limited

Directors' Declaration

The directors of NSW Leagues' Club Limited declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 9 to 21, are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance, for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and *Corporations Regulations 2001*.
- (b) 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.

Dated at Sydney this 27th day of February 2019.

George Peponis
Chairman

NSW Leagues' Club Limited

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
Revenue and other income			
Rendering of services		1,384	1,809
Other revenue		1,064,491	396,128
		<hr/>	<hr/>
Total revenue	1	1,065,875	397,937
		<hr/>	<hr/>
Expenses			
Contractor expense		(30,251)	(36,809)
Occupancy expenses		(54,547)	(59,058)
Depreciation expenses	2	(1,970)	(2,334)
Legal and consulting fees		(440)	(3,995)
Travel expenses		(76)	(6,599)
Director's Honorariums	8	(56,500)	(41,482)
Administration expenses		(18,000)	(19,000)
Investment expenses		(87,184)	(79,825)
Other expenses		(6,419)	(12,046)
		<hr/>	<hr/>
Total expenses		(255,387)	(261,148)
		<hr/>	<hr/>
Profit before income tax		810,488	136,789
Income tax expense	3	-	-
		<hr/>	<hr/>
Net profit after income tax expense attributable to members		810,488	136,789
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Fair value gain / (loss) on available for sale investments, net of tax		(1,155,962)	458,506
		<hr/>	<hr/>
Total comprehensive income (loss) for the year, attributable to members		(345,474)	595,295
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 21.

NSW Leagues' Club Limited
Statement of Financial Position
As at 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents		768,781	981,108
Trade and other receivables		-	286
Inventories		-	3,021
Financial assets	4	56,387	81,285
Other current assets		806	21,761
		<hr/>	<hr/>
Total Current Assets		825,974	1,087,461
Non-Current Assets			
Financial assets	4	6,074,530	6,154,537
Property, plant and equipment	5	2,310	4,280
		<hr/>	<hr/>
Total Non-Current Assets		6,076,840	6,158,817
		<hr/>	<hr/>
Total Assets		6,902,814	7,246,278
LIABILITIES			
Current Liabilities			
Trade and other payables	6	17,528	15,509
Income received in advance		348	357
		<hr/>	<hr/>
Total Current Liabilities		17,876	15,866
		<hr/>	<hr/>
Net Assets		6,884,938	7,230,412
Members' Funds			
Reserves	7	(696,138)	459,824
Retained profits		7,581,076	6,770,588
		<hr/>	<hr/>
Total Members' Funds		6,884,938	7,230,412
		<hr/>	<hr/>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 21.

NSW Leagues' Club Limited
Statement of Changes in Members' Funds
For the Year Ended 31 December 2018

	Retained Earnings \$	Available- for-sale Financial Assets Reserve	Total Members' Funds \$
Balance at 1 January 2017	6,633,799	1,318	6,635,117
Net profit after income tax expense for the year	136,789	-	136,789
Other comprehensive income for the year, net of tax	-	458,506	458,506
Total comprehensive income for the year	136,789	458,506	595,295
Balance at 31 December 2017	6,770,588	459,824	7,230,412
Net profit after income tax expense for the year	810,488	-	810,488
Other comprehensive income for the year, net of tax	-	(1,155,962)	(1,155,962)
Total comprehensive income for the year	810,488	(1,155,962)	(345,474)
Balance at 31 December 2018	7,581,076	(696,138)	6,884,938

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 13 to 21.

NSW Leagues' Club Limited
Statement of Cash Flows
For the Year Ended 31 December 2018

	2018 \$	2017 \$
Cash Flows From Operating Activities		
Receipts from customers / members	12,993	33,507
Payments to suppliers and employees	(227,194)	(251,934)
Interest received	22,169	37,046
	<hr/>	<hr/>
Net cash (used) in operating activities	(192,032)	(181,381)
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Payment for property, plant and equipment	-	(1,384)
Proceeds from sale of property, plant and equipment	-	4,091
Dividends received	164,314	173,681
Other revenue from investments	866,449	163,379
Repayment / (Payment) for other financial assets	50,000	(50,000)
Net proceeds from sale / (Purchase) of other financial assets	(1,105,956)	83,197
Loan repayment received from Rugby League Country Club Limited	-	125,000
Loan repayment received from Windsor Leagues Club	4,898	28,715
	<hr/>	<hr/>
Net cash (used in) / provided by investing activities	(20,295)	526,679
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	(212,327)	345,298
Cash and cash equivalents at the beginning of the financial year	981,108	635,810
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	768,781	981,108
	<hr/> <hr/>	<hr/> <hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 21.

NSW Leagues' Club Limited

Notes to the Financial Statements

For the Year Ended 31 December 2018

About This Report

NSW Leagues' Club Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a non-for-profit entity for the purposes of preparing the financial statements. The financial statements are for NSW Leagues' Club Limited as a standalone legal entity.

The financial statements were approved for issue by the Directors on 27 February 2019.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australia Accounting Standards - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB);
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year;
- Have been prepared on a going concern basis.

The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the company. Information is considered material and relevant if, for example:

- The amount in question is significant because of its size or nature;
- It is important for understanding the results of the company;
- It helps to explain the impact of significant changes in the company's business - for example, acquisitions and impairment write downs; and
- It relates to an aspect of the Company's operations that is important to its future performance.

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Estimation of useful lives of assets.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

	2018 \$	2017 \$
1 Revenue and Other Income		
Rendering of Services Revenue		
Members' subscriptions	1,384	1,809
	<hr/>	<hr/>
Total rendering of services revenue	1,384	1,809
	<hr/>	<hr/>
Other Revenues		
Interest received	22,169	35,275
Dividends received	164,314	173,681
Other investment revenue	866,449	163,379
Taxation refunds	-	12,775
Sundry income	11,559	6,927
Gain on disposal of fixed asset	-	4,091
	<hr/>	<hr/>
Total other revenue	1,064,491	396,128
	<hr/>	<hr/>
Total revenue	1,065,876	397,937
	<hr/> <hr/>	<hr/> <hr/>

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Rendering of Services

Revenue from rendering services comprises revenue from services to members and other patrons of the club and is recognised when the services are provided.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Dividends Revenue

Dividends are recognised as revenue when the right to receive payment is established.

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

	2018 \$	2017 \$
2 Expenses		
Profit before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	1,970	2,334
	<hr/>	<hr/>
Total depreciation	1,970	2,334
	<hr/>	<hr/>

3 Income Tax

Income Tax Expense

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities.

Deferred Tax Asset Not Taken to Account

Deferred tax asset attributable to tax losses carried forward and timing differences has not been recognised as an asset because recovery is not probable.

Tax losses carried forward	426,130	418,988
Capital losses carried forward	174,431	386,086
	<hr/>	<hr/>
	600,561	805,074
	<hr/>	<hr/>

These benefits will only be obtained if:

- i) The company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised.
- ii) The company continues to comply with the conditions for deductibility imposed by law, and
- iii) No changes in tax legislation adversely affect the company in realising the benefit.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

3 Income Tax (Cont.)

Recognition and Measurement

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

	2018 \$	2017 \$
4 Financial Assets		
Current		
Investments in financial deposits, at cost	-	50,000
Loan to Windsor Leagues Club	56,387	31,285
Total current	<u>56,387</u>	<u>81,285</u>
Non-Current		
Investments in other entities, at cost	-	2,473
Investments in other entities, at market value	6,044,530	6,092,064
Loan to Windsor Leagues Club	30,000	60,000
Total non-current	<u>6,074,530</u>	<u>6,154,537</u>
	<u>6,130,917</u>	<u>6,235,822</u>

NSW Leagues' Club Limited

Notes to the Financial Statements

For the Year Ended 31 December 2018

Recognition and Measurement

The company classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(i) Loans and receivables

Trade receivables, loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. They arise when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the company has the positive intent and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

(iii) Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

All financial assets are recognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available for sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the profit or loss as gains and losses from investment securities.

The company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from available for sale investments revaluation reserve and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through profit or loss.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

	2018 \$	2017 \$
5 Plant and Equipment		
Plant and Equipment		
<i>At cost</i>	34,069	34,069
<i>Accumulated depreciation</i>	(31,759)	(29,789)
	<hr/>	<hr/>
Total plant and equipment net book value	2,310	4,280
	<hr/> <hr/>	<hr/> <hr/>
Movements in Carrying Amounts		
Plant and Equipment		
Carrying amount at beginning of year	4,280	5,230
Additions	-	1,384
Depreciation expense	(1,970)	(2,334)
	<hr/>	<hr/>
Carrying amount at end of year	2,310	4,280
	<hr/> <hr/>	<hr/> <hr/>

Recognition and Measurement

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including is depreciated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment	5 - 10 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

5 Plant and Equipment (Cont.)

Key Estimates and Judgements

The company determines the estimated useful lives and related depreciation charges for its plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

	2018 \$	2017 \$
6 Trade and Other Payables		
Current		
Trade payables	11,369	13,540
Other payables and accruals	6,159	1,969
	17,528	15,509
	17,528	15,509

Recognition and Measurement

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

	2018 \$	2017 \$
7 Reserves		
Available-for-sale financial assets reserve		
Balance at beginning of year	459,824	1,318
Fair value loss on available-for-sale investments	(1,155,962)	458,506
	(696,138)	459,824
	(696,138)	459,824

Nature and Purpose of Reserves

Available-for-sale financial assets reserve

The available-for-sale financial assets reserve includes the changes in the fair value of available-for-sale investments, arising from the revaluation of these assets in accordance with AASB 139. Fair value of available-for-sale financial assets is based on quoted market prices for listed shares and investment units.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

8 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the company during the financial year:

Dr G C Peponis OAM
Mr R Dib
Mr G Gerard (Resigned 21/6/18)
Mrs D J Healey
Mr R G Lanesbury
Mr W G McNally
Mr R Millward OAM

(b) Key Management Personnel Compensation

	2018 \$	2017 \$
Benefits and payments made to the Directors and Other Key Management Personnel	56,500	41,482

9 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 8.

Directors' Transactions with the Company

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

The aggregate amounts of each of the above types of transactions which were at normal trading terms with directors and their Director-related entities were as follows:

	2018 \$	2017 \$
Payments for services:		
Legal fees paid to William McNally, Jones and Staff	-	1,049

No director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

10 Company Details

The Club 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 \$4 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At 31 December 2018 there were 702 members (2017: 736 members). The liability as at 31 December 2018 was \$2,816 (2017: \$2,944).

The registered office of the company is 6 Herb Elliott Avenue, Sydney Olympic Park NSW 2127.

NSW Leagues' Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2018

11 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

12 Summary of Other Significant Accounting Policies

(a) Impairment of Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(b) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the company is the current bid price.

The carrying value of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar liabilities.

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.