



CENTRAL
COAST
LEAGUES CLUB

Annual Report
2023|24



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BOARD OF DIRECTORS



Front Michael Dowling, Edward Johnson

Back Stephen Naven, Andrew Dickson, Michael Bell, Andrew Mackenzie, Kathleen Casey

OFFICE BEARERS

Chairman Michael Dowling

Deputy Chairman Edward Johnson

LIFE MEMBERS

R G Maher OBE †, J J McNerney †, R L Dibben †, N H Adams †, W A Cleary †, A E Davis †, J S Atkins †, S F Gregory OAM †, J T Harpur †, R G Mills †, J A Nagle †, I W Pannowitz †, D B Picton †, R J Allen OAM †, L J Maher OAM, G G Needham †, P A Reynolds †, B R Cook †, R P Clark, G A Clark, T O Andrews, E Johnson, M Bell.

MANAGEMENT

Chief Executive Officer Bevan Paul

Chief Operating Officer Anthony Ryan

Chief Financial Officer Stuart Pauly

Gaming Manager Rebecca Clayton

Facilities Manager Mark Johnstone

Executive Chef Simon Wood

Executive Assistant Chloe Hale

Executive Manager, Health Club Khan Davie

† Deceased

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that the fifty second Annual General Meeting of Central Coast League's Limited ACN 001 036 068 (Club) will be held at:

Location: Central Coast Leagues Club, Dane Drive, Gosford NSW 2250
Date: Wednesday 13th November 2024
Time: 7.00pm

AGENDA

1. Opening.
2. Attendance and quorum.
3. Apologies.
4. To confirm the Minutes of the previous Annual General Meeting.
5. To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2024.
6. To consider and, if thought fit, to pass Ordinary Resolution 1 regarding Directors' honoraria.
7. To consider and, if thought fit, to pass Ordinary Resolution 2 regarding Directors' benefits.
8. To notify members of each expression of interest in an amalgamation and unsolicited merger offer that the Club has received from another club within the prior 12 months (if any).
9. Election of the Board of Directors. See explanatory note at end of notice.
10. Any other business of which notice has been duly given.

NOTICE OF GENERAL MEETING *(continued)*

AGENDA ITEM 6: ORDINARY RESOLUTION 1

That pursuant to the Registered Clubs Act 1976 (NSW):

1. The members hereby approve and agree to the payment of an honorarium at the rate of \$1,102.50 per month, payable monthly in arrears and pro-rated on a daily basis for any broken period of less than a calendar month at the start or end of their term, to each Director of the Club in respect of each Director's service on the Board until the next Annual General Meeting. The Chairman is to receive an additional \$551.25 per month.
2. The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club.

Explanatory Notes – Ordinary Resolution 1

1. Under the Registered Clubs Act 1976 (NSW) (Registered Clubs Act), Directors and other members may receive benefits which are not equally available to all Full Members of the Club, if approval is given by the members under that Act by a resolution passed at a general meeting.
2. The amount proposed for the approval of members is the same as the amount approved for the Directors and Chairman by the members at the 2022 AGM.
3. It is at the discretion of an individual Director as to whether they accept the honorarium.
4. In addition, a compulsory superannuation contribution may be payable.
5. If Ordinary Resolution 1 is passed, the members approve the payment of the honorarium by the Club until the next Annual General Meeting.

AGENDA ITEM 7: ORDINARY RESOLUTION 2

That pursuant to the *Registered Clubs Act 1976* (NSW):

1. The members hereby approve and agree to the reasonable expenditure by the Club of up to \$80,000 until the next Annual General Meeting in respect of each Director of the Club (including the Chairman) for the following:
 - a. The reasonable cost of clothing for the use of Directors in representing the Club;
 - b. The reasonable cost of attendance at trade shows, industry conferences and meetings, conferences and training in relation to their role and responsibilities as a Director;
 - c. The reasonable cost of meals and beverages before, during and at the conclusion of Board and committee meetings;
 - d. Reasonable out-of-pocket expenses incurred by Directors when carrying out their duties in relation to the Club including (without limitation) the reasonable costs of the entertainment of special guests of the Club and participation in Club promotional activities (whether at the Club's premises or elsewhere), and attending study tours of other clubs and similar venues to inspect those venues and their operations, provided that all such out-of-pocket expenses are approved by the Board;
 - e. The reasonable cost of attending, at Club premises or elsewhere, as representatives of the Club such sporting, community, charity, special functions or occasions as the Board from time to time authorises and determines to be reasonably incurred in the course of their respective duties in relation to the Club;
 - f. The reasonable cost of providing functions to recognise service and support to the Club or to promote the Club or otherwise further the objectives of the Club;
 - g. The reasonable cost of attendance at national and international gaming, entertainment, leisure and recreation venues, provided that the attendance of Directors at such venues will, in the opinion of the Board, produce significant benefits to the planning and development of the Club, and provided also that the expenditure is assessed and approved in advance by the Board as being reasonable; and
 - h. Preferential bookings or reservations for Club functions.
2. The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club and those persons who are directly involved in the above activities.

Explanatory Notes – Ordinary Resolution 2

1. Under the *Registered Clubs Act 1976* (NSW) (**Registered Clubs Act**), Directors and other members may receive benefits which are not equally available to all Full Members of the Club, if approval is given by the members under that Act.

NOTICE OF GENERAL MEETING *(continued)*

2. Directors' out-of-pocket expenses reasonably incurred in the course of carrying out their duties, are able to be authorised by the Board under section 10(6)(d) of the Registered Clubs Act. However, in the interests of transparency, the proposed resolution makes disclosure of some of the types of expenses likely to be incurred.
3. If Ordinary Resolution 2 is passed, the members approve reasonable expenditure by the Club until the next Annual General Meeting, in relation to duties performed by the Club's Directors. This expenditure is considered as reasonable and necessary for the Directors to be active in performing their duties and pursuing the Club's long-term viability.

GENERAL NOTES FOR MEMBERS

1. To be passed, each Ordinary Resolution must receive votes in its favour from a simple majority of those members who, being eligible to do so, vote on the Ordinary Resolution.
2. Life Members, financial Club members and financial Special members are entitled to vote on each Ordinary Resolution.
3. Members who are employees of the Club are not entitled to vote and proxy voting is prohibited under the Registered Clubs Act.
4. Members will be given a reasonable opportunity to speak and ask questions about each resolution at the Annual General Meeting.
5. A copy of the current Constitution is available to members on request from the Club's office.
6. The Club's Annual Report (including the Financial Report) for the year ended 30 June 2024 can be accessed on the 'Member Reports' page at www.cclc.com.au.
7. Members are requested to address questions on matters to be considered at the Annual General Meeting to the Chief Executive Officer in writing at least 14 days before the Annual General Meeting, so that they can be addressed and drawn to the attention of the meeting as appropriate.
8. In accordance with recent changes to the Corporations Act, this notice is being sent electronically to those members for whom the Club holds an electronic address or means of communication. However, a member may elect the method by which they wish to receive a notice from the Club. A paper copy of this notice can be posted to a member provided they make the request at least 30 days prior to the date the Club is required by the Corporation Act to send this notice to members. A member may also make a standing request to receive hard copies of notices of general meeting.

AGENDA ITEM 9: ELECTION OF DIRECTORS

To elect three Ordinary Directors, in accordance with the Constitution (if elections are required) and to announce the results and declare those persons elected to take office from the conclusion of the meeting.

In accordance with rule 19 of the Club's Constitution, there are three vacancies to be filled on the Board. The three vacancies arise under Rule 19 in the usual course. The successful candidates who fill those vacancies will have three-year terms of office.

The retiring directors Michael Dowling, Edward Johnson, and Andrew Mackenzie are eligible to stand for election.

BY ORDER OF THE BOARD

BEVAN PAUL

Company Secretary & Chief Executive Officer

GOSFORD

15 October 2024



CHIEF EXECUTIVE OFFICER'S REPORT

I commenced with the Club after the completion of the financial year on the 28th of August 2024, however I am pleased to be introducing myself to Members via this report and looking forward to continuing along the path that commenced with the recent renovations. With the benefit of a few months of trading, we now have enough data to analyse and to revisit strategies and plans, and members will soon see these being implemented. Business product and process improvement is something that never stops and I intend to continue an ongoing process of monitoring, analysis, review, and improvement to deliver the best product and experience that we can.

During my career I have participated in several large-scale construction projects, renovations and refurbishments and have worked in several hospitality venues. Projects cause disruption to the business, and this is reflected in our Clubs' financial reports. Secondly, the post-construction period is where we observe and assess and review the outcomes and consider how the intent has aligned to the actual experience.

Central Coast Leagues Club is in this period of assessment and review and this process includes how stage one and

two of our development and renovations will work today as well as how these early stages will fit into future stages of development and how the whole building footprint will work in the future.

The Club financial reports clearly reflect the disruption associated with development however financial reports do not capture either the economic environment or the competitive environment. Rising costs have affected both the Club and consumer behavior, and as part of the general ongoing development of the Gosford CBD, pubs and clubs have also invested in their facilities. These two factors have also affected the Clubs' results in FY24. All the reports show the impact of these items as well as the startup costs of activating the new facilities.

An important asset that is not on the balance sheet is the wonderful workforce at Central Coast Leagues. I have had the pleasure of meeting several staff members and the welcome and support given is deeply appreciated. Without an engaged, skilled, and motivated workforce its next to impossible to run a Club however with one, all challenges can be overcome.

I need to acknowledge and thank the Board of Directors for the confidence that they have shown in me and in particular Chairman Mike Dowling for his support, guidance, and his time given in onboarding me to the Club.

Chief Executive Officer

Bevan Paul



CHAIRMAN'S REPORT

Undoubtedly, the 23/24 trading year has thrown up some challenging hurdles. As many of you know, the Club went through a significant renovation, with the Club trading under duress for just over 12 months. In today's competitive world, businesses must answer the call of change and maintain relevance to the market in which they operate and the customers they serve. Hospitality is at the top of the list when it comes to the importance of remaining relevant to deliver the promise to its existing members and guests. The Club's unwavering commitment to meeting the needs of its members, both existing and future, is at the heart of our renovation efforts, and we are dedicated to ensuring your satisfaction and comfort.

Unfortunately, with change also comes the impact of change during the transformation. Particularly if you are going to continue to trade throughout the transformation period. For your club, it wasn't as much about the uplift in revenue income as the impact if the club didn't answer the call for necessary change and renovation. Increased competition in the Club and Pub offering within the Club's primary and secondary catchments coupled with the evolving demands placed on the Club's offer meant that your Club needed to renovate and renovate in such a way and to the extent that it would meet and answer the threats and weaknesses of what was an outdated and aging offer.

The impact of the renovation and external influences on the Club's trading results is evident. Like any major renovation, there is a period of adjustment following the relaunch as the new offer settles. The Club experienced a natural trade downturn during the upgrades and had to contend with prolonged economic impacts and increased competition. These factors have collectively influenced the Club's trading results during the period. That being said the Club still contributed over \$115,000 to well deserving community groups.

With the renovations behind us, rationalized costs, new competition opened, and trade returning, we are optimistic about the future. One only has to look around the immediate area of the Club to realize that hundreds of apartments within walking distance of the Club will be coming online shortly. We are deeply committed to ensuring that your Club's product will continue to meet the needs and expectations of both existing and future members and guests. As we continue to grow and evolve, we will consistently look to improve our offer to better serve you. We are confident that with the Club's recent renovations, we are well-positioned to take advantage of the increased visitation and membership.

Last year, we presented the Club's masterplan, and it would be remiss of me if I didn't mention where that is sitting now. As we outlined last year, after several years of working with the Stata Government, we finalised the proposed roadmap for the future of the site and the Club. Since then, we have had approaches from interested parties wanting to partner with us regarding various aspects of the site. Those interests and discussions remain on foot, are being considered, and will come to the members at the appropriate time for their consideration. However, as we all know, many things in life depend on timing; that statement has never been as factual as in the world of development and hospitality.

As I mentioned, currently, in and around Gosford CBD, there are hundreds of apartments either under construction or about to commence construction. Most of those apartments are within walking distance of your Club, potentially offering a significant increase in the Club's patronage. With the Club's recent renovations, your Club is well-positioned to take advantage of the increased visitation and membership.

In addition, the completion of the renovations has also freed up some valuable areas of the Club, which will allow us to continue diversifying the Club's offer, further improving revenue streams.

It would be remiss of me not to recognise and thank the Board for their dedication, passion, personal sacrifice, and continued strategic approach to many, many areas of the organisation

at times when it would have been easier to take the easy road rather than labour over decisions to ensure the Club's future.

More recently, we have also seen a change in the Club's CEO. The baton has been handed to Bevan Paul to take us forward. Bevan comes to the Club with a wealth of experience, having been at the helm of Clubs such as Parramatta Leagues Club Group and several other well-recognized Clubs in the industry.

There is also no doubt that none of our daily experiences would be possible without a dedicated workforce. I spoke about the challenging time the Club has been through over the last 18 months. One should not underestimate the challenges faced by our workforce during these times. We can plan, develop, and deliver the best hospitality venue possible; however, without their dedication to servicing you and helping to make your experience at the Club as pleasant as possible, all the planning and redevelopment would be in vain. A huge thank you to those who have stood up, met the challenges, and worked as hard as possible to deliver.

Michael Dowling
Chairman

RENOVATED GAMING LOUNGE - NOVU



RENOVATED GAMING LOUNGE - NOVU



SUPPORTING THE COMMUNITY

CLUB GRANTS 2022/2023

Central Coast Leagues Club is pleased to be a significant contributor to the quality of life in the Central Coast community and strives to meet and exceed our obligations under the ClubGRANTS Funding Scheme.

Over the duration of the financial year, Central Coast Leagues Club provided grants totaling over \$51,191 to Central Coast charities, welfare groups, disability support organisations, emergency services, sporting associations and teams, special interest groups and many others.

As part of our commitment to the community, the Club also provides complimentary meeting and conference rooms to many such as community groups to assist in reducing administration costs.

A snapshot of groups supported are:

Cancer Patients Foundation

The Shepherd Centre

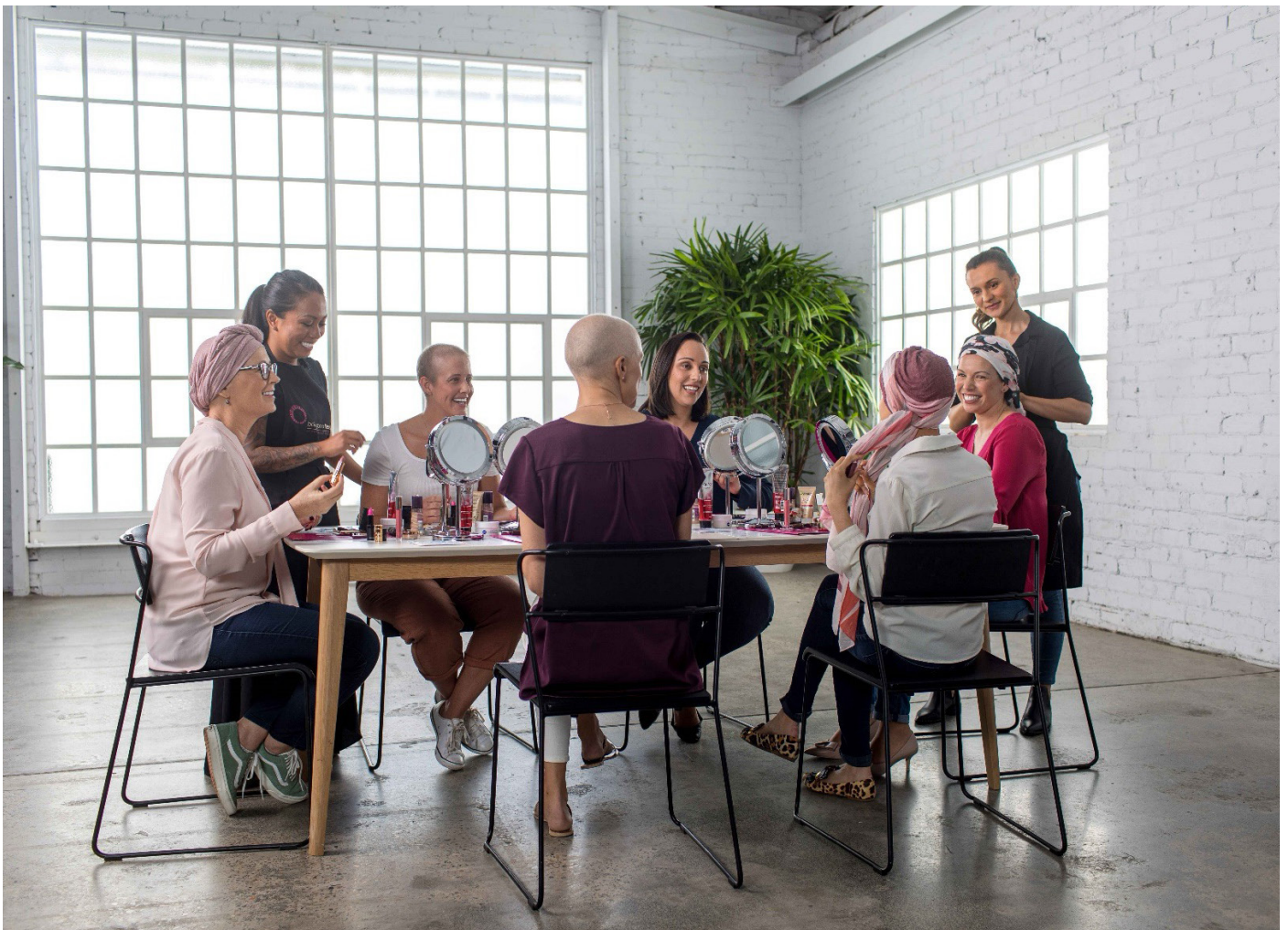
Cystic Fibrosis Community Care

Gosford Rotary Club Inc

5 Lands Walk

The DANII Foundation

Cerebral Palsy Alliance



TESTIMONIALS

CF TOGETHER (previously Cystic Fibrosis Community Care)

Cystic Fibrosis Community Care (CFCC) has a new name, CF Together. CF Together is committed to changing the future of cystic fibrosis (CF) in Australia. Working tirelessly with the CF community to support their needs in everything we do, we aim to advance treatment and improve the lives of every Australian living with CF, and their families and carers. The CCLC grant funds was essential to support our organisation to provide timely and appropriate medical care and emergency needs. Cystic Fibrosis Community Care were able to engage LGA community members and purchase much needed items for individuals and families. We worked closely with both adult and paediatric CF clinics within the NSW health hospital system and our community members who reside in the Central Coast LGA area to identify community members in the Central Coast LGA who needed support. We were able to provide essential emergency financial support and essential equipment through our Community Access Program.

- *Kelly Exner, CF Together*

CANCER PATIENTS FOUNDATION

Look Good Feel Better is a national cancer support program. We offer free in-person and online workshops, and Confidence Kits to help people with any type of cancer manage the most common physical and psychological impacts of treatment. We provide practical tips and tools, connecting a community of people living a shared experience, and empowering them to regain control, a sense of self, and confidence. For over 34 years Look Good Feel Better has made a positive difference within the community by providing a sense of comfort, support and connection to cancer patients who are already isolated, scared, sick and immunocompromised. Our programs continue to positively impact the mental and physical wellbeing of those undergoing cancer treatment. The Cancer Patients Foundation is the only charity that provides this ongoing service free of charge with no restrictions on gender, cancer or treatment type - important principles of our program, ensuring accessibility to anyone who needs our support. Look Good Feel Better is committed to making a positive difference within the community. With limited opportunities to secure funding, the support of clubs like Central Coast Leagues Club is vital to keep our services free and available to those who need them. Central Coast Leagues Club's support in 2023 enabled us to provide support to over 100 local community members going through cancer treatment. The immediate impact of the Look Good Feel Better can be demonstrated in the feedback we receive from our participants like Sue below: "The volunteers were absolutely fabulous and made me feel very relaxed from the start of it. They were very respectful of my cancer journey and I felt very included in all aspects of the workshop. I cannot thank them enough for what they did for me and the others who attended this workshop. Thank you for running this program and I hope it continues for many years as I found it very beneficial and it gave me a huge lift mentally and physically. I met some other really lovely people who are travelling on a similar journey to myself and that felt comforting. It's nice to know we are not alone like it feels sometimes." Sue local LGFB Participant.

- *Nicole Jervis, Cancer Patients Foundation*

DANII FOUNDATION

I would like to take the opportunity to thank the Central Coast Leagues Club for the continued support of the DANII Foundation and the Type 1 Diabetes Community we help. It is only through the ongoing support of organisations like yours that we can continue with our mission of making lifesaving and life changing technology a reality for people with Type 1 Diabetes (T1D). Our vision is for a world where people with T1D live without the fear of never waking up. The DANII Foundation aspires to create awareness and strengthen community knowledge of the seriousness of T1D and its impact on the lives of those affected. We support the Diabetes Community through Education, Advocacy and the Financial support to provide lifesaving Insulin Pumps.

- *Blerina Mesiti, DANII Foundation*

DIRECTORS' REPORT

The Directors of Central Coast Leagues Club Limited and its controlled entity submit herewith the annual financial report for the financial year ended 30 June 2024. In order to comply with the provision of the Corporations Act 2001, the directors' report is as follows:

DIRECTORS

The names and particulars of the Directors in office during the financial year are:

Michael Bell

Company CEO and Senior Branch Manager. Member for 35 years. Director since 2010. Life Member Central Coast Leagues Club. Graduate Australian Institute of Company Directors and Fellow Financial Services Institute of Australasia.

Responsibilities:

Board Meetings (10): Attended 9

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (4): Attended 3

Andrew Dickson

Managing Director / Architect. Member for 12 years. Director since 2017.

Responsibilities:

Board Meetings (10): Attended 9

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (1): Attended 1

Michael Dowling

Retired. Member for 12 years. Director since 2017. Graduate Australian Institute of Company Directors. Former Director Coles Myer Limited's Retail Trust.

Responsibilities:

Board Meetings (10): Attended 10

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (1): Attended 1

Edward Johnson

Retired. Member for 47 years. Director since 2005. Life Member Gosford/Kariong RLFC. Life Member Central Coast Leagues Club. President Men of League Central Coast Committee. Past President Central Coast Division Junior Rugby League. Patron of Central Coast Rugby League.

Responsibilities:

Board Meetings (10): Attended 9

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (7): Attended 3

Andrew Mackenzie

Lawyer. Member for 11 years. Director since 2018.

Responsibilities:

Board Meetings (10): Attended 9

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (7): Attended 7

DIRECTORS' REPORT (continued)

Stephen Naven

Chief Financial Officer. Member for 6 years. Director since 2019.

Responsibilities:

Board Meetings (10): Attended 8

Special Board Meeting (1): Attended 1

Various Sub Committee Meetings (2): Attended 2

Kathleen Casey

Venue Manager. Member for 1 year. Appointed Director 22 June 2023.

Responsibilities:

Board Meetings (10): Attended 10

Special Board Meeting (1): Attended 0

Various Sub Committee Meetings (5): Attended 3

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

SUB COMMITTEES

Audit, Risk and Finance Committee: M Dowling (Chair), S Naven, M Bell.

Coast Fitness HQ: E Johnson (Chair), S Naven.

Club Grants: A Mackenzie (Chair), E Johnson, M Bell.

Development Committee: A Dickson (Chair) M Dowling, E Johnson (stepped down November 2023), Kath Casey.

Internal Clubs: M Bell (Chair), E Johnson, Kath Casey.

Judiciary Committee: A Mackenzie (Chair), E Johnson, K Casey, M Bell (elected November 2023), A Dickson (elected November 2023), S Naven (elected November 2023).

Remuneration and Succession Planning: M Dowling (Chair), M Bell, E Johnson, A Mackenzie.

Capital Expenditure Review Committee (effective from November 2023): S Naven (Chair), A Mackenzie, A Dickson.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity were the operation of a licensed club, provision of facilities for sport and recreation and the rental of property. There was no change in the principal activities during the financial year.

REVIEW OF OPERATIONS

The Club completed both stages 1 and 2 of its revitalisations of the Club facilities during the year. The completion of stage 1 occurred in October 2023 with the grand opening of the ground floor precincts and the new dining and bar facilities, and stage 2 was completed in February 2024 with the opening of the new gaming room in the eastern precinct. The key highlights of both stages include the following fantastic facilities for members and guests:

- The American style sports bar, Arena with the largest sports screen in Gosford and 80-tap beers.
- The new café Seed + Vine.
- The family friendly restaurant Wildwood.
- Newly renovated, and patron favourite, the Peking Garden.
- New gaming facilities in the eastern precinct to enhance members entertainment experience.

The new dining, bar and gaming facilities are in accordance with the masterplan "the Heart of Gosford" which the Directors believe are critical to ensure that the Club can continue to provide the very best hospitality facilities to members and guests.

In addition, the Club's upgrade to Coast Fitness HQ's facility has seen a significant increase in visitation, leading to an increase in revenue of \$108 thousand or 17% over the past 12 months. This is driven by the Club investing \$874 thousand over the past two years to improve the existing facilities and upgrade the gym equipment.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

These renovations and the implementation of the master plan have come at a significant capital cost over the past two years. To realise the first stages of the master plan, the Club increased its borrowings by \$19.9 million over the past 2 years to arrive at a total borrowing of \$25.3 million as at 30 June 2024.

During the renovation period, the Club experienced a very difficult trading environment, which can be attributed to the following factors, resulting in a loss of \$5 million for the year ended 30 June 2024.

- The trading environment has become significantly more competitive.
- The scale of the construction and renovation projects had an impact on the traffic flow into the venue and on the various outlets.
- CCLC is not immune to the general increase in prices and as a labour-intensive business, employment related costs grew at a greater rate than revenue.
- The random nature of gaming means that revenue fluctuates considerably and a lower hold for the venue in the financial year translated to a reduction in revenue of approximately \$640 thousand when compared to the average of the previous three years of gaming trading.

These factors combined are the material factors that contributed to the results in this report.

At the time of writing this report, the Directors and management are in the process of implementing initiatives which should see improvements in the key metrics of the Club's operations within the next 12 months. It is expected that these initiatives will lead to increased revenue, improved gross margins and improved employee utilisation. The Directors and management will continue to monitor the Club's operations and assess the results of the improvement initiatives against forecasts and industry trends and make further adjustments as necessary.

As at 30 June 2024, the Club has a total facility limit of \$23.5 million which is fully drawn at balance date (2023: \$7.5 million) and includes increased facility limits which were extended in October 2023. At the 30 June 2024 half year reporting to the Club's bankers, the Club breached two of its three loan conditions. Presently the Club is working with its bankers to obtain extensions and variations of its existing facility arrangements, which presently are as following.

- At the date of signing the financial statements the Club is negotiating for an extension to its bank overdraft facility as follows:
 - \$250,000 temporary limit in addition to existing facility, which expires 15 October 2024.
 - \$400,000 temporary limit in addition to existing facility, which expires 15 October 2024.
- No principal re-payments on the existing facility until the 15 October 2024.
- Club to investigate the marketing and sale of surplus land to repay the overdraft.
- Club to continue to implement the improvement initiatives identified. Presently the Directors and management are working with the Club's borrowers to find a resolution to its short-term liquidity issues and note the following:
 - The Club has now completed renovation of the ground floor precinct (stages 1 and 2) and Coast Fitness HQ gymnasium, which has seen improvements in patronage by members and guests.
 - The Club has received advice from experts that if it were to dispose of surplus Club land, this would be expected to significantly reduce the Club's overdraft facility or eliminate it completely.
 - The Club has commenced implementation of improvement initiatives which should see a general improvement in the Club's gross profit margins, generate positive cashflow and see reductions in employment costs and overheads.
 - The Club has seen an improvement in trading conditions and has returned to generating positive EBITDA in the quarter ended September 2024.

Based on the above circumstances, the Directors have concluded that the use of the going concern assumption in the preparation of this year's financial report is appropriate, however note material uncertainty applies to this conclusion. The Directors also believe that the Club will be able to continue as a going concern with support from its members, the local

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

community, and the support of its banker, the Bank of Queensland. Long term, the Directors have confidence that the Club will recover from this set back and deliver to the Central Coast a venue with an enhanced facility and amenities for the comfort of members and guests, while providing an integrated lifestyle and entertainment precinct that the whole community can enjoy.

OPERATING RESULTS

The net consolidated operating loss of the consolidated entity for the financial year after providing for income tax was (\$5,065,501) compared with an operating loss of (\$262,620) in the prior year. This disappointing result is driven by \$5,303,851 (20.5%) increase in costs of operations, while only receiving \$486,134 (1.9%) increase in revenue.

MEMBERSHIP

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2024 was 35,021 (2023: 33,495).

OBJECTIVES

To create an innovative environment where Central Coast Leagues Club is committed to offering a welcoming, caring and exciting leisure experience for our guests; providing an inspired, learning-oriented and customer-driven workplace; and making a lasting positive contribution to our community.

Short Term

Cementing our mission as The Heart of the Coast, in support of the community welfare and local sporting bodies in ongoing partnerships and Club Grants. Continue the revitalisation of the Club's facilities to ensure members and guests are provided with an up-to-date, multipurpose facility that caters to their needs and the needs of the community. Delivering a higher standard of customer service as well as increased member rewards and benefits through the Clubs loyalty program, promotional offers and competitions specific to our target market.

Long Term

To be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the community and our members. Progress the Club forward so it can execute its masterplan to construct its integrated lifestyle and entertainment precinct in the centre of Gosford that the whole community can enjoy, while securing a strong financial future and destination of choice for members and guests.

Strategy for Achieving the Objectives

Strive to attract and retain quality staff and business partners who are committed to the vision and mission of the Club. Provide members with a range of entertainment activities and grow and retain strong membership numbers to sustain a strong financial future.

SIGNIFICANT EVENTS AFTER BALANCE DATE

The Club after year end is presently in negotiation with its bankers to as secured variations to its finance facilities, which would include the following amendments to existing arrangements. Refer to Note 16 for more detail.

Land held by the Club was placed on the market for sale on 19 September 2024 for the following sites, 97 and 97a Donnison Street and 20-22 Dane Drive, Gosford NSW 2250.

Other than what has been disclosed above, there have been no other significant events or transactions that has arisen which may affect the operation of the Club, the results of those operations, or the state of affairs of the Club in the future financial years.

DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

The lead Auditor's Independence Declaration as required under s307c of the Corporations Act 2001 for the year ended 30 June 2024 has been received and is set out herein.

LIABILITY OF MEMBERS WINDING UP

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$5.00 each towards meeting any outstanding obligations of the entity at 30 June 2024, the total amount that members of the company are liable to contribute if the company is wound up is \$5.00. (2023 \$5.00).

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

On behalf of the Directors

M Dowling

Chairman

E Johnson

Deputy Chairman

GOSFORD

15 October 2024

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. In the Directors opinion the financial statements and notes set out herein are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, reduced disclosure requirements and Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June, 2024 and of the performance for the year ended on that date of the Consolidated Entity.
2. In the Directors' opinion there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

M Dowling

Chairman

E Johnson

Deputy Chairman

GOSFORD

15 October 2024

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration under Section 307c of the Corporations Act 2001 to the Directors of Central Coast Leagues Club Limited

I declare that to the best of my knowledge and belief, during the year ended 30 June 2024 there have been:

1. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Fortunity Assurance

Adrian Thompson
Partner

155 The Entrance Road Erina NSW 2250
15 October 2024

INDEPENDENT AUDIT REPORT

To the Members of Central Coast Leagues Club Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the consolidated financial report of Central Coast Leagues Club Ltd and Controlled entity (Group), which comprises the Statement of Financial Position as at 30 June 2024, the Statement of Comprehensive Income, Statement of Changes in Members' Funds and Statement of Cash Flows for the year ended on that date including a summary of material accounting policies and other explanatory notes and the Director's Declaration.

In our opinion, the accompanying financial report of Central Coast Leagues Club Limited is in accordance with the Corporations Act 2001, including:

- i. Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. Complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Regulations 2001.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board 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 ethical responsibilities in accordance with the Code.

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates the following circumstances apply to the Group:

- The Group incurred a net loss of \$5,065,501 for the year ended 30 June 2024.
- The Group incurred net cash outflows of (\$2,419,816) from trading activity, net cash out flows from investing activities of (\$15,836,197) and net cash in flows from financing activities of \$17,938,066, with combine to a net decrease in cash for the Group of (\$317,947) for the year ended 30 June 2024.
- The Group has a cash balance of \$593,733 at 30 June 2024 with temporary extensions to overdraft facilities and ongoing negotiations with its bankers with respect to financing arrangements.
- The renovations to the Club and fitness centre are now complete with the Club's trading activity being unaffected by construction and renovation activity since October 2023 with the Club returning to a positive EBITDA in the September 2024 quarter.

As stated in Note 1, these events or conditions listed above, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

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

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

INDEPENDENT AUDIT REPORT (continued)

Other Information (continued)

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

Responsibilities of the Directors for the Financial Report

The directors of the Group 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 misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 Group 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 the audit.

Fortunity Assurance

Adrian Thompson

Partner

155 The Entrance Road Erina NSW 2250

15 October 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	NOTE	CONSOLIDATED	
		2024	2023
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues from Ordinary Activities	2	26,116,348	25,630,214
Cost of Sales	3	(2,819,646)	(1,984,469)
Expenses from Ordinary Activities:			
Poker Machine Duty and Taxes		(4,212,357)	(4,573,616)
Depreciation and Amortisation Expenses	3	(3,066,826)	(2,293,106)
Wages & Employee Benefits		(9,757,795)	(7,565,883)
Repairs and Maintenance		(1,144,328)	(1,053,949)
Electricity Light & Power		(1,116,928)	(1,021,357)
Entertainment & Promotions		(1,732,602)	(1,667,635)
Other Expenses from Ordinary Activities		(6,182,566)	(5,451,709)
Borrowing cost expense	3	(1,148,801)	(266,274)
(Loss) from Ordinary Activities before Income Tax expense		(5,065,501)	(247,784)
Income Tax (Expense)	4	-	14,836
(Loss) from Ordinary Activities after Income Tax expense		(5,065,501)	(262,620)
Other Comprehensive Income		15,614,707	-
Total Comprehensive Income Attributable to Members		10,549,206	(262,620)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2024

	NOTE	CONSOLIDATED	
		2024	2023
CURRENT ASSETS			
Cash Assets	5	593,733	911,680
Receivables	6	166,567	139,893
Inventories	7	172,292	137,284
Other Assets	8	330,168	456,246
Total Current Assets		1,262,760	1,645,103
NON CURRENT ASSETS			
Property, Plant & Equipment	9	72,426,443	44,048,599
Deferred Tax Assets	10	55,619	55,619
Intangibles	11	85,000	85,000
Total Non Current Assets		72,567,062	44,189,218
Total Assets		73,829,822	45,834,321
CURRENT LIABILITIES			
Trade & Other Payables	12	3,452,522	4,146,844
Other Liabilities	13	95,121	70,358
Interest Bearing Liabilities	14	25,344,647	600,000
Hire Purchase Liabilities	14	325,131	170,418
Provision for Employee Entitlements	15	866,504	728,343
Total Current Liabilities		30,083,925	5,715,963
NON CURRENT LIABILITIES			
Other Liabilities	13	140,839	125,435
Interest Bearing Liabilities	14	-	6,980,000
Hire Purchase Liabilities	14	398,300	379,594
Provision for Employee Entitlements	15	95,116	70,893
Total Non Current Liabilities		634,255	7,555,922
Total Liabilities		30,718,180	13,271,885
Net Assets		43,111,642	32,562,436
MEMBERS FUNDS			
Retained Earnings		27,496,935	32,562,436
Asset Revaluation Reserve		15,614,707	-
Total Members Fund		43,111,642	32,825,056

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	NOTE	CONSOLIDATED	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers – net		28,708,695	28,285,019
Payments to Suppliers & Employees		(29,979,763)	(23,739,644)
Interest received		53	8,298
Interest Paid & Borrowing costs		(1,148,801)	(266,274)
Net Cash provided by (used in) Operating Activities	23	(2,419,816)	4,287,399
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property Plant and Equipment		1,000	179,335
Purchase of Property Plant and Equipment		(15,837,197)	(8,366,449)
Net Cash provided by (used in) Investing Activities		(15,836,197)	(8,187,114)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans		18,235,306	3,487,455
Repayment of loans		(297,240)	(737,444)
Net Cash provided by (used in) Financing Activities		17,938,066	2,750,011
Net Increase (Decrease) in Cash held		(317,947)	(1,149,704)
Cash at Beginning of Year		911,680	2,061,384
Cash at End of Year	5	593,733	911,680

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS FUNDS

For the year ended 30 June 2024

RETAINED EARNINGS	Asset revaluation reserve	Retained surpluses	Total Equity
Balance as at 1 July 2022	-	32,825,056	32,825,056
Surplus / (loss) after income tax	-	(262,620)	(262,620)
Balance as at 30 June 2023		32,562,436	32,562,436
Surplus / (loss) after income tax	-	(5,065,501)	(5,065,501)
Gain / (loss) on revaluation	15,614,707	-	15,614,707
Balance as at 30 June 2024	15,614,707	27,496,935	43,111,642

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Central Coast Leagues Club Limited applies Australian Accounting Standards – Simplified Disclosures as set out in AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

(i) Compliance with Australia Accounting Standards – Simplified Disclosures

The financial statements of the Company comply with Australian Accounting Standards. Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB). Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current financial year. The revised presentation does not result in a change in net profit of the Company.

(ii) New and Amended Accounting Standards and Interpretations

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

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

The financials statements, except for the cash flow information have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 15 October 2024 by the directors of the company.

Going Concern

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

As of 30 June 2024, the Club has a total facility limit of \$23,580,000 which is fully drawn at balance date (2023: \$7,580,000) and includes increased facilities which were extended in October 2023. At the 30 June 2024 half year reporting to the Club's bankers, the Club breached two of three of its loan conditions and received a waiver on these breaches. The Club continues to work with its bankers to obtain extensions and variation to its existing facility arrangements as follows.

- At the date of signing the financial statements the Club has negotiated an extension to its bank overdraft facility as follows.
 - \$250,000 temporary limit in addition to existing facility, which expires 15 October 2024.
 - \$400,000 temporary limit in addition to existing facility, which expires 15 October 2024
- No principal re-payments on the existing facility until the 15 October 2024.
- Club to investigate the marketing and sale of surplus land to repay the overdraft.
- Club to continue to implement the improvement initiatives.
- Bank to provide a waiver on loan condition breaches as at 30 June 2024, with re-considered of the loan facility to occur on the 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern (continued)

At 30 June 2024, the Club's total current liabilities exceed the total current assets by \$28,821,165 (2023: \$4,070,860), has made a year to date loss \$5,065,501 (2023: \$262,620) and incurred negative cash flows from trading activities of \$2,419,816 (2023: positive cash flow of \$4,287,399). However, the Director wish to advise

- The Club has now completed renovation of the ground floor precinct (stages 1 and 2) and Coast Fitness HQ gymnasium, which has seen improvements in patronage by members and guests.
- The Club has received advice from experts that if it were to dispose of surplus Club land, this would be expected to significantly reduce the Club overdraft facility and/or eliminate it completely.
- The Club has commenced implementation of improvement initiatives which should see a general improvement in the Clubs gross profit margins, transition positive cash flows and see reductions in employment costs and overheads.
- The Club has seen an improvement in trading conditions and returned to generating positive EBITDA in the September 2024 quarter.

Based on the above circumstances the directors have concluded that the use of the going concern assumption in the preparation of this year's financial report is appropriate, however note material uncertainty applies to this conclusion. The Directors also believe that the Club will be able to continue as a going concern with support from its members, the local community, and the support of its banker, the Bank of Queensland.

Accounting Policies

(a) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other factors, including expectations of future events, management believes to be reasonable under the circumstances.

The resulting accounting judgements and estimates will seldom equal the actual related results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Estimation of useful lives of assets

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

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than twelve months from the reporting days are recognised and measured at present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition, rates and pay increases through promotion and inflation have been taken into account.

Members Subscriptions

During the year the Club continued with its record keeping in respect to membership subscriptions with its allocation between membership fees earned and those which are deferred to subsequent years based on membership periods applied for by renewing members.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Principles of Consolidation

A controlled entity is an entity controlled by Central Coast Leagues Club Limited. Control exists where Club has the capacity to dominate the decision making in relation to the financial and operational policies of another entity so that the other entity operates with the Club to achieve the objectives of Central Coast Leagues Club Limited. A list of controlled entities is contained in Note 24 to the financial statements.

All inter-company balance and transactions between entities in the economic entity including unrealised profits or losses have been eliminated upon consolidation.

(c) Income Tax

The Company adopts the balance sheet approach under which temporary differences are identified for each asset and liability rather than the effect of timing and permanent differences between income and accounting profit.

The charge for current income tax is based on the profit for the year adjusted for any nonassessable or disallowed items. It is calculated using the tax rates that have been enacted or substantially enacted by the balance date and adjusted to take into account the principle of mutuality. Revenue in the form of receipts from members represents mutual income and is not subject to income tax. Such expenses associated with mutual activities are non-deductible for income tax purposes. All other receipts and payments of the Economic Entity are classified for income tax purposes in accordance with income tax legislation.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based upon the assumption that no adverse change will occur in Income Tax Legislation and the anticipation that the company will derive future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(e) Property, Plant and Equipment

Property, plant and equipment, with the exception of freehold land, are carried at cost, less where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Freehold land is shown at fair value, based on periodic valuations completed every 3 – 5 years by external independent valuers, less impairment. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount.

The cost of fixed assets constructed within the Club includes the cost of materials, labour and borrowing costs. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, Plant and Equipment (continued)

future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, are depreciated on a straight line basis over their useful lives to the Club, commencing from the time the asset is held ready for use as follows:

<i>Class of Fixed Asset</i>	<i>Useful Life</i>
Buildings	3 to 100 years
Plant and Equipment	3 to 50 years
Leasehold Improvements	3 to 60 years
Poker Machines	2 to 7 years

The assets residual values and useful lives are reviewed and adjusted if applicable at each balance sheet date. An asset carrying amount is written down immediately to its recoverable amount if the asset carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

(f) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy the vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Club to a complying superannuation fund of the employee choice for all employees. All contributions are charged as expenses as they occur with the Club having no further obligations to provide benefits to employees upon retirement.

(g) Members' Subscriptions

Amounts received from members in respect of subscriptions to be recognised in subsequent years are shown at Note 13 Other Liabilities. Amounts received from members in respect of subscriptions for the periods greater than 12 months from year end are treated as deferred revenue and recognised in the statement of comprehensive income once the period of membership has past.

(h) Limitation of Members Liability

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. In accordance with the conditions in the Constitution, the liability of members in the event of the Club being wound up would not exceed \$5 per member towards meeting any outstanding obligations of the company. At 30 June 2024 there were 35,021 (2023: 33,495) members.

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members and guests. Revenue from rendering a service is recognised upon the delivery of the service to members and guests.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Revenue (continued)

Where both these conditions are satisfied the Company;

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

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

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

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

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

(k) Goods and Services Tax (GST)

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

(l) Impairment of Assets

At the end of each reporting date, the Club reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash flows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash generating unit to which the class of asset belongs.

(m) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(n) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Financial Instruments (continued)

(i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

Financial Assets

Financial assets that are within the scope of the accounting standards are required to be subsequently measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans and borrowings are classified as non-current.

(o) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(p) Goodwill

Goodwill is carried at costs less any accumulated impairment losses. Goodwill is calculated as the excess of the consideration transferred at fair value upon the purchase of the Evolve Yoga business.

Goodwill on the purchase of the Evolve Yoga is tested for impairment annually and is allocated to its own cash generating unit (Evolve Yoga), representing the lowest level at which goodwill is monitored.

(q) Customer Loyalty Programs

The company operates a loyalty program where customers accumulate points for dollars spent. The award points are recognised separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. The amount of the revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

(r) New and amended Accounting Standards and Interpretations Adopted

The company has adopted all new or amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not yet been early adopted. There were no Accounting Standards and or Interpretations which will have or have had a material impact on the Club for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
2. REVENUE		
Operating Activities		
Trading Revenue	24,143,142	23,616,628
Interest Received	53	8,298
Commissions Received	551,872	514,077
Rent Received	331,095	311,479
Members Subscriptions	716,758	645,477
Other Revenue	373,428	378,205
	26,116,348	25,474,164
Non Operating Activities		
Proceeds from the Disposal of Property Plant and Equipment	-	156,050
Total	26,116,348	25,630,214
3. EXPENSES		
Profit from Ordinary Activities before Income Tax has been determined after:		
Expenses		
Cost of sales	2,819,646	1,984,469
Borrowing costs	1,148,801	266,274
Impairment of investments	-	-
Loss on disposal of property, plant & equipment	6,525	-
Depreciation and amortisation expenses - Club	2,947,616	2,241,732
Depreciation and amortisation expenses - Fitness	119,210	51,374
Total	3,066,826	2,293,106

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
4. INCOME TAX EXPENSE		
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
(Loss) before income tax	(5,065,501)	(247,784)
Income tax expense calculated at an effective rate of 5.06% (2023:5.38%) of operating profit. The effective tax rate is calculated by applying the non-mutual percentage of 20.22% (2023: 21.5%) Income tax rate of 25%.	(256,101)	(13,342)
Add: Tax effect of		
- Non allowable members' only expenses	113,855	121,413
- Non mutual expenses	68,873	65,495
	<u>(73,373)</u>	<u>173,566</u>
Less: Tax effect of		
- Non assessable members' subscriptions	(4,042)	3,325
- Non mutual assessable income	(36,893)	39,209
- Carried forward loss / deductions of subsidiary @ 25%	9,150	(41,098)
- Over provision for income tax	-	(2,564)
Income tax expense on mutual income	<u>(105,158)</u>	<u>174,694</u>
Adjusted for the effect of non mutual income and expense calculated at 25%		
Add / (less) tax effect of permanent differences		
- Non mutual income	182,425	182,049
- Non mutual expenses	(34,848)	(376,829)
- Tax income attributable to subsidiary at 25%	-	-
Recoupment of prior year tax losses not previously brought to account	-	1,644
Loss carried used / (carried forward)	<u>(42,419)</u>	<u>(18,442)</u>
Income tax expense attributable to the operating profit subsidiary	<u>-</u>	<u>-</u>
(b) The income tax benefit / (expense) comprises:		
Current income tax payable	-	-
Increase / (reduction) in provision for deferred income tax	-	(14,836)
Attributable to Operating profit	<u>-</u>	<u>(14,836)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
5. CASH ASSETS		
Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position Sheet as follows:		
Cash at bank and on hand	593,733	911,680
Total	593,733	911,680
6. RECEIVABLES		
Current		
Trade debtors	91,737	67,822
Other debtors	74,830	72,071
Total	166,567	139,893
7. INVENTORIES		
Bar stock	129,000	99,190
Catering stock	43,292	38,094
Total	172,292	137,284
8. OTHER ASSETS		
Current		
Other prepayments	330,168	456,246
Total	330,168	456,246
9. PROPERTY PLANT & EQUIPMENT		
Land and development at cost	20,100,000	2,485,293
Buildings and improvements at cost	65,657,501	46,461,539
Less Accumulated depreciation	(21,983,053)	(20,268,748)
	43,674,448	26,192,791
Plant equipment furniture and fittings at cost	17,928,841	16,334,834
Less Accumulated depreciation	(13,533,777)	(12,742,709)
	4,395,064	3,592,125

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
9. PROPERTY PLANT & EQUIPMENT		
Leasehold improvements at cost	149,410	149,410
Less Accumulated amortisation	(149,410)	(149,410)
	-	-
Poker machines and plant at cost	7,160,308	6,354,452
Less Accumulated depreciation	(5,667,889)	(5,171,832)
	1,492,419	1,180,620
Sub Total - Property Plant & Equipment	69,661,931	33,450,829
Capital works in progress	2,764,512	10,597,770
Total Property & Plant Equipment	72,426,443	44,048,599

Fair value of Club Land

As per section 41E(5) of the Registered Clubs Act, land owned by a club can be divided into “core” and “non-core” property. As per Section S41E(5) of the Registered Clubs Act (NSW) 1976, Board of Directors declare as of 30 June 2024 Central Coast Leagues Club has classified its land assets below as follows:

Core Property

- The Clubs core property consists of the land upon which the licensed Club is located, on 1 Dane Drive Gosford.

Non-core

- Non-core property consists of the Club car park and the land located at 20-22 Dane Drive.
- Non-core property consists of the Commercial building and vacant land located at 97 and 97A Donnison Street.

The Club adopted a fair value approach to the valuation of the Clubs land in this financial year based on a valuation performed on 9 May 2022 by CBRE registered valuers (Ken Smith and Adam Nadile). This valuation was used in the recording of the fair value of land for the Club for the year ended 30 June 2024 at a fair value of \$20,100,000 for all core and non-core land. The next valuation assessment is expected to be performed within 2025 / 2026. The Club intends to perform valuations on a periodic basis, generally every 3 to 5 years by external independent valuers. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount.

Assets Held as Security

The Club subsidiary Coast Fitness HQ Pty Ltd hold gym equipment which are held as security against the hire purchase liabilities as per Note 14.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of the sub total property, plant and equipment between the beginning and the end of the current financial year. It does have some minor rounding differences in conjunction to that of the consolidated statement of comprehensive income and cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	Land \$	Buildings \$	Plant & Equipment \$	Leasehold Improvement \$	Poker Machines \$	Work In Progress \$	Total \$
Balance at 1 July 2023	2,485,293	26,192,791	3,592,125	-	1,180,620	10,597,770	44,048,599
Additions	-	13,369,192	1,662,149	-	805,856	-	15,837,197
Disposals (net)	-	(4,000)	(3,234)	-	23,285	-	(7,234)
Transfers	17,614,707	5,833,258	-	-	-	(7,833,258)	15,614,707
Depreciation/amortisation	-	(1,716,793)	(855,976)	-	(494,057)	-	(3,066,826)
Balance at 30 June 2024	20,100,000	43,674,448	4,395,064	-	1,492,419	2,764,512	72,426,443

10. DEFERRED TAX ASSETS

Deferred tax assets

Future income tax benefits from	Opening Balance	Recognised in Profit & Loss	Charged Tax Rate (Mutuality Rate)	Closing Balance
Employee entitlements	42,200	5,548	(138)	47,610
Creditors & accruals	10,728	6,960	(36)	17,652
Other liabilities	2,691	(2,691)	-	-
Carried forward tax losses	-	-	(9,643)	(9,643)
Total	55,619	9,817	(9,817)	55,619

The Club noted that unused tax losses for which no deferred tax assets have been brought to account are as follows;

- Tax losses: Operating losses \$1,259,855 (2023: \$342,518)
- Tax losses: Capital losses \$110,559 (2023: \$110,559)

11. INTANGIBLES

Non Current

	CONSOLIDATED	
	2024	2023
Goodwill - Evolve Yoga	85,000	85,000
Total	85,000	85,000

The recoverable amount of the cash-generating unit Evolve Yoga above is determined on a value-in-use calculation. Value in use is calculated based on the present value of cash flow projections over a five-year period generated by Yoga classes with a termination value using an estimated growth rate.

12. TRADE & OTHER PAYABLES

Current

Unsecured liabilities:

Trade creditors	1,366,687	2,776,060
Accruals & other payables	2,085,835	1,370,784
Total	3,452,522	4,146,844

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
13. OTHER LIABILITIES		
Current		
Memberships in advance	95,121	70,358
Non Current		
Memberships in advance	95,839	75,435
Other payables	45,000	50,000
Total	140,839	125,435
Aggregate membership and other payables liability	235,960	195,793

14. FINANCIAL LIABILITIES

Commercial Bank Loans:

The bank loans have been drawn as a source of long-term finance for Club infrastructure projects and the acquisition of land for commercial purposes.

- (a) The loans mature within periods of less than one to three years and are subject to variable interest rates.
- (b) The loan payable are secured by first registered mortgage over certain properties of the Entity.

Bank Loan – Current	23,580,000	600,000
Bank overdraft – Current	1,764,647	-
Bank Loan – Non-Current	-	6,980,000
Total	25,344,647	7,580,000

Commercial Loan Facilities:

The Club has a total loan facility limit of \$23,580,000 which is fully drawn at balance date (2023: \$7,580,000) and is broken down into two components as follows:

- Commercial Rate Loan of \$6,580,000
- Capex Facility of \$17,000,000

The above listed bank loan facilities contain the following terms.

Commercial Rate Loan

The Commercial Rate Loan is an existing agreement which is available until 30 November 2025 with interest at variable rates based on the standard commercial loan which is determined by the BBSY for a reset period of 1 month plus the banks' lending margin of 1.8%. Repayments were structured with interest only until April 2024 and principal and interest repayments from May 2024 with the facility repayable in full on expiry of the finance term. After balance date the Club has extended the interest only repayments on this facility until the 15 October 2024.

Capex Facility Loan

The Capex Facility is an existing agreement which is available until 30 November 2025 with interest at variable rates based on the standard commercial loan which is determined by the BBSY for a reset period of 1 month plus the banks' lending margin of 1.1%. Repayments structure of this loan is interest only repayments until expiry of the finance term on the 30 November 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

Bank Overdraft Facility

As of 30 June 2024, the Club has a total facility limit of \$2,250,000 (2023: \$750,000) of funds available to draw down as at balance date, with \$485,353 unused facility available (2023: \$750,000).

The Club on the 30 August 2024 received a temporary facility limit increase on the bank overdraft facilities and at the date of signing the financial statements the Club existing overdraft facilities are as follows.

- \$2,000,000 permanent limit in accordance with the existing facility which expires November 2025.
- \$250,000 temporary limit in addition to existing facility, which expires on the 15 October 2024.
- \$400,000 temporary limit in addition to existing facility, which expires on the 15 October 2024.

The bank overdraft is subject to revolving annual reviews and presently has a set fix interest rate of 7.51%. The loan facility and bank overdraft are secured by a first registered mortgage over the company's freehold land & buildings located at 1 Dane Drive, Gosford NSW 2250, 20-22 Dane Drive, Gosford NSW 2250, 97 Donnison Street, Gosford NSW 2250 and 97a Donnison Street, Gosford NSW 2250.

The Club breached two of three of its loan conditions in the June 2024 half year reporting which were waived before the Directors signed the financial statements. At balance date, the Club did not have the above revised arrangements in place, hence the entire bank facility (excluding hire purchase facilities used) have been classified as current.

Hire Purchase Facility:

As of 30 June 2024, the Club has a total facility limit of \$1,000,000, funds drawn \$723,431 (2023: \$550,012) and has available unused funds of \$276,569 (2023: \$449,988).

The Club's current purchase agreement was for the financing of equipment for both the Club (matures January 2027) and subsidiary Coast Fitness HQ Pty Ltd (matures February 2026). The assets are also held as security as per Note 9 property, plant & equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2023	2022
Hire Purchase Commitments - Current	120,729	170,418
Hire Purchase Commitments - Fitness - Current	204,402	-
Total	325,131	170,418
Hire Purchase Commitments - Non Current	246,462	379,594
Hire Purchase Commitments - Fitness - Non Current	151,838	-
	398,300	379,594
Total	723,431	550,012
15. PROVISIONS FOR EMPLOYEE ENTITLEMENTS		
Current		
Employee Entitlements	866,504	728,343
Non Current		
Employee Entitlements	95,116	70,893
Aggregate employee entitlements liability	961,620	799,236

16. CAPITAL AND LEASING COMMITMENTS

(a) Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, Plant and Equipment

Air Conditioning Dampeners	-	55,344
Beverage Equipment	-	65,050
Members Redemption Kiosks	-	36,500
Heaters Alfresco Gaming	1,076	38,900

Major Development and Property

Capital Works Masterplan	-	278,700
Internal Club Refurbishment Design and Concept	25,000	13,873,933

Total	26,076	14,348,427
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(b) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

Lease of Gosford City Bowling Club

The Club currently holds a lease with Central Coast Council for the Gosford City Bowling Club located at 20 Dane Drive Gosford. The lease term for this site is due to expire in December 2024.

Payable:

Not longer than 1 year	7,063	16,033
Longer than 1 but not longer than 2 years	-	7,063
Longer than 2 but not longer than 5 years	-	-
Longer than 5 years	-	-
Total	7,063	23,096

Lease of Plant Equipment

Payable:

Not longer than 1 year	30,958	30,958
Longer than 1 but not longer than 2 years	18,059	30,958
Longer than 2 but not longer than 5 years	-	18,059
Longer than 5 years	-	-
Total	49,017	79,975

The directors have review and assessed that the operating leases held by the Club at year end not to be material, hence these operating leases have not been accounted for under AASB16 Leases (refer to Note 1(r)).

(c) Hire Purchase Commitments

Payable:

Not longer than 1 year	354,828	193,772
Longer than 1 but not longer than 2 years	284,571	208,504
Longer than 2 but not longer than 5 years	84,032	147,736
Longer than 5 years	-	-
Total	723,431	550,012

17. RELATED PARTY TRANSACTIONS

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

18. KEY MANAGEMENT PERSONNEL DETAILS

(a) Directors

The names of the Directors who have held office during the financial year are:

Mr M Bell

Mr A Dickson

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

18. KEY MANAGEMENT PERSONNEL DETAILS (continued)

(a) Directors

Mr M Dowling
Mr E Johnson
Mr A Mackenzie
Mr S Naven
Mrs K Casey

(b) Other Key Management Personnel

Mr B Paul Chief Executive Officer – appointed September 2024
Mr E Camilleri Chief Executive Officer – resigned August 2024
Mr P Boswell Chief Financial Officer – resigned September 2023
Mr A Ryan Chief Operating Officer
Mr S Pauly Chief Financial Officer – appointed October 2023
Mrs J Barnes Chief Administrative Officer – resigned September 2024

CONSOLIDATED

2024 2023

(c) Directors and Key Management Personnel Compensation

Benefits and payments to Directors and Other Key Management Personnel named above.

1,290,342 1,210,660

19. GUARANTEES

The Bank of Queensland has provided a Bank Guarantee in respect of the TAB Agency of \$5,000.

20. FINANCIAL REPORTING BY SEGMENTS

The entity operates in predominantly one industry. The principle activity of the Entity is that of a licensed club registered under the Registered Clubs' Act 1976. The Entity operates in one geographical area, being Gosford, New South Wales.

21. CONTINGENCIES AND OTHER ASSETS NOT REPORTED

22. EVENTS OCCURRING AFTER THE REPORTING DATE

The Club after year end is presently in negotiation with its bankers to as secured variations to its finance facilities, which would include the following amendments to existing arrangements. Refer to Note 16 for more detail.

Land held by the Club was placed on the market for sale on 19 September 2024 for the following sites, 97 and 97a Donnison Street and 20-22 Dane Drive, Gosford NSW 2250.

Other than what has been disclosed above, there have been no other significant events or transactions that has arisen which may affect the operation of the Club, the results of those operations, or the state of affairs of the Club in the future financial years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024 (continued)

	CONSOLIDATED	
	2024	2023
23. CASH FLOW INFORMATION		
(a) Reconciliation of cash flow from operations with profit from ordinary activities after income tax.		
(Loss)/Profit from ordinary activities after income tax	(5,065,501)	(262,620)
<i>Non cash flows in profit from ordinary activities</i>		
Depreciation	3,066,826	2,293,106
(Profit)/Loss on sale of property plant and equipment	6,234	(156,050)
Movement in deferred taxes payable	-	14,836
<i>Changes in assets & liabilities</i>		
(Increase) / decrease in trade & other debtors	(26,674)	271,669
(Increase) / decrease in inventories	(35,008)	(24,877)
(Increase) / decrease in other assets	126,078	(137,345)
Increase / (decrease) in trade & other payables	(654,155)	2,272,804
Increase / (decrease) in employee entitlements	162,384	15,846
Cash flows from operations	(2,419,816)	4,287,399
(b) Standby credit arrangements with Banks		
Credit facility	23,580,000	22,780,000
Overdraft facility	2,250,000	750,000
Equipment facility	1,000,000	-
Amount utilised	(26,344,647)	(8,130,012)
Unused credit facility	485,353	15,399,988
The major facilities are summarised as follows:		
1) Commercial Rate Loan - Drawn	6,580,000	7,580,000
2) Commercial Rate Loan – not used	17,000,000	14,200,000
3) Hire Purchase - Drawn	723,431	550,012
4) Hire Purchase - not used	276,569	449,988
5) Business Overdraft - Drawn	1,764,647	-
6) Business Overdraft - not used	485,353	750,000
Total	26,830,000	23,530,000

NOTES TO THE CONSOLIDATED STATEMENTS

For the year ended 30 June 2024 (continued)

24. INTEREST IN SUBSIDIARIES

Subsidiary	Place of Business	Percentage Owned (%)	Percentage Owned (%)
		2024	2023
Coast Fitness HQ Pty Ltd	NSW	100	100

PRIVACY POLICY

The Central Coast Leagues Club Limited, ABN 83 001 036 068 and its related entities have a commitment to privacy and the safeguarding of member, visitor and staff personal information.

The Club complies with the provision of the Privacy Act 1988. The following policy provides a clear and concise outline of how and when personal information is collated, stored and disclosed by the Central Coast Leagues Club Limited.

THE INFORMATION THE CLUB COLLECTS

The Club will collect general information about a patron such as name, address, occupation, date of birth, contact details and email address. Information will also be collected as a result of a membership card being placed in a gaming machine or other Club machines linked to a members' loyalty system (not ATM's). The Club may collect personal information as a consequence of a patron's involvement in Club activities providing benefits or services to patrons. In the interest of safety and security the Club operates surveillance cameras and may collect personal information in the course of investigating complaints or pursuing disciplinary proceedings.

Where practicable, the purpose for which we collect personal information will be made clear at the time of collection and when appropriate consent for its use is obtained. The Club will not collect any personal information about visitors to the website except when they knowingly provide it.

DISCLOSURE

The Club does not disclose personal information to any other organisation or person unless there is:

- a legal requirement to do so;
- a threat to an individual's life, health or safety, or public health or safety; • a suspicion that unlawful activity has been, is being or may be engaged in;
- a patron benefit in doing so.

HOW WE USE PERSONAL INFORMATION

The Club will use personal information for the purpose disclosed at the time of collection or as otherwise set out in the Privacy Policy. Generally, the Club will use the information collected for the following purposes:

- To process membership applications.
- To meet statutory requirements under the Registered Club's Act and other relevant legislation.
- To comply with the Club's constitution.
- To complete a transaction or answer an enquiry.
- To register patrons for events, promotions and competitions.
- To register details for electronic mail purposes.
- As an aid to third parties that provide products or services under contract to the Club.
- For direct marketing purposes. However, if we contact patrons this way without prior consent, an opportunity to elect the discontinuance of any further marketing communication will be provided.

QUALITY OF PERSONAL INFORMATION

Central Coast Leagues Club's goal is to ensure personal information is accurate, complete and up to date. To assist in achieving this goal, any changes to personal details should be directed to the Club's Privacy Officer. The Club relies on information provided by its patrons to be accurate and current. If information is not accurate, contact the Club's Privacy Officer and all reasonable effort will be made to correct the information. No fee will apply to correct personal information.

ACCESS TO PERSONAL INFORMATION

Individuals may access personal information held on them by the Club by contacting the Club's Privacy Officer.

The Club may refuse a request to access, amend or delete personal information in certain circumstances. If a request is refused, a reason for that decision will be provided.

SECURITY

The Club takes all reasonable steps to protect any personal information held from misuse and loss and from unauthorised access, modification or disclosure.

PRIVACY POLICY (continued)

The Club takes all reasonable steps to destroy and/or de-identify personal information when no longer needed. Personal information is stored in a secure server or secure files. The Club notes the internet is not a secure method of transmitting information. Accordingly, the Club will not accept responsibility for the security of information sent over the internet or for any unauthorised access or use of that information.

CHANGES TO THE POLICY

The Club may amend this policy. The amended version will be posted on the Club's website at www.cclc.com.au. To keep in touch with changes regular visits to the Club's web site is advised.

FURTHER INFORMATION

For any additional details or enquiries relating to the Club's Privacy Policy please contact our Privacy Officer as follows:

Attention the Privacy Officer

Central Coast Leagues Club

Locked Bag 10

GOSFORD 2250



DANE DRIVE GOSFORD

www.cclc.com.au