



DOOLEYS

LIDCOMBE CATHOLIC CLUB

2018/19

ANNUAL REPORT



*Bringing
people
together*



DOOLEYS VALUES



COURAGE



RESPECT



INTEGRITY



HUMILITY



PROFESSIONALISM

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CHAIRMAN'S REPORT

JOHN MUNCE



Looking Back

On behalf of the Board of Directors, I submit for your approval and adoption the Annual Report for the year ending 30 June 2019. It is pleasing to report another successful year and strong financial performance by your Club. The details are provided in the CEO's Report and in the Financial Statements.

The Club measures success by focusing on three key areas:

- ▶ Financial performance of the Club
- ▶ The level of engagement and satisfaction achieved amongst its employees
- ▶ To make a contribution to the community

The Club's focus is to always manage its finances responsibly so that the Club remains successful well into the future. The first six months of trading has been very strong, however the last six months has seen a slowdown in member spend in the Club. This trend has also been reflected across the Club industry and into the general retail sector, but with great support from our loyal Members and the sustained focus by our CEO and Senior Management Team, a satisfactory outcome has been achieved during the year.

The Concourse at Lidcombe project has been a long and difficult project, and the Board understands that Members are anticipating as to when the project will start. As stated in last year's Annual Report, the State Significant Development application was withdrawn after consultation with Member feedback, along with community, government agencies and other stakeholders. Because of that action, an extensive consultation was undertaken, which has resulted in a revised masterplan, which will fundamentally provide similar facilities to the previous version, however, the scale, locations and timing of delivery has changed. The project is now on track to lodge development approvals by the end of 2019.

Stage One will be a five year program, delivering a significant amount of new Club facilities, an expanded

gym, over 500 new car parking spaces and an Independent Seniors Living community. Member and community feedback has been sought via information sessions and the feedback has been very positive.

This magnificent project will transform our Club and the Lidcombe Town Centre, providing our members with first class facilities and the community an upgraded Town Centre.

Corporate Social Responsibility (CSR)

Our commitment to our local community and beyond continued throughout the last financial year. Our direct community contribution which includes ClubGRANTS, donations, sponsorships, community expenditure, in-kind support, and much more amounted to \$3.815M up from \$3.344M in 2017/2018.

Our Governance and Sustainability Expenditure, which includes environmental, workplace health and safety and corporate governance amounted to \$375,830 giving a total CSR contribution of \$4,191,059, up from \$3,827,897 in 2017/18. This is a magnificent effort.

DOOLEYS staff contributed over 1,500 hours of volunteering in our local community during the last financial year. The large number of community projects supported under the DOOLEYS Helping Hands program included Vinnies Night Patrol (feeding homeless and disadvantaged people), blood donations, packing Christmas hampers, activities at local aged care facilities and much more.

DOOLEYS is an active contributor and leading member of our local community. Our strategic objectives in this area have been met for the financial year, and that included developing and facilitating long-term community partnerships, which provide added value services and involvement in key activities and events.

An example of DOOLEYS key community partnerships during the financial year include:

- ▶ **The Children's Hospital at Westmead** – research grant funding, supporting the City2Surf, Bandaged Bear Appeal, Christmas Fair.
- ▶ **Catholic Education Foundation** – supporting educational bursaries.
- ▶ **Cumberland Council** – supporting community events such as Seniors Week, Australia Day and Christmas in the Gardens.
- ▶ **Local sporting clubs** – including Auburn District Cricket Club, Lidcombe Auburn Cycle Club, Auburn Swimming Club, Parramatta Basketball Association and Netball NSW to name a few.

Director Training and Duties

During the last financial year, your Board has participated in briefings, conferences and courses conducted by the Australian Institute of Company Directors (AICD), Governance Institute of Australia (GIA), and the Club Director's Institute (CDI) to fulfil our duties as Directors.

DOOLEYS Board takes director training and commitment to Board duties seriously, as the changing environment in business requires directors to be compliant and carry out their duties with fidelity and trust.

At the January 2019 Board Meeting Director Peter Kennedy announced his retirement from the Board after twenty loyal years of service. Peter's resignation was reluctantly accepted, however time marches on for us all, and at the same time the Board appointed member Anna Ryan to fill the casual vacancy until the Annual General Meeting in October 2019.

The Way Ahead

With the result of the State and Federal Elections decided, the Club Industry and our club can move forward with confidence knowing that the following three to four years offer stability around taxation on gaming machines, responsible gambling, gaming

policy, supporting new clubs, and ClubGRANTS issues. These issues and more were addressed in the Memorandum of Understanding (MOU) signed in October 2018 at the ClubsNSW Conference between ClubsNSW and the State Government.

With this assurance, our future is clear allowing us to develop our Lidcombe and Regents Park sites with certainty. Your Board is determined that members will have the best facilities available. With membership increasing by approximately 1,000 per month, the best option is to continue moving forward with development plans.

The recent member satisfaction survey indicated strong support of the Club in all areas of the business, especially around excellent facilities and services driven by our DOOLEYS Difference Program, which is about creating best practice with the aim of being the benchmark in all facets of the business from front of house to back of house.

Finally

To our CEO David Mantle and his Senior Management Team, thank you for an outstanding effort during the last financial year in bringing home the Board's strategic objectives. To our staff, thank you for your loyal and dedicated service to our Members and guests ensuring their visitation is an enjoyable experience.

To my Board colleagues, I thank you for your outstanding contribution and commitment to the business. The many hours you contribute in the decision making process enables the Board to function effectively. To our loyal Members, thank you for your support throughout the year. Be proud of your Club as we move forward during this exciting period of growth.

Yours Sincerely



John Munce KSS
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

DAVID MANTLE



Members,

It is with pleasure that I provide an overview and commentary on the DOOLEYS performance for the 2018/2019 financial year.

I will also advise of a number of projects that are in various stages of progress or planning for the 2019/2020 financial year.

FINANCE

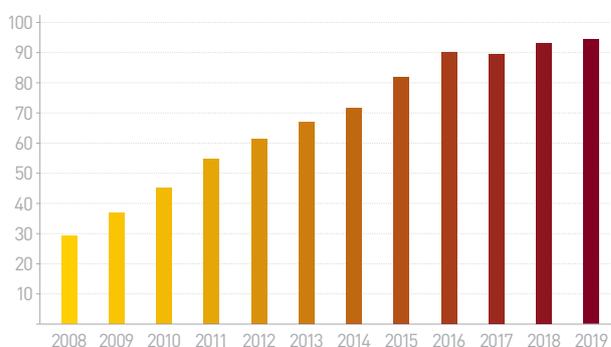
The 2018/2019 financial year continued the trend of growth and success of previous years. A snapshot of the key financial indicators are noted below.

Indication	Total	Increase (Decrease)
Revenue	94.233M	1%
Profit	14.093M	(10%)
Cashflow	20.696M	(6%)
Total Assets	182.872M	9%
Net Assets	173.404M	9%
Membership	82,786	1%
Marketing & Member Services	6.185M	(3%)
Community Support & Corporate Social Responsibility	4.191M	10%

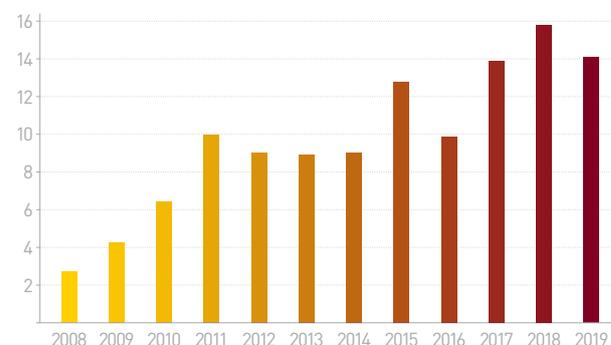
- ▶ Regents Park made a profit of \$176K, compared to the previous year's profit of \$173K.
- ▶ Waterview made a loss of (\$37K), compared to the previous year's loss of (\$205K).
- ▶ Lidcombe made a profit of \$13.955M, down on last year's \$15.828M.

The following graphs highlight the success and growth of DOOLEYS over the last 11 years.

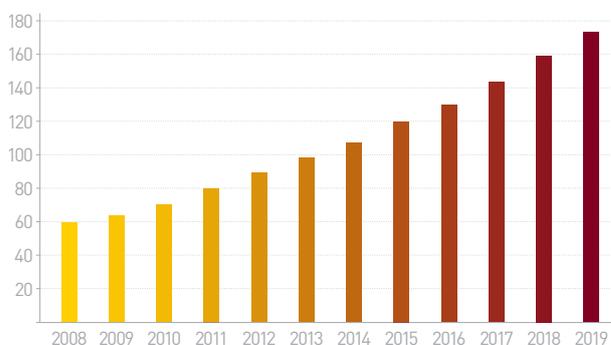
Revenue in millions of dollars



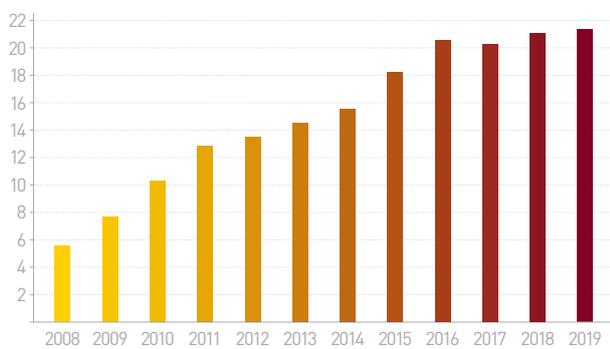
Net profit in millions of dollars



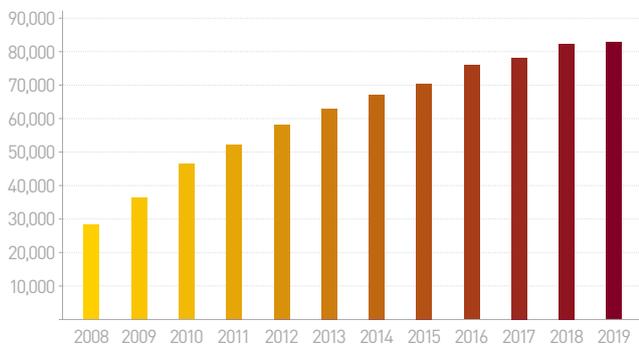
Net assets in millions of dollars



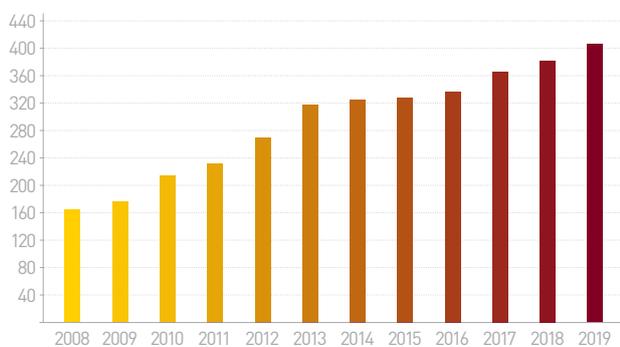
Gaming taxation paid *in millions of dollars*



Membership numbers



Staff numbers



STRATEGIC OBJECTIVES



High quality facilities – striving to improve the Club’s facilities, products and services



High performance culture – investing in our people, processes, systems and governance



Core profitability – ensuring profitability to achieve the Club’s strategic objectives



Diversification – seeking to provide profitable new facilities, services or businesses to maintain relevance and lessen the reliance on gaming



Corporate Social Responsibility – invest in Community programs, partnerships and improved compliance and governance to enhance the quality of our club and community.

CLUB DEVELOPMENT

Lidcombe – The Concourse at Lidcombe

The Board has approved a revised version of The Concourse at Lidcombe.

While the components remain essentially the same, it will be delivered in more stages, differing scales and order.

Stage One is a 5 year plan of works which will provide:

- ▶ More F&B options
- ▶ Improved Function Centre
- ▶ Expanded entertainment areas
- ▶ Expanded Intra Club areas
- ▶ Greatly expanded parking
- ▶ Expanded Health & Fitness
- ▶ Independent Living
- ▶ New staff amenities and administration

More detail is provided on pages 18–19.

Stage One will unlock many of the current constraints within the existing building site.

We anticipate having Development Applications to Council before year's end and, subject to approvals, beginning works in the 2nd half of 2020.

Regents Park

Designs for the Regents Park masterplan continue to evolve. Substantial reductions to height and mass of the Independent Living component have significantly reduced the potential number of units which in turn has impacted on the viability of the scheme.

Members will be updated as this project and design progresses.

Waterview

Plans are underway for the first major upgrade of this Club since amalgamation. It is in the very early stages and will be unveiled to Members once designs are finalised.

AMALGAMATIONS

Members would be aware of a proposal to amalgamate with Concord RSL.

At the time of writing both Concord RSL and DOOLEYS EGMs have just been held with both sets of members approving to proceed with the amalgamation. The next stage is a formal application to the Independent Liquor and Gaming Authority for approval of the amalgamation.

We hope to open discussions with the NSW RSL for ongoing occupancy of the site and if this cannot be achieved will look for alternate locations in the LGA.

COMMUNITY PARTNERSHIPS AND CORPORATE SOCIAL RESPONSIBILITY

With the ongoing success of the DOOLEYS Group, the Clubs have been able to continue their extensive support within the community.

A few of the notable achievements through the year are:

- ▶ 1,523 community volunteer hours undertaken by DOOLEYS employees;
- ▶ Over \$450,000 to Catholic Schools, Parishes, other Catholic organisations, Universities and St Vincent de Paul Society;
- ▶ Over \$200,400 funding to support the Cancer Centre for Children at The Children's Hospital at Westmead.

DOOLEYS contributed \$3.815 million directly to local community services and projects, in-kind support and harm minimisation initiatives and \$4.191 million as a total corporate social responsibility commitment. The Club's community commitment is well above the minimum contributions required through the ClubGRANTS Scheme.

I would like to thank all our Community Partners for their ongoing support of DOOLEYS, its strategic objectives and partnerships. DOOLEYS could not deliver the exceptional level of community support without these relationships.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

I take this opportunity to thank the Board for their tireless commitment to our Club, Members and community.

During the year, there were 40 Board and Committee meetings held.

Over and above normal Board meetings, DOOLEYS has a number of committees to oversee the Club. These are:

- ▶ Audit & Risk Committee
- ▶ Nomination Committee
- ▶ Property & Development Committee
- ▶ Remuneration Committee
- ▶ Disciplinary Committee

This commitment will increase notably as any of the Club's major projects evolve and come to fruition.

Your Board constantly strives to expand its learning and to that end is committed to ongoing education through AICD (Australian Institute of Company Directors), Governance Institute and CDI (Club Director's Institute). The Board also strives to improve its governance processes and uses the ASX Corporate Governance Principles as a guide.

An overview of the Club's governance documentation is provided in the Corporate area of the Club's website at www.dooleys.com

On a personal note, I thank Chairman John Munce, the Board individually and collectively for the guidance, commitment and support provided not only to myself but to our staff, members and community.

STAFF

One of our significant advantages is our wonderful staff. Our staff go above and beyond the call of duty and form genuine, caring relationships with our Members.

Members constantly recognise this through positive feedback and our high member satisfaction benchmark.

We recruit wonderful people and develop them into outstanding and caring employees. As the business grows, this continues to be our commitment and point of difference.

This is a business philosophy that underpins the success of our Clubs, staff genuinely caring for and serving Members and the community.

We are not perfect and occasionally do get it wrong, but we will certainly strive to be the best we can for our Members.

I thank our staff for their wonderful support throughout the year.

Thank you for your support of your Clubs.

Yours sincerely,



David Mantle
Chief Executive Officer

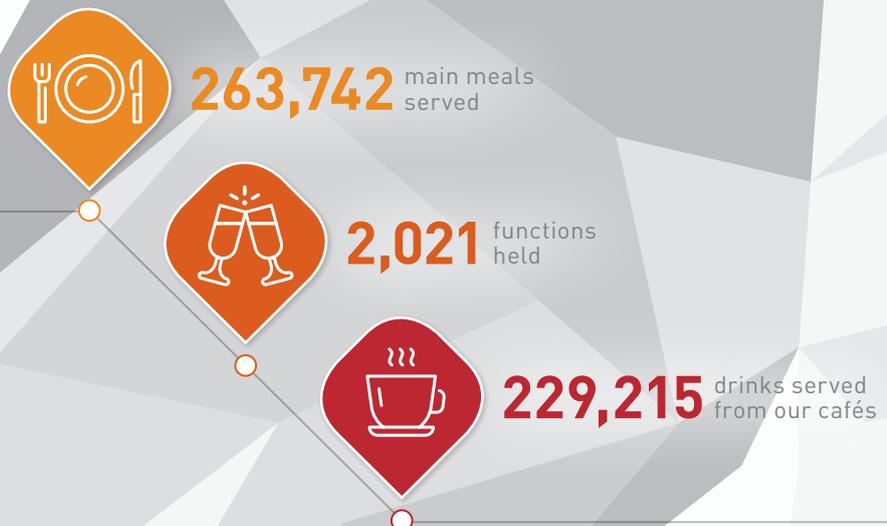
NOTE: Members with any questions relating to the Annual Report are asked to direct them in writing to the CEO, at least 14 days before the AGM.

KEY ACHIEVEMENTS

OUR MEMBERS



SERVING OUR MEMBERS



DOOLEYS IN THE COMMUNITY



Support for
over **150**
local community
organisations,
schools, charities
and events



1,523
hours
of community
volunteering by
DOOLEYS employees

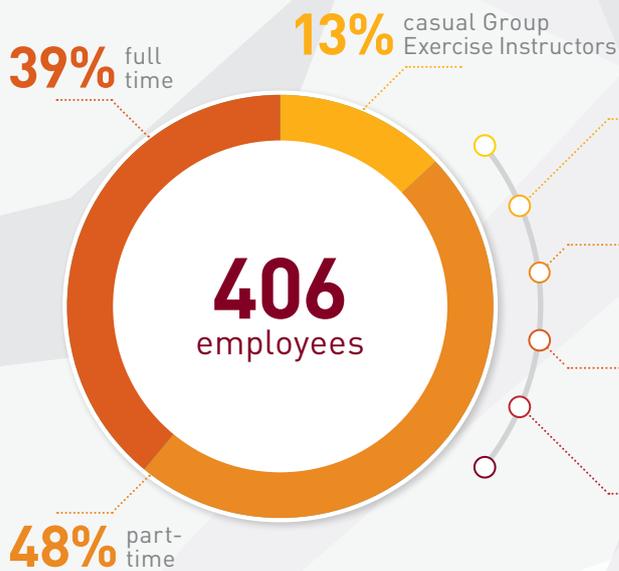


Over
\$600K
invested in local
education and
employment
initiatives



Over
\$270K
invested in projects
addressing
isolation and social
inclusion

OUR PEOPLE



35 different languages spoken

48% female

52% male

13,167 training hours undertaken



**COMMITTED TO
SERVICE EXCELLENCE**

DOOLEYS Regents Park Sports Club was recognised during 2018 for their exceptional customer service. Our team were named as the winners of the OOPS Superior Service Award in the Small Club Category.

BOARD OF DIRECTORS



John Munce
Chairman, *KSS, FAICD, B.Ed, B.Tch, Adv Dip EE, JP*

A Life Member of DOOLEYS, John joined the Club in 1970 and has been a board member since October 1998.

Elected President and Chair of the Board in November 2009 (now titled Chairperson) he is also a member of the Remuneration Committee, Property and Development Committee, and ex-officiate of the Audit & Risk Committee, Chair of both the Disciplinary Committee and Nominations Committee, and Patron of the Dancesport and Lawn Bowls Intra Clubs.

John is a member of the Club Director's Institute, and a Fellow of the Australian Institute of Company Directors, and is an advocate of Director education.

John is committed for the board to have a strong ongoing strategic plan in place to secure the Club's future. He also had a lifelong association with the Electrical Industry in Engineering and Consultancy and was a lecturer in Electrical Technology at TAFE NSW.



Kevin Morgan
Vice Chairman, *FAICD*

Kevin has served as a DOOLEYS Director for 14 years, 10 of which as Vice Chairman of the Board and also holds the position of Chairman of the Property and Development Committee, Member of the Nominations Committee, Fellow of the Australian Institute of Company Directors, Member of the Club Director's Institute, Patron of DOOLEYS Mixed Indoor Bowls, and a DOOLEYS Life Member.

Kevin finds it extremely satisfying to be involved in the decisions which benefit members, churches, hospitals, schools, sporting groups and the community in general. Kevin's father is an ex DOOLEYS Chairman so he values a unique opportunity to continue the mix of tradition and progress achieved by his father and his colleagues since the founding of the Club.

Kevin grew up in Lidcombe and has 43 years of DOOLEYS Membership. His wife and four sons are also Members and enjoy the facilities. As a Scentre Group Site Manager constructing Westfield and AMP shopping centres throughout Australia, Kevin's construction experience is an asset during the continuing upgrade and expansion of the three DOOLEYS properties.



Christopher Cassidy
LL.B, MAICD

Chris was appointed to the Board in 2002 and has served continuously from that time. Chris served two (2) terms as President, an honour he truly treasures. He has been a member of DOOLEYS for 21 years and was made a Life Member in 2010. Chris is a member of the following Board Committees: Nominations Committee; Property & Development Committee; Audit & Risk Committee and the Remuneration Committee.

He is a Patron of the Camera Club and the Walking DOOLEYS, and greatly appreciates the value that these Intra Clubs make to the continued success of our great Club. Chris is a lawyer by profession and has practiced in a Public and Private capacity.

Chris has lived in the LGA for over 30 years and has seen the Community change and evolve. DOOLEYS is highly regarded as a responsible Corporate and Community citizen. DOOLEYS manifests that responsibility by contributing to the community in a variety of ways by direct donations, sponsorships and the ClubsGRANTS Program. Chris sees the Club as an integral part of the community.

After ceasing work, Chris has involved himself in voluntary work concerning people with disabilities and community safety.

Chris sees it as an honour and a privilege to be a Director on the Board at DOOLEYS. He is strongly committed to the exciting future of the Club and will continue to work to provide a safe, secure and welcoming environment for all our members, their families and friends.



Michael Renshaw
FAICD, FIPA FIFA, GIA (Cert)

Michael Renshaw is originally from Lidcombe and has had a long and continuing family association with the Club. He has been a member of the Club for 44 years and was asked to join the Board of Directors in 2003. As the son of a past Chairman of the Board, Michael was proud to have been made a Life Member in 2010 for his continued service to the Club and work on the Board. Michael has been involved in the Euchre Club for many years and sees his role as Patron as an honour and a privilege.

Michael is the Chairman of the Remuneration and Audit & Risk Committees, and a member of the Nominations and Property Development Committees. Michael is a member of the Club Director's Institute, a Fellow of the Australian Institute of Company Directors a Fellow of the Institute of Public Accountants and a Fellow of the Institute of Financial Accountants. Michael has also been elected as a Certificated Member of the Governance Institute of Australia Ltd (formally Chartered Secretaries Australia). Michael is a past Governor of the Catholic Metropolitan Cemeteries Trust (CMCT) and was Chairman of its Audit Committee and a member of its Remuneration Committee.

At an executive level, Michael is a Chief Financial Officer working full time in the Not-for-Profit sector. Earlier this year Michael was reappointed as a member of the Australian Tax Office Small Business Stewardship Group. Michael's career in the accounting and finance industry provides the Board with a valuable insight into the changing and challenging environment of the finance industry.

As a Director, Michael is strongly committed to the Club and takes pride in his contribution to the growth, development, prosperity and future direction of DOOLEYS.



Terry Kenny
MAICD

Terry was honoured with Life Membership of DOOLEYS in 1986 for being responsible for many of the social innovations which helped to hold the Club together in the middle sixties. He has been a serving Board member for the last 21 years. Terry is a member of the Audit & Risk Committee. He was appointed Chairman of the Sports Council in 1999 and is responsible for the 15 Intra Club groups currently operating within DOOLEYS.

Terry has been and still is passionate about the future of the Club and the welfare of its members for over 50 years. He is a regular contributor to the Sports Report in the Club Magazine, YOURS. Terry has been the Treasurer of the DOOLEYS Social Golf Club since 1969 and is presently the Patron of the Travel and Tenpin Bowling Clubs. He has also been a coach for the Max Potential Program guiding students for future leadership roles. Terry attended the AICD seminar in 2013 and later that year he completed the Company Directors Course. He also attends numerous meetings and seminars for the benefit of Members, the Club and the Board.

Since joining the Club in 1965, Terry has been a tireless worker in all facets of Club life. For many years, Terry has been highly involved with the Presentation Evening, Golf Club Annual Dinner, DOOLEYS Christmas Fair, Mini Olympics, Melbourne Cup and assisted with the Friday Night Raffles for many years.

Terry retired from the Department of Defence where for over 30 years he gained vast experience as an Internal Auditor, Material Manager and Overseas Purchasing Officer.



Anna Ryan
B.A (Hons I), LL.B

Anna has been a member of the Club since 2007. She is currently the Captain and a Committee Member of the DOOLEYS Social Golf Club.

Anna holds a Bachelor of Arts (Hons I) and Bachelor of Laws from the University of Sydney.

Anna was invited to the Board on 11 March 2019. She brings over 12 years' experience in the banking and legal sectors, having worked as Legal Counsel for National Australia Bank and is currently a Senior Lawyer at a leading Australian law firm.

She is a member of the NSW Law Society and is a Professional Member of the Australian Restructuring Insolvency and Turnaround Association. Anna previously held the position of Board Committee Member of the Women's Insolvency Network Australia (NSW Branch).

Anna is committed to social welfare and the community. In recent years, Anna volunteered as a patient liaison volunteer and raised money for the Chris O'Brien Lifehouse at Royal Prince Alfred Hospital. She also regularly volunteers at the DOOLEYS Christmas Fair.

Outside of her professional commitments, Anna is a keen tennis player, playing for many years with the Berala-Carramar Tennis Association. She enjoys playing golf with the DOOLEYS Social Golf Club and has previously been nominated for DOOLEYS Sportsperson of the Year.



Margaret Croucher
GAICD

Margaret was elected to the Board in October 2013, has been a Member of DOOLEYS for 16 years and has lived in Berala for 43 years. She has 18 years' experience in the insurance and banking sectors, including both the Commonwealth and State Banks. For the past 32 years, Margaret has been working in education for the Catholic, State, Independent and Tertiary sectors.

Margaret has an impressive and diverse educational portfolio, which enhances her position as a director on the Board. She has completed and passed the AICD course and has undertaken professional development courses through AICD and CDI to enhance her role as a director thus meeting the legislative requirements of being a Director. Margaret holds a Certificate of Administrative Leadership (CAL), a Diploma of Applied Science and a Certificate III in School Services (Science). She is currently the Chairperson of the State Association and past President of the National Association for Lab Technicians. Margaret is on the Project Reference Group to maintain a national advisory service for teachers and lab technicians, is a member of the Working Party to establish national standards for Lab Technicians and regularly reviews new textbooks for the Australian science curriculum. She is a member of the Disciplinary Committee and Patron of the Ladies' Indoor Bowls and Ladies' Shuffleboard.

During her employment, Margaret has been actively involved in various committee positions on state and national associations, helping to promote and be successful in training and supporting colleagues in the education sector. This has culminated in her receiving a State Parliamentary award for volunteering services to education.

Over the years, Margaret's community service has included the Boy Scouts and Girl Guide movements, St Peter Chanel Parish and Primary School and Birrong Soccer Club.

Margaret brings the many life skills that she has learnt, to the Board as a Director for DOOLEYS. She is innovative and a change agent and works collegially with the other Directors, to promote the expansion and benefits of the Club to its members, guests and with wider community.



DOOLEYS HELPING HANDS

DOOLEYS employees are actively involved in our local community through the DOOLEYS Helping Hands volunteer program.

In 2018/19 DOOLEYS employees invested 1,523 hours of their own time undertaking volunteer activities.

DOOLEYS DEVELOPMENT UPDATE

A great deal has been achieved during the course of 2018–19 and, with an extensive amount of due diligence and feasibility work having been undertaken, we are pleased to have finalised our long-term vision for our Lidcombe property.

The Concourse at Lidcombe masterplan will deliver the same mixed-use concept as previously envisaged, including the expansion of existing club facilities, a senior's independent living community, a retail and commercial centre, a hotel and residential apartments. Our plans, which will be delivered in stages, will deliver long term benefits to our Members and the local community and demonstrate our commitment to playing a key role in the regeneration of the Lidcombe Town Centre.

We have consulted widely over a long period of time to ensure the best possible outcome for our Members

and the community, and we are now ready to move forward and deliver our vision.

Stage One will be a five-year project and will see the completion of exciting expansions to the existing Club as well as a range of new services and facilities, including a new administration block for our employees.

DOOLEYS Health & Fitness will also benefit from an expansion and a range of senior's independent living apartments will further grow the DOOLEYS offer and provide a natural expansion of our services, benefiting both Members and the wider community alike.

DOOLEYS has been an integral part of the community for over 70 years and our plans will expand the Club's services and diversify our income streams to ensure our future remains bright.



KEY DATES



Club Expansion

Late 2022



Health & Fitness Expansion

Mid 2023



Additional Members Parking

Late 2024



Seniors Living Community

Early 2025

KEY MEMBER BENEFITS

New F&B offers

New and expanded café

Bigger and better Kids Club

Increased lounge and entertainment space

Circa 500 new parking spaces

Seniors living community

Extended gym offer

DOOLEYS IN THE COMMUNITY



CREATING LEADERS OF TOMORROW

DOOLEYS has partnered with The Future Leader Group and Auburn Diversity Services Inc. to host programs for local refugees and migrants to help them become 'job-ready'. These programs include practical skills such as resume writing and interview techniques as well as helping participants recognise and explore their own individual skills and strengths.



SUPPORTING OUR LOCAL YOUTH

Youth engagement and development is a vital component of DOOLEYS community engagement program. We are always looking for innovative ways to support young people in our local area and have the opportunity to work with fantastic local community partners such as Auburn Youth Centre and Youth off the Streets.



PROVIDING SUPPORT FOR PEOPLE WITH DISABILITIES

DOOLEYS is passionate about partnering with organisations who provide essential support and services for people living with a disability. Organisations such as Vision Australia provide support to meet people's needs – whether that be living independently, being active in the local community, finding employment or staying connected with family and friends.



RED25 – UNITE TO SAVE LIVES

Red25 is a life-saving social responsibility movement where workplaces, schools and community groups across Australia unite to save lives through blood donation. DOOLEYS is a proud partner of the Australian Red Cross Blood Service with our staff donating regularly to help save lives. One blood donation can save three lives!



2018 INVICTUS GAMES

DOOLEYS was proud to be a Club Partner of the 2018 Invictus Games Sydney which saw almost 500 competitors from 18 nations compete in 13 different sports. The Games promotes the importance of sport and physical activity in the rehabilitation journey of wounded, injured and ill service members and veterans.

OUR CORPORATE SOCIAL RESPONSIBILITY

DOOLEYS is a proud local community club that actively contributes to the economic and social development of our local community each year. Here at DOOLEYS we are dedicated to the health, wellbeing and development of our employees as well as improving quality of life for our Club members and our local community as a whole.

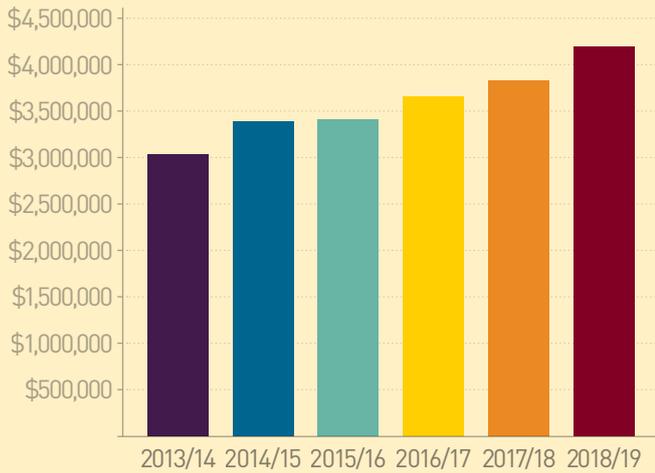
DOOLEYS Corporate Social Responsibility Program highlights **five key strategic priorities:**



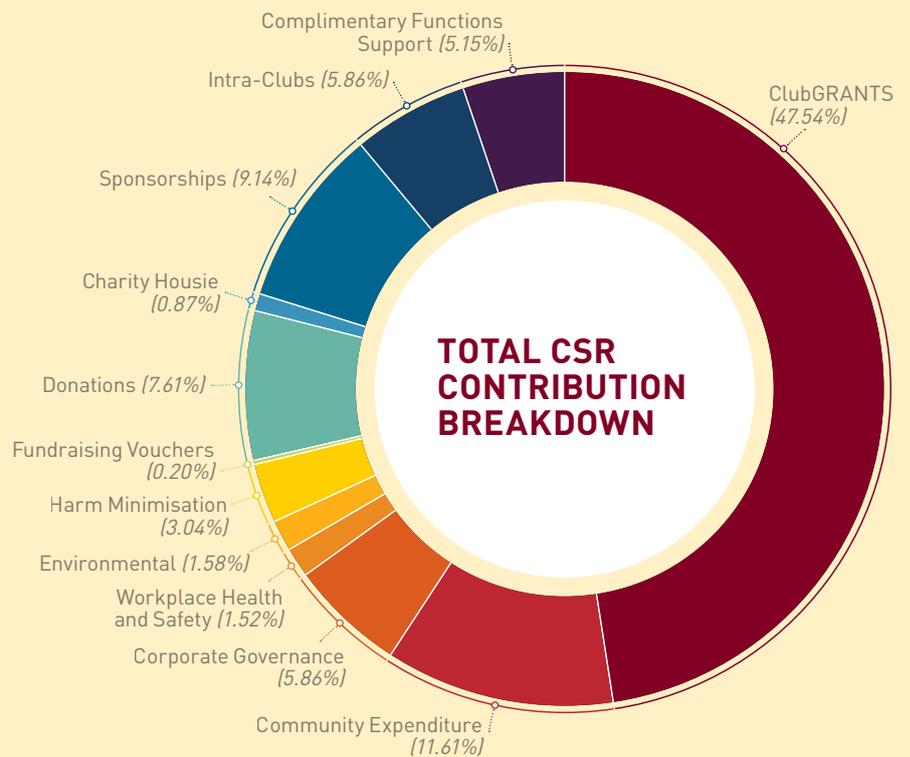
With an overall vision of 'Bringing People Together', DOOLEYS develops **community partnerships and capacity building projects** which have a direct impact on areas of identified community need:



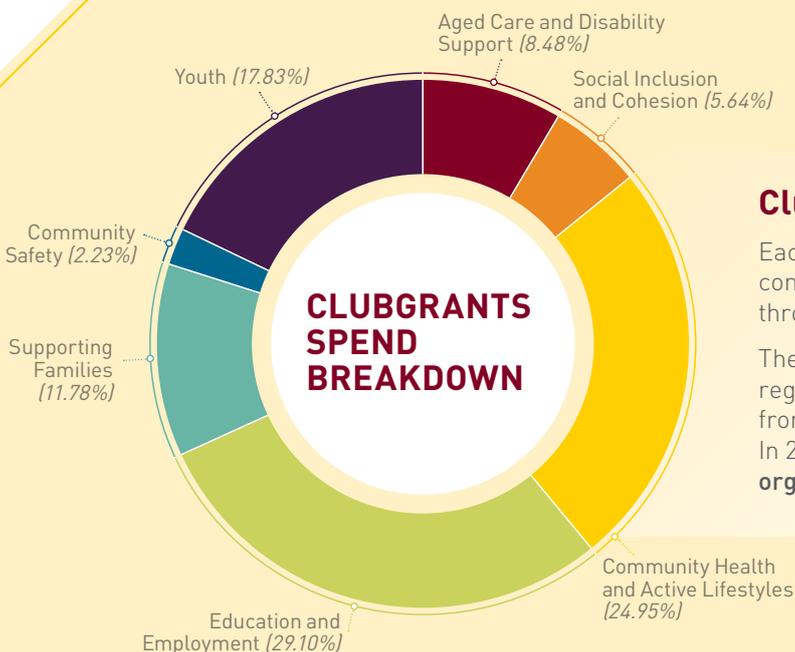
During 2018/19, DOOLEYS contributed **over \$3.8 million** directly to our local community through ClubGRANTS funding, sponsorships, local projects, charity support, in-kind assistance and harm minimisation initiatives. Our Governance and Sustainability expenditure, including environmental initiatives, workplace health and safety and corporate governance, sees our total CSR expenditure reach **over \$4.1 million**. Well **over 150 organisations** have been assisted in some way by DOOLEYS funding and support in the last 12 months.



TOTAL CORPORATE SOCIAL RESPONSIBILITY CONTRIBUTION



TOTAL CSR CONTRIBUTION BREAKDOWN



CLUBGRANTS SPEND BREAKDOWN

ClubGRANTS Scheme

Each year, DOOLEYS supports a wide range of local community service providers, charities and schools through the ClubGRANTS Scheme.

The ClubGRANTS Scheme is designed to ensure that registered clubs in NSW contribute to the provision of front-line services needed in their local communities. In 2018/19, DOOLEYS supported **over 60 community organisations** through this Scheme.

KEY COMMUNITY PARTNERS



ClubGRANTS Category 1

Auburn Small Community Organisation Network (ASCON) Incorporated	\$62,948
Australian Red Cross	\$19,000
Autism Community Network	\$3,960
Autism Spectrum Australia (ASPECT)	\$10,000
CareFlight Limited	\$10,972
Catholic Education Foundation	\$80,000
Early Education (EarlyEd) Incorporated	\$9,850
Fitted for Work	\$25,000
Future Achievement Australia Foundation	\$130,924
Heartbeat Community Care	\$57,551
Learning Links	\$32,258
Mercy Works	\$37,500
Our Lady of Mount Carmel School	\$9,000
Parramatta Mission	\$6,110
Project Futures	\$15,000
SHINE For Kids Co-operative Limited	\$24,150
STARTTS	\$13,430
The Scout Association of New South Wales	\$500
The Shepherd Centre	\$16,705
The Trustee for Top Blokes Foundation	\$33,557
Uniting (NSW.ACT)	\$12,747
Vietnam Veterans, Peacekeepers & Peacemakers Association	\$2,000
Western Sydney Local Health District	\$20,247
CATEGORY 1 TOTAL	\$633,409

ClubGRANTS Category 2

Auburn Diversity Services Inc.	\$18,978
Auburn Hospital	\$58,925
Auburn PCYC	\$2,970
Australian Kookaburra Kids Foundation	\$7,733
Barnardos Australia	\$16,000
Cancer Council NSW	\$1,908
Child Abuse Prevention Service	\$9,800
Creating Chances	\$17,900
Cumberland Council	\$26,650
Cumberland Multicultural Community Services	\$2,500
Early Education (EarlyEd) Incorporated	\$38,735
Epilepsy Action Australia	\$6,750
Fitted for Work	\$15,000
Gifts of Grace Incorporated	\$8,824
Greystanes High School P&C	\$7,380
Homebush Public School	\$8,480
Horn of Africa Relief & Development Agency	\$9,995
Immaculate Heart of Mary Catholic Primary School Sefton	\$30,000
Information and Cultural Exchange Incorporated	\$11,330
Lidcombe Public School	\$20,000
Little Wings	\$14,800
Milk Crate Theatre	\$10,000
NSW Netball Association Ltd	\$8,400
Parramatta Auburn Netball Association	\$6,000
Parramatta Basketball Association	\$15,000



Parramatta Mission	\$11,740
Probus Club of Regents Park Inc.	\$2,488
Refugee Advice and Casework Service	\$45,000
Response For Life Australia Ltd	\$16,200
St Joachim's Catholic Primary School	\$30,000
St John's Catholic Primary School	\$30,000
St Joseph the Worker Catholic Primary School	\$30,000
St Joseph's Hospital Auburn	\$11,870
St Peter Chanel Catholic Primary School	\$2,800
STARTTS	\$35,546
Story Factory	\$31,840
Sunny Corner Toy Library	\$5,000
The Bower Reuse and Repair Centre	\$25,000
The Children's Hospital at Westmead	\$200,000
The Future Leader Group Pty Ltd	\$39,380
The John Berne School	\$5,000
The Shepherd Centre	\$20,000
Tiger Wests Little Athletics	\$5,500
Trinity Catholic College	\$5,000
Vision Australia	\$23,472
Western Sydney Community Centre	\$12,000
Western Sydney Local Health District	\$14,000
Wheelchair Sports NSW	\$11,268
Youth off the Streets	\$39,728
CATEGORY 2 TOTAL	\$1,026,890
CATEGORY 3 TOTAL*	\$332,322

* The Category 3 ClubGRANTS Fund has been established by the NSW Government as a Statewide funding pool for large scale projects associated with sport, health and community infrastructure.

CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE SUMMARY

DIRECT COMMUNITY CONTRIBUTION

ClubGRANTS contributions	\$1,992,621
Harm Minimisation	\$127,477
Complimentary Functions Support	\$215,819
Community Expenditure	\$486,669
Charity Housie	\$36,667
Fundraising Vouchers	\$8,300
Sports Clubs Facilities	\$245,545
Sponsorships	\$383,254
Donations	\$318,876
TOTAL	\$3,815,228

GOVERNANCE AND SUSTAINABILITY EXPENDITURE

Environmental Initiatives	\$66,279
Workplace Health & Safety	\$63,873
Corporate Governance	\$245,678
TOTAL	\$375,830

TOTAL CSR EXPENDITURE **\$4,191,059**

ENVIRONMENTAL SUSTAINABILITY



DOOLEYS commitment to Environmental Sustainability is outlined in our Smart Club Green Community Strategy guided by its four principles:



BUILDGREEN

- Consider ecologically sustainable design principles into all refurbishments and building work;
- Commit to a certified 5 Star Green Star Design & As Built rating (or equivalent) for all refurbishments or new building works with a contract value of \$5 million and above



LIVEGREEN

- Increasing electricity, gas and water productivity on a per visitor basis
- Minimise waste to landfill



COMMUNICATEGREEN

- Presenting results in an easy to understand format through a variety of public mediums



ENCOURAGEGREEN

- Assisting our community partners and members with their sustainability performance

OUR STATISTICS



ELECTRICITY PRODUCTIVITY

3.35 kilowatt-hours per visitor **↓ 4%** (lowest ever on record)



WATER PRODUCTIVITY

25.07 litres per visitor **↑ 2%**



GAS PRODUCTIVITY

4.81 Megajoules per visitor **↑ 24%**



TOTAL WASTE GENERATED

323 grams per visitor **↓ 2%**



RECYCLING RATE

52% **↓ 6%**

FY2018-2019 saw DOOLEYS record its lowest ever electricity consumption per visitor of 3.35 kilowatt-hours per person. Since we started tracking this figure over five years ago, this is the equivalent electricity consumption of almost 60 typical Lidcombe four-person households. This means that we have been welcoming more customers than ever through our doors whilst at the same time being more efficient with how electricity is consumed on-site to serve them.

Although our recycling rate needs to be addressed, the amount of waste generated per visitor has also dropped to a record low. This means our waste productivity has recorded an equivalent saving of 95 tonnes of waste – approximately 75 times the amount of waste generated per NSW household annually.

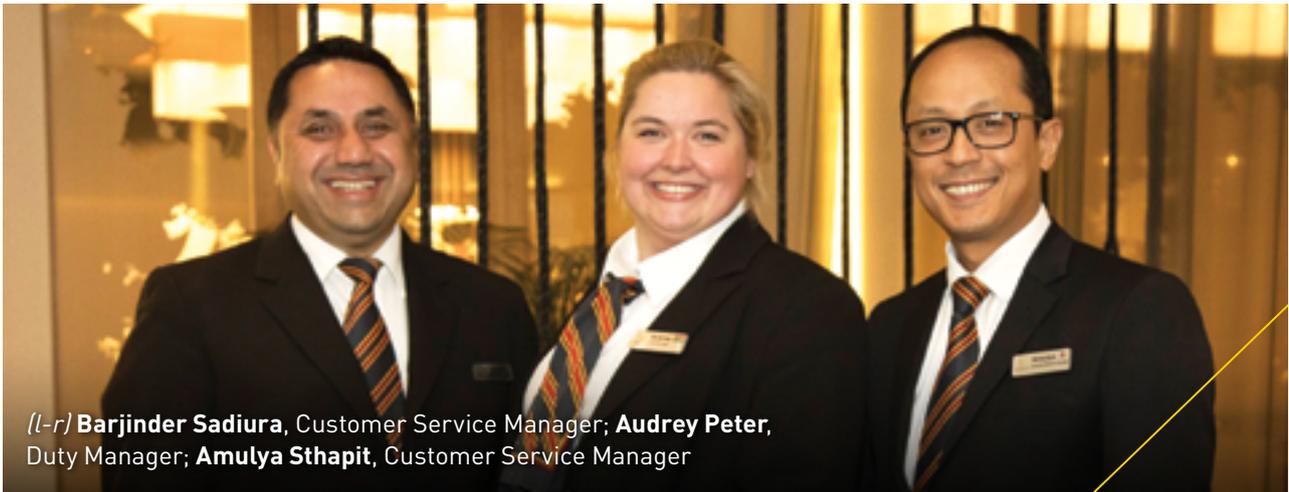
The results also highlights the areas where we have work to do. We just experienced one of the driest periods in NSW and this is reflected in our decrease in water productivity of 2%. Gas productivity has also significantly increased. These two resources will be our focus this financial year.



DOOLEYS HEALTH + FITNESS

Since opening in 2013, DOOLEYS Health + Fitness has continued to grow, offering members the best fitness experience possible. In recognition of its continued success, DOOLEYS Health + Fitness was named as a Finalist in the 2018 Fitness Australia Awards.

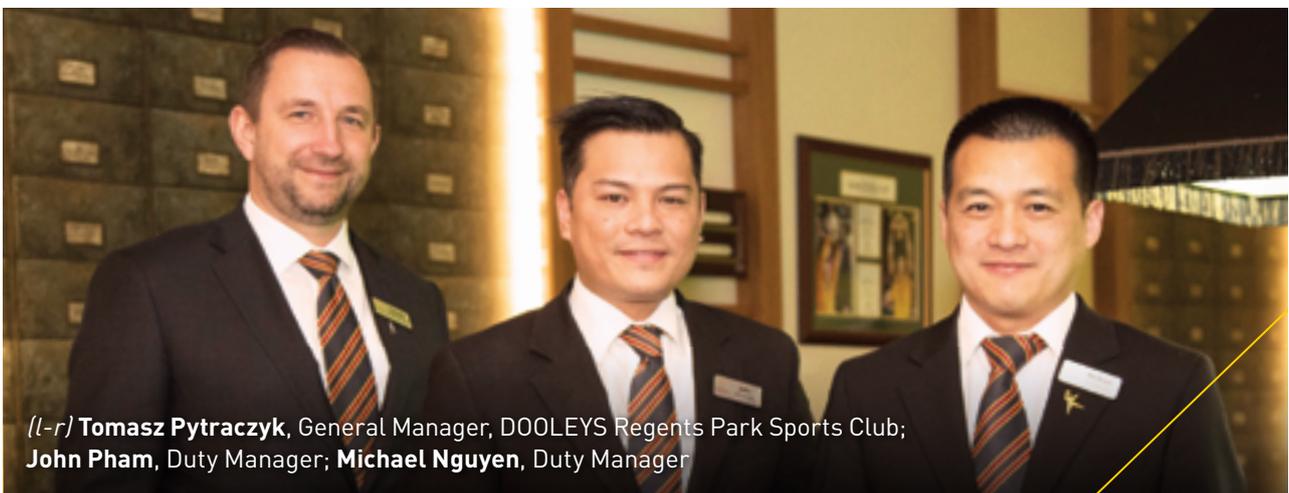
OUR PEOPLE



(l-r) **Barjinder Sadiura**, Customer Service Manager; **Audrey Peter**, Duty Manager; **Amulya Sthapit**, Customer Service Manager



(l-r) **Julie Milsom**, Executive Manager – Marketing & Community Relations; **Colin Eisenhuth**, Executive Manager – Building & Services



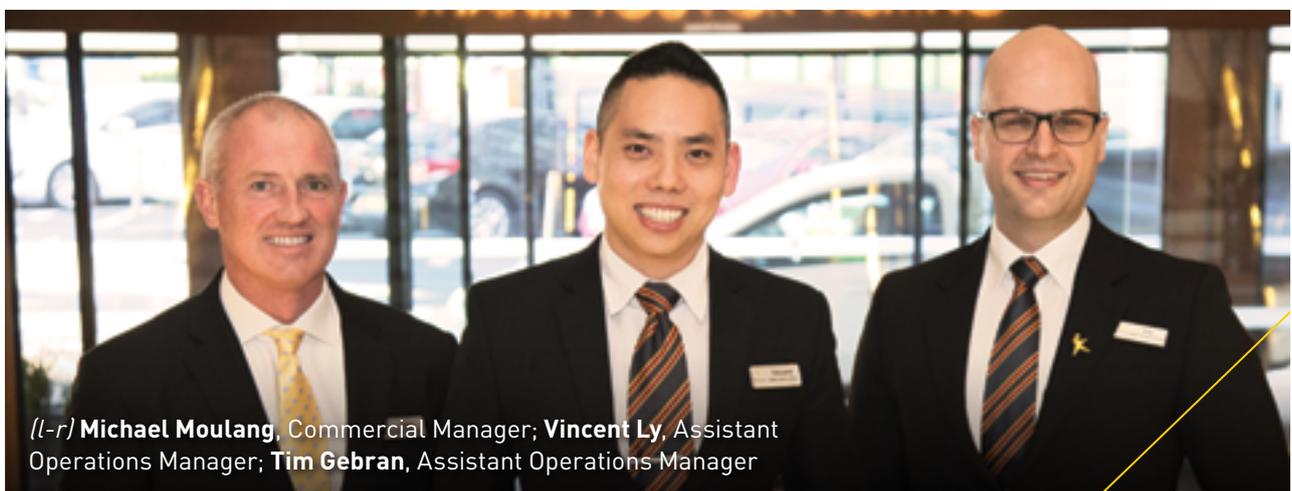
(l-r) **Tomasz Pytraczyk**, General Manager, DOOLEYS Regents Park Sports Club; **John Pham**, Duty Manager; **Michael Nguyen**, Duty Manager



(l-r) **John Jansen**, Group Functions Manager; **Ray Liu**, Sustainability Project Manager



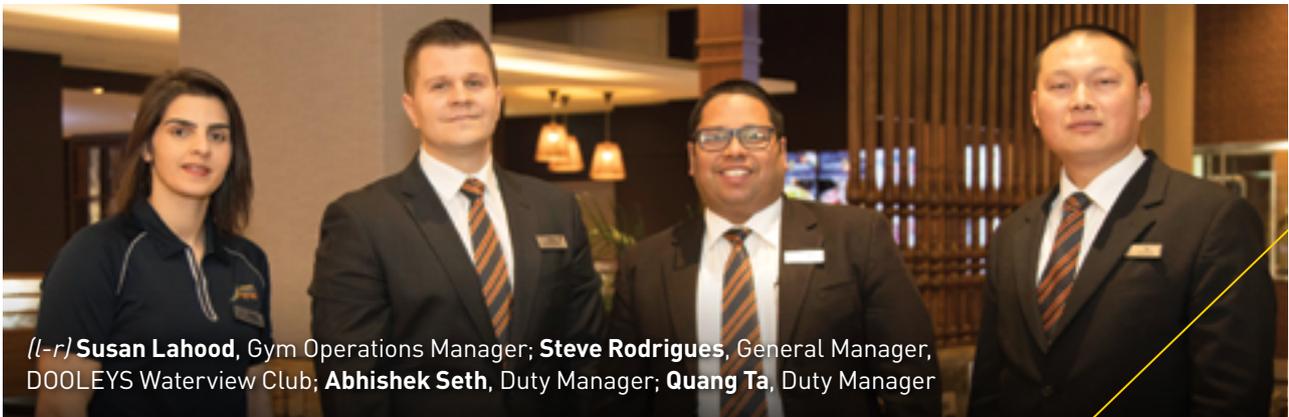
(l-r) **Guy Welton**, Development Manager; **Sanjay Kadwadkar**, Group Finance Manager; **Peter Denmead**, Quality, Safety & Compliance Manager



(l-r) **Michael Moulang**, Commercial Manager; **Vincent Ly**, Assistant Operations Manager; **Tim Gebran**, Assistant Operations Manager



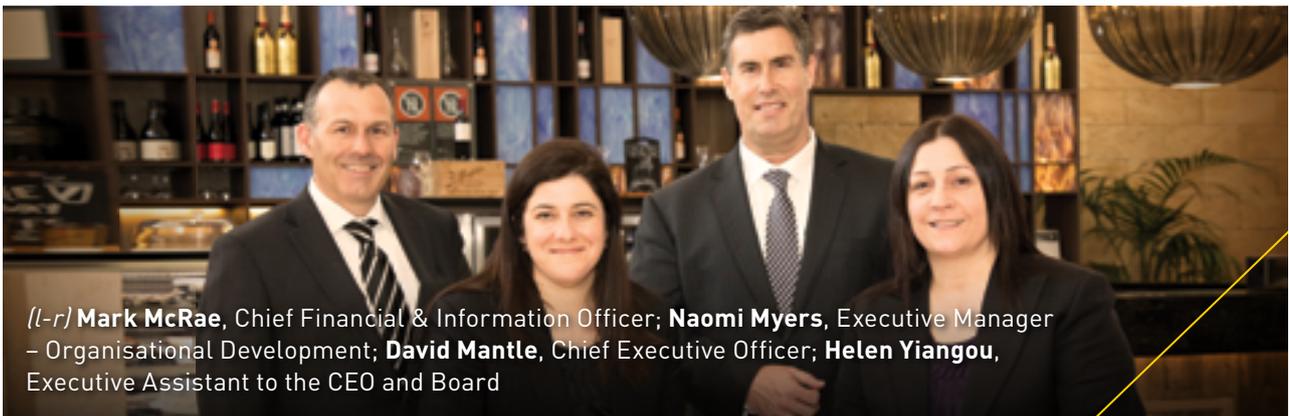
(l-r) **Kshitiz Rajkarnikar**, Group Gaming Manager; **Nathan Titmuss**, Chief Operating Officer; **Rosie Vranic**, Group Operations Manager; **Tam Nguyen**, Information Technology Manager



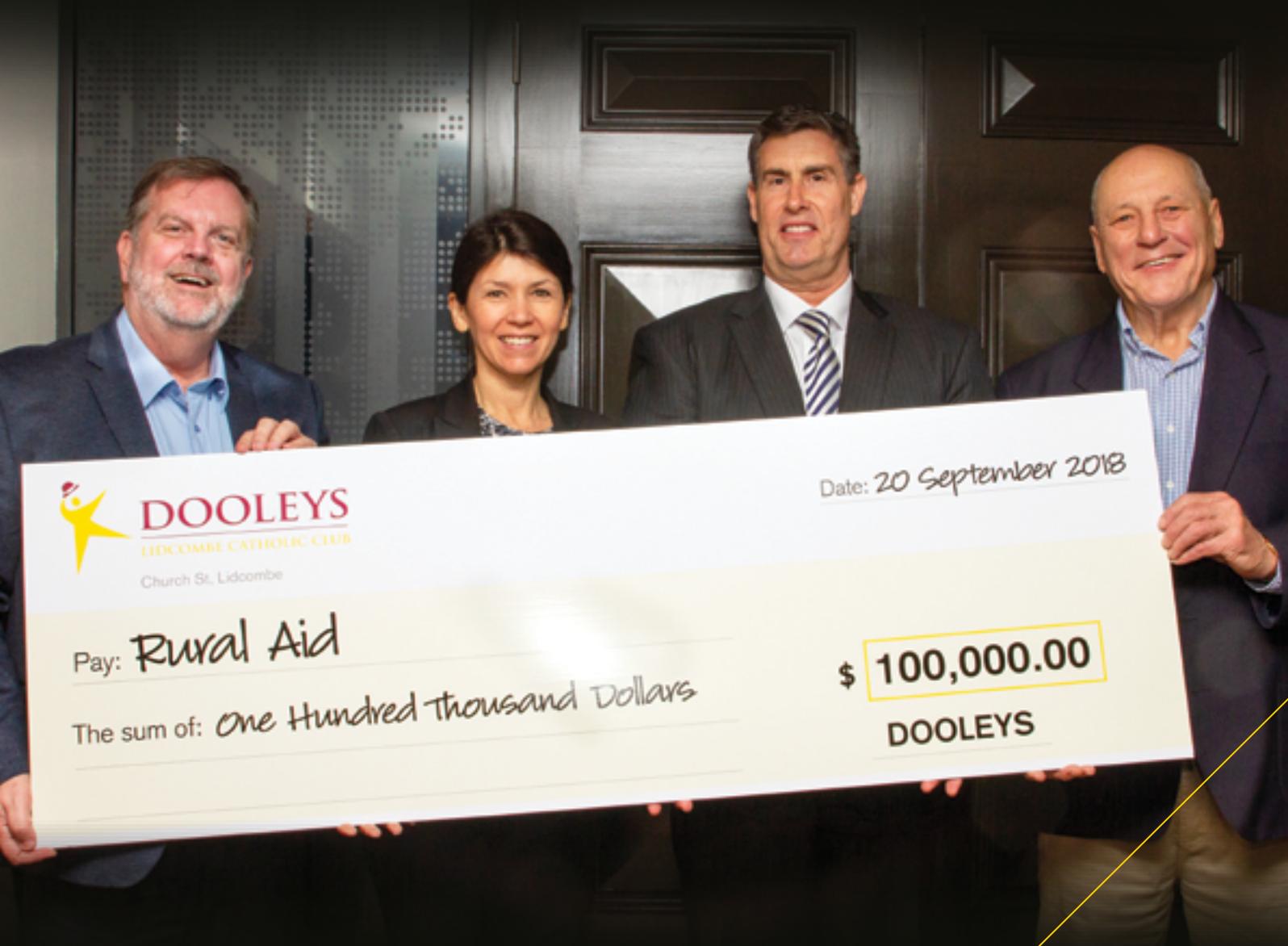
(l-r) **Susan Lahood**, Gym Operations Manager; **Steve Rodrigues**, General Manager, DOOLEYS Waterview Club; **Abhishek Seth**, Duty Manager; **Quang Ta**, Duty Manager



(l-r) **Katherine Labayen**, Service Delivery Manager; **Sarah Kantek**, People & Learning Business Partner; **Paul Jury**, Executive Chef; **Justine Fisher**, Learning & Development Advisor



(l-r) **Mark McRae**, Chief Financial & Information Officer; **Naomi Myers**, Executive Manager – Organisational Development; **David Mantle**, Chief Executive Officer; **Helen Yiangou**, Executive Assistant to the CEO and Board



SUPPORTING PEOPLE IN CRISIS

DOOLEYS has a strong commitment to the community and helping people when they need it most. In 2018, DOOLEYS donated \$100,000 to Rural Aid to support drought stricken farmers across NSW.

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2019.

DIRECTORS

The names and details of the Club's directors in office during the financial year and until the date of this report are as follows:

Name	Occupation	Years On Board
John Munce	Retired TAFE Teacher	21 years
Kevin Morgan	Site Manager	14 years
Christopher Cassidy	Solicitor	17 years
Peter Kennedy <i>(Resigned: 26/02/2019)</i>	Packaging Manager	21 years
Terry Kenny	Retired Public Servant	21 years
Michael Renshaw	Accountant	16 years
Margaret Croucher	Laboratory Technician	5 years
Anna Ryan <i>(Invited: 11/03/2019)</i>	Solicitor	-

COMPANY SECRETARY

David Mantle was appointed to the position of Company Secretary since 28 May 2007.

DIVIDENDS

The Club is a non-profit organisation and is prevented by its constitution from paying dividends.

CORPORATE INFORMATION

DOOLEYS Lidcombe Catholic Club Ltd is a company limited by guarantee that is incorporated and domiciled in Australia.

The registered office and principal place of business of the Club is 24 John Street, Lidcombe NSW 2141.

PRINCIPAL ACTIVITIES

The principal activities of the Club during the course of the financial year were the promotion of moral, intellectual, social and material welfare of the members and to create and foster a spirit of cooperation.

There were no significant changes in the nature of the activities of the Club during the year.

MEASUREMENT OF SUCCESS

The Club measures success by focussing on three key areas:

1. The financial performance of the Club, measured through:
 - i. Earnings before interest, tax, depreciation, amortisation, rent and donations (EBITDARD)
 - ii. Revenue
 - iii. Wages cost
 - iv. Profitability
 - v. Patron visitations
 - vi. Return on capital employed;
2. The level of engagement and satisfaction achieved amongst its employees;
3. To make a contribution to the community.

In 2018–19, DOOLEYS provided over \$1.9 million through the ClubGRANTS Scheme to local front-line community development projects that support areas of identified community need. DOOLEYS employees also actively contributed 1,523 hours of their personal time, volunteering for a variety of community organisations, projects and events through the DOOLEYS Helping Hands Program.

OPERATING AND FINANCIAL REVIEW

Operating results for the year

The total comprehensive income of the Club for the year ended 30 June 2019 was \$14,093,070 (2018: \$15,796,194).

	2019	2018
Lidcombe	13,954,775	15,828,005
Waterview	(37,436)	(204,682)
Regents Park	175,731	172,871
	14,093,070	15,796,194

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Club during the year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events occurring after the balance date which may affect either the Club's operations or results of those operations or Club's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Club has development plans to transform our Lidcombe Club and surrounding precinct. Given the size and complexity of this development significant time and effort has gone into the planning to ensure the long term sustainable future of the Club for its Members. The first stage of this Master Plan is the expansion of the existing club providing more amenities for Members; an expanded Health and Fitness offering; approximately 500 additional club parking places and approximately 120 independent living units. We anticipate this first stage to commence in late 2020.

The Club is close to finalising plans for a development at Regents Park with the aim of improving Members amenity and securing long term sustainability of the Club. Commencement at this stage is unknown and is subject to the feasibility of the project and consideration of the development at Lidcombe.

The Members of DOOLEYS and Concord RSL agreed to amalgamate. Concord RSL are currently in administration. Subject to approval of the amalgamation from Independent Liquor and Gaming Authority, DOOLEYS will contribute up to \$1,101,579 to the Deed Fund.

ENVIRONMENTAL REGULATION

The Club's operations are subjected to various environmental regulations under both Commonwealth and State legislation. The Board believes that the Club has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Club.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Club has paid premiums in respect of a contract insuring all the directors of DOOLEYS Lidcombe Catholic Club Ltd in a manner permissible under the Corporations Act 2011. The amount of the cover cannot be disclosed due to policy conditions.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Club has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year end.

MEMBERSHIP

The Club is a company limited by guarantee and without a share capital. The number of members as at 30 June 2019 and the comparison with last year is as follows:

	2019	2018
Life	19	19
Ordinary	82,767	82,170
	82,786	82,189

In accordance with the Constitution of the Club, every member of the Club undertakes to contribute an amount limited to \$4 per member in the event of the winding up of the Club during the time that he or she is a member or within one year thereafter.

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director were as follows:

Board Meetings

Director	Board Meetings		Board Strategy Meetings	
	Held	Attended	Held	Attended
John Munce	13	13	1	1
Kevin Morgan	13	12	1	1
Christopher Cassidy	13	12	1	1
Margaret Croucher	13	12	1	1
Peter Kennedy	9	7	-	-
Terry Kenny	13	13	1	1
Michael Renshaw	13	13	1	1
Anna Ryan	4	4	1	1
Total Number of meetings held during the year		13		1

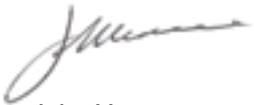
Board Committee Meetings

Director	Disciplinary		Audit & Risk		Property & Development		Nomination		Remuneration	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
John Munce	12	12	3	3	7	7	3	3	1	1
Kevin Morgan	-	-	-	-	7	7	3	3	-	-
Christopher Cassidy	-	-	3	3	7	7	3	3	1	1
Margaret Croucher	12	12	-	-	1	1	1	1	-	-
Peter Kennedy	8	6	-	-	1	1	1	1	-	-
Terry Kenny	4	4	3	3	4	4	1	1	-	-
Michael Renshaw	-	-	3	3	7	6	3	3	1	1
Anna Ryan	4	4	-	-	-	-	-	-	-	-
Total Number of meetings held during the year		12		3		7		3		1

AUDITOR INDEPENDENCE

The Directors received an independence declaration from the auditor, Ernst & Young. A copy has been included on page 5 of the report.

Signed in accordance with a resolution of the Directors.



John Munce
Director and Chairman



Michael Renshaw
Director

Sydney
27 August 2019



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

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Fax: +61 2 9248 5959
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Auditor's Independence Declaration to the Directors of DOOLEYS Lidcombe Catholic Club Ltd

As lead auditor for the audit of DOOLEYS Lidcombe Catholic Club Ltd for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

Ernst & Young

Daniel Cunningham
Partner
27 August 2019

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue			
Sale of goods and services	4(a)	93,127,330	92,093,109
Other revenue	4(b)	1,105,924	982,843
Total Revenue		94,233,254	93,075,952
Other income	4(c)	72,371	193,332
Expenses			
Cost of sales		(3,865,940)	(3,875,012)
Employee benefits expenses	4(d)	(24,611,738)	(23,334,679)
Gaming machine taxes		(21,324,202)	(21,067,627)
Entertainment, marketing and promotions		(5,807,438)	(5,939,284)
Community services		(2,764,315)	(2,542,896)
Repairs and maintenance		(2,689,476)	(2,051,313)
Security expenses		(1,659,027)	(1,685,255)
Cleaning expenses		(1,505,651)	(1,398,079)
Electricity and gas expenses		(1,179,674)	(1,094,000)
Rent and rates		(587,995)	(532,530)
Insurance expenses		(354,984)	(274,809)
Printing and stationery		(163,227)	(168,695)
Strategic and master planning expenses		(2,046,830)	(384,246)
Donations		(318,876)	(161,075)
Finance costs	4(e)	(26,122)	(722,306)
Depreciation and amortisation expenses	4(f)	(5,877,313)	(6,671,020)
Other expenses	4(g)	(4,625,282)	(4,632,793)
Profit before income tax		14,897,535	16,733,665
Income tax expense	5	(804,465)	(1,034,070)
Profit for the year		14,093,070	15,699,595
Other comprehensive income			
Gain in fair value of cash flow hedges		-	96,599
Other comprehensive income for the year, net of tax		-	96,599
Total comprehensive income for the year		14,093,070	15,796,194

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	6	10,410,048	15,312,783
Term deposits		16,000,000	-
Trade and other receivables	7	175,498	112,864
Inventories	8	333,687	354,847
Income tax receivables		50,813	-
Other assets	9	290,556	284,500
Total current assets		27,260,602	16,064,994
Non-current assets			
Property, plant and equipment	10	142,351,310	139,272,310
Intangible assets	11	13,260,791	12,610,791
Total non-current assets		155,612,101	151,883,101
Total assets		182,872,703	167,948,095
Liabilities			
Current liabilities			
Trade and other payables	12	5,411,692	4,852,555
Income tax payable		-	35,602
Provisions	13	3,039,193	2,769,871
Other liabilities	14	110,216	152,907
Total current liabilities		8,561,101	7,810,935
Non-current liabilities			
Provisions	13	562,958	506,525
Other liabilities	14	344,519	319,580
Total non-current liabilities		907,477	826,105
Total liabilities		9,468,578	8,637,040
Net assets		173,404,125	159,311,055
Equity			
Retained earnings	15	169,527,381	155,434,311
Reserves	15	3,876,744	3,876,744
Total equity		173,404,125	159,311,055

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

	Retained earnings \$	Cash flow hedges (note 15) \$	Amalgamation reserve (note 15) \$	Total equity \$
At 1 July 2017	139,734,716	(96,599)	3,876,744	143,514,861
Profit for the year	15,699,595	-	-	15,699,595
Gain in fair value of cash flow hedges	-	96,599	-	96,599
Total comprehensive income for the year	15,699,595	96,599	-	15,796,194
At 30 June 2018	155,434,311	-	3,876,744	159,311,055
At 1 July 2018	155,434,311	-	3,876,744	159,311,055
Profit for the year	14,093,070	-	-	14,093,070
Gain in fair value of cash flow hedges	-	-	-	-
Total comprehensive income for the year	14,093,070	-	-	14,093,070
At 30 June 2019	169,527,381	-	3,876,744	173,404,125

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Operating activities			
Receipts from customers		103,252,964	102,159,432
Payments to suppliers and employees		(82,016,319)	(78,833,740)
Interest received		376,659	320,284
Interest paid		(26,122)	(734,423)
Income tax paid (net of refund)		(890,880)	(857,462)
Net cash flows from operating activities		20,696,302	22,054,091
Investing activities			
Proceeds from sale of property, plant and equipment		15,945	215,894
Purchase of property, plant and equipment		(8,964,982)	(8,102,345)
Purchase of intangible assets	11	(650,000)	(2,356,279)
Investment in term deposits		(16,000,000)	8,000,000
Net cash flows used in investing activities		(25,599,037)	(2,242,730)
Financing activities			
Repayments of borrowings – other		-	(15,000,000)
Net cash flows used in financing activities		-	(15,000,000)
Net increase / (decrease) in cash and cash equivalents		(4,902,735)	4,811,361
Cash and cash equivalents at 1 July		15,312,783	10,501,422
Cash and cash equivalents at 30 June	6	10,410,048	15,312,783

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2019

1 CORPORATE INFORMATION

The financial report of DOOLEYS Lidcombe Catholic Club Ltd (the "Club") for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 27 August 2019.

The Club is incorporated and domiciled in Australia as a Club limited by guarantee. In accordance with the Constitution of the Club, every member of the Club undertakes to contribute an amount limited to \$4 per member in the event of the winding up of the Club during the time that he or she is a member or within one year thereafter.

The nature of the operations and principal activities of the Club are described in the directors' report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis.

The financial report is presented in Australian dollars.

(b) Statement of compliance

The financial statements of the Club comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

The financial report also complies with Australian Accounting Standards specific to not-for-profit entities, including standards AASB 116 Property, Plant and Equipment, AASB 136 Impairment of Assets and AASB 1004 Contributions.

(c) Changes in accounting policy, disclosures, standards and interpretations

New and amended standards and interpretations

The Club applied AASB 9 for the first time. The nature and effect of the changes as a result of the adoption of AASB 9 are described below. The impact of adoption of AASB 9 is not considered material.

Several amendments and interpretations apply for the first time in 2018–19, but do not have an impact on the financial statements of the Club.

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Club has applied AASB 9 retrospectively, with the initial application date of 1 July 2018. AASB 9 has not resulted in changes in the carrying amount of the Club's financial instruments due to changes in classification and measurement categories.

Given the general quality of the Club's trade receivables, there will be no material impact on the introduction of an expected-loss impairment method.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Changes in accounting policy, disclosures, standards and interpretations *(continued)*

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Club for the annual reporting year ended 30 June 2019. The directors have not early adopted any of these new or amended standards or interpretations. The directors are in the process of assessing the impact of the applications of AASB 15 Revenue from Contracts with Customers (effective 1 July 2019), AASB 1058 Income of Not-for-Profit Entities (effective 1 July 2019) and AASB 16 Leases (effective 1 July 2019) and its amendments to the extent relevant to the financial statements of the Club.

(d) Comparatives

Certain numbers of prior period have been reclassified to be consistent with the current year's disclosure presentation.

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity 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. All the term deposits with maturity period of less than 3 months are included in Cash and cash equivalents.

(f) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Club will not be able to collect the receivables.

(g) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(h) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the statement of comprehensive income as incurred.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Property, plant and equipment *(continued)*

Land and Buildings are measured at cost less accumulated depreciation and less any impairment losses recognised.

Depreciation is calculated on a straight line basis for building and declining balance basis for all other assets over the estimated useful life of the specific assets as follows:

Land – not depreciated

Buildings – over 40 years

Plant and equipment – over 2 to 40 years

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(i) Club as a lessee

Finance leases, which transfer to the Club substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term if there is no reasonable certainty that the Club will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

(ii) Club as a lessor

Leases in which the Club retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(j) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(k) Intangible assets

Intangible assets acquired are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated impairment losses. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(l) Trade and other payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Club prior to the end of the financial year that are unpaid and arise when the Club becomes obliged to make future payments in respect of the purchase of these goods and services.

(m) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Club does not currently hold qualifying assets but, if it did, the borrowing costs directly associated with this asset would be capitalised (including any other associated costs directly attributable to the borrowing and temporary investment income earned on the borrowing).

(o) Provisions

General

Provisions are recognised when the Club has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Club expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave

The liability for long service leave is recognised and measured as 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 periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(p) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Club and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue from the sale of goods comprises revenue earned from the provisions of beverage, catering and other goods sold. This is measured at the fair value of the consideration received or receivable, net of member discounts and subsidies. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods. Transfers of risks and rewards vary depending on the individual terms of the sale.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Revenue recognition *(continued)*

(ii) Rendering of services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. Gaming machine revenue is recognised at the time of receipt.

(iii) Interest income

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.

(iv) Rental revenue

Rental income from investment properties is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned. Lease incentives granted are recognised as an integral part of the total rental income.

(v) Revenue received in advance

Members can pay their subscription on an annual or 4-year basis. Members' subscriptions paid on a 4-year basis are amortised over the period of subscription.

(q) Income tax

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. Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

(r) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(s) Members' mortality benefits

Upon the death of an Ordinary member who was admitted as a member before 31 October 2008, a benefit of up to \$200 is payable. The Club's policy is to recognise the benefits as an expense in the statement of comprehensive income as they are paid out.

(t) Derivative financial instruments and hedge accounting

In the prior year, the Club held derivative financial instruments to hedge its interest rate risk exposures.

Cash flow hedge

When a derivative is classified as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Club's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Club's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Club as lessor

The Club has entered into property leases on its property portfolio. The Club has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Club based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Club. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Club assesses impairment of all non-financial assets at each reporting date by evaluating conditions specific to the Club and to the particular asset that may lead to impairment. These include economic and political environments and business expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Management do not consider that any triggers for impairment testing have been significant enough and as such these assets have not been tested for impairment in this financial period.

Taxes

The Club's accounting policy for taxation requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences and tax losses are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future business expectations, operating costs capital expenditure and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

4 REVENUE AND EXPENSES

	2019 \$	2018 \$
(a) Sale of goods and services		
Gaming machines	78,327,188	77,310,841
Bistro	5,717,687	5,779,455
Bars	3,321,068	3,314,162
Café	1,320,731	1,287,087
Functions	1,245,772	1,323,791
Health and fitness	1,938,000	1,824,324
Ticket sales	356,655	339,679
ATM & other commissions	313,565	309,023
Keno and TAB commissions	252,900	271,503
Subscriptions and joining fees	221,031	216,676
Gift shop	103,388	103,124
Bowling fees	9,345	13,444
Total sale of goods and services	93,127,330	92,093,109
(b) Other revenue		
Rental	729,265	662,559
Interest received	376,659	320,284
Total other revenue	1,105,924	982,843
(c) Other income		
GST rebate	51,540	51,540
Gains on disposal of property, plant and equipment	9,875	118,703
Miscellaneous income	10,956	23,089
Total other income	72,371	193,332
(d) Employee benefits expense		
Wages and salaries	19,064,548	18,203,164
Defined contribution superannuation expenses	2,078,688	1,749,194
Payroll tax	1,096,594	1,019,341
Workers' compensation costs	351,735	304,107
Other employee benefit expenses	2,020,173	2,058,873
Total employee benefits expense	24,611,738	23,334,679
(e) Finance costs		
Bank loans	26,122	734,423
Fair value movement on interest rate cap not designated as a hedge instrument	-	(12,117)
Total finance costs	26,122	722,306

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

4 REVENUE AND EXPENSES *(continued)*

	2019 \$	2018 \$
(f) Depreciation and amortisation expense		
Depreciation and amortisation expense	5,750,317	6,104,089
Write-off of assets	126,996	566,931
Total depreciation and amortisation expense	5,877,313	6,671,020
(g) Other expenses		
Compliance expenses	505,657	484,229
Members amenities	304,269	359,005
Consultant and legal expenses	218,145	341,158
Telephone, internet and pay TV expenses	363,633	384,559
Requisites	426,580	390,149
Contract wages	238,206	220,897
Bank charges	157,761	129,795
Audit fees – internal and external	131,783	117,343
Bowling green maintenance direct cost	72,883	66,192
Loss on disposal of property, plant and equipment	2,601	18,962
Other expenses	2,203,764	2,120,504
Total other expenses	4,625,282	4,632,793

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

5 INCOME TAX

	2019 \$	2018 \$
(a) Income tax expense		
The major components of income tax expense are:		
Statement of comprehensive income		
<i>Current income tax</i>		
Current income tax charge	826,000	1,041,000
Adjustments in respect of current income tax of previous years	(21,535)	(6,930)
Income tax expense reported in the statement of comprehensive income	804,465	1,034,070
(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate		
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.		
A reconciliation has been performed between the accounting profit before income tax and the Club's income tax expense for the year		
Accounting profit before income tax	14,897,535	16,733,665
At the Club's statutory income tax rate of 30% (2018: 30%)	4,469,260	5,020,100
Non-temporary differences	100,023	33,569
Member only income	(647,709)	(612,300)
Member only expenses	1,599,482	1,582,914
Effect of mutuality	(4,903,270)	(5,010,549)
Other items (net)	208,214	27,266
(Over)/Under provision of previous year	(21,535)	(6,930)
Aggregate income tax expense	804,465	1,034,070

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

6 CASH AND CASH EQUIVALENTS

	2019 \$	2018 \$
Cash at bank and in hand	10,410,048	13,312,783
Short-term deposits	–	2,000,000
	10,410,048	15,312,783

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents represents fair value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Club, and earn interest at the respective short-term deposit rates.

Reconciliation to statement of cash flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise of the above.

	2019 \$	2018 \$
Cash at bank and in hand	10,410,048	15,312,783
	10,410,048	15,312,783

7 TRADE AND OTHER RECEIVABLES (CURRENT)

	2019 \$	2018 \$
Trade receivables	50,660	58,027
Other receivables	124,838	54,837
Carrying amount of trade and other receivables	175,498	112,864

8 INVENTORIES (CURRENT)

	2019 \$	2018 \$
Total inventory at the lower of cost and net realisable value	333,687	354,847

9 OTHER ASSETS (CURRENT)

	2019 \$	2018 \$
Prepayments	290,556	284,500

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

10 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings \$	Plant and equipment \$	Work in progress \$	Total \$
At 30 June 2019				
Cost	147,321,761	38,974,245	3,484,310	189,780,316
Accumulated depreciation and impairment	(19,371,810)	(28,057,196)	-	(47,429,006)
Net carrying amount	127,949,951	10,917,049	3,484,310	142,351,310
At 30 June 2018				
Cost	140,381,827	37,994,168	3,359,572	181,735,567
Accumulated depreciation and impairment	(17,607,182)	(24,856,075)	-	(42,463,257)
Net carrying amount	122,774,645	13,138,093	3,359,572	139,272,310

(a) Reconciliation of carrying amounts at the beginning and end of the year

	Land and buildings \$	Plant and equipment \$	Work in progress \$	Total \$
Year ended 30 June 2019				
At 1 July 2018 net of accumulated depreciation	122,774,645	13,138,093	3,359,572	139,272,310
Additions	6,912,911	1,866,172	185,899	8,964,982
Disposals	-	(8,669)	-	(8,669)
Transfers	27,023	34,138	(61,161)	-
Impairment	-	(126,996)	-	(126,996)
Depreciation charge for the year	(1,764,628)	(3,985,689)	-	(5,750,317)
At 30 June 2019 net of accumulated depreciation	127,949,951	10,917,049	3,484,310	142,351,310

(b) Core and non-core land

With reference to section 41J of the Registered Clubs Act, the properties owned or occupied by the DOOLEYS Lidcombe Catholic Club Ltd, as at 30 June 2019, are as follows:

Non-core properties:

- 6 John Street, Lidcombe
- 8 John Street, Lidcombe
- 12 John Street, Lidcombe
- 14 John Street, Lidcombe
- 32A/B John Street, Lidcombe
- 32C John Street, Lidcombe
- 34A John Street, Lidcombe
- 34B John Street, Lidcombe
- 100 Kingsland Road, Regents Park
- 102 Kingsland Road, Regents Park
- 4 Board Street, Lidcombe
- 6 Board Street, Lidcombe
- 8 Board Street, Lidcombe
- 10 Board Street, Lidcombe
- 12 Board Street, Lidcombe
- 14 Board Street, Lidcombe
- 16 Board Street, Lidcombe
- 18 Board Street, Lidcombe
- 20 Board Street, Lidcombe
- 22 Board Street, Lidcombe
- 24 Board Street, Lidcombe
- 26 Board Street, Lidcombe
- 28 Board Street, Lidcombe
- Lot 100 Board Street, Lidcombe
- 3 Ann Street, Lidcombe
- 5 Ann Street, Lidcombe
- 7 Ann Street, Lidcombe
- 9 Ann Street, Lidcombe
- 11 Ann Street, Lidcombe
- 13 Ann Street, Lidcombe
- 15 Ann Street, Lidcombe
- 17 Ann Street, Lidcombe
- 19 Ann Street, Lidcombe
- 21 Ann Street, Lidcombe

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

10 PROPERTY, PLANT AND EQUIPMENT *(continued)*

(b) Core and non-core land *(continued)*

Core properties:

- 18-30 John Street, Lidcombe (DOOLEYS Lidcombe Catholic Club licensed premises)
- 1 Clyde Street, Silverwater (DOOLEYS Waterview Club at Silverwater licensed premises)
- 96 Kingsland Rd, Regents Park (DOOLEYS Regents Park Sports Club at Regents Park licensed premises)

11 INTANGIBLE ASSETS

	2019 \$	2018 \$
<i>Gaming machine entitlements at cost</i>		
Cost (gross and net carrying amount)	13,260,791	12,610,791

(a) Reconciliation of carrying amount at beginning and end of the year

	2019 \$
Gaming machine entitlements at cost	
Carrying amount – opening	12,610,791
Additions	650,000
Carrying amount – closing	13,260,791

(b) Description of the Club's intangible assets

Gaming machine entitlements

Gaming machine entitlements are carried at cost less accumulated impairment losses and have been determined to have indefinite useful lives. Gaming machine entitlements are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

12 TRADE AND OTHER PAYABLES (CURRENT)

	2019 \$	2018 \$
Trade payables	1,512,498	986,029
Gaming machine tax	1,689,727	1,730,357
Community support payable	160,000	200,000
Other payables and accrued expenses	2,049,467	1,936,169
	5,411,692	4,852,555

(a) Trade payables

Trade payables are non-interest bearing and are normally settled within 30 days from recognition.

(b) Other payables

Other payables are non-trade payables are non-interest bearing and have an average term of 6 months.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

13 PROVISIONS

	2019 \$	2018 \$
Current		
Employee entitlements	3,039,193	2,769,871
Non-current		
Employee entitlements	562,958	506,525

14 OTHER LIABILITIES

	2019 \$	2018 \$
Current		
Revenue received in advance	110,216	152,907
	110,216	152,907
Non-current		
Revenue received in advance	344,519	319,580
	344,519	319,580

Members can pay their subscription on an annual or 4-year basis. Members' subscriptions paid on a 4-year basis are amortised over the period of subscription.

15 RETAINED EARNINGS AND RESERVES

(a) Retained earnings

	2019 \$	2018 \$
Balance at 1 July	155,434,311	139,734,716
Profit for the year	14,093,070	15,699,595
Balance at 30 June	169,527,381	155,434,311

(b) Reserves

	Cashflow Hedge Reserve \$	Amalgamation Reserve \$	Total \$
At 1 July 2017	(96,599)	3,876,744	3,780,145
At 30 June 2018	-	3,876,744	3,876,744
At 30 June 2019	-	3,876,744	3,876,744

Nature and purpose of reserves

Amalgamation Reserve

The amalgamation reserve is used to record differences between the fair value of net assets acquired through amalgamations and the consideration paid.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 30 June 2019

16 COMMITMENTS AND CONTINGENCIES

Commitments

Capital commitments as at 30 June 2019 amounted to \$260k (2018: \$Nil).

Contingencies

There were no contingent liabilities as at 30 June 2019 (2018: \$Nil).

17 RELATED PARTY DISCLOSURES

Key management personnel

Key management personnel, being those persons having authority and responsibility for planning, directing and controlling activities of the Club, include the Directors and executive management of the Club.

The key management personnel compensation included in employee benefits expense are as follows:

2019 \$	2018 \$
1,326,946	1,285,223

(a) Honorarium to Directors

The Chairman's honorarium is capped at the amounts approved each year by the members at the Annual General Meeting, (2019: \$48,000; 2018: \$48,000). During the year, the Club paid a total of \$48,000 (2018: \$48,000) to the Chairman for his role in the Club. The Directors other than Chairman is capped at the amounts approved each year by the members at the Annual General Meeting (2019: \$12,000; 2018: \$12,000). During the year, the Club paid each Director \$1,000 per month (2018: \$1,000) as an honorarium except for the Director Peter Kennedy who did not accept any honorarium from the Club. The Club also paid \$1,000 per month (2018: \$1,000) to the Chairman of each Board Committee.

(b) Other transactions with key management personnel

In the course of attending the Club and/or representing the Club in an official capacity, key management personnel were provided with meals, beverages and travel on a complimentary basis totalling \$35,166 (2018: \$42,387).

From time to time, directors of the Club may purchase goods from the Club or participate in other Club activities. These purchases and participations are on the same terms and conditions as those entered into by other Club members and are trivial or domestic in nature.

Apart from the details disclosed above in this note, all other transactions entered into during the year with related parties, directors and director related entities are no more favourable than those available to other customers and members.

18 EVENTS AFTER BALANCE DATE

At the time of signing of these accounts, the Members of DOOLEYS and Concord RSL agreed to amalgamate. Concord RSL are currently in administration. Subject to approval of the amalgamation from Independent Liquor and Gaming Authority, DOOLEYS will contribute up to \$1,101,579 to the Deed Fund.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of DOOLEYS Lidcombe Catholic Club Ltd, we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Club for the financial year ended 30 June 2019 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Club's financial position as at 30 June 2019 and of its performance
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure requirements and *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the Board



John Munce
Director and Chairman



Michael Renshaw
Director

Sydney
27 August 2019



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Independent Auditor's Report to the Members of DOOLEYS Lidcombe Catholic Club Ltd

Opinion

We have audited the financial report of DOOLEYS Lidcombe Catholic Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying 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 30 June 2019 and of its financial performance for the year ended on that date; and
- b) 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information is the Directors' report accompanying the financial report.

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 regard.

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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 relating 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Daniel Cunningham
Partner
Sydney
27 August 2019

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