

# ANNUAL REPORT

2021



# WE'RE MORE THAN A CLUB, WE'RE A **COMMUNITY**

Amalgamated with  
**2 CLUBS**  
on the Central Coast

Welcomed additional  
**13,849 MEMBERS**

Provided  
**9 VENUES**  
of choice for **158,360**  
Mounties Group members

Served over  
**5 MILLION**  
members & their guests

Provided fitness classes for  
**500,000**  
visits

Created over  
**2,000 JOBS**  
with our suppliers

Provided employment to over  
**700 PEOPLE**  
in the local community

Created purpose-built  
**TRAINING & EDUCATIONAL**  
academy for staff

Built a  
**7,000m<sup>2</sup>**  
free to use indoor sports area

Opened  
**TWO**  
new children's play centres

Supported  
**49**  
Sub-clubs

Sponsored more than  
**2,000**  
local children to play sports  
each week

Sponsored  
**AUSTRALIA'S FASTEST  
RAPID  
RESPONSE  
HELICOPTER**

to deliver 275 missions  
across Greater Sydney and  
Central Coast

Helped  
**138 LOCAL  
COMMUNITY  
GROUPS**  
with financial assistance

Subsidised over  
**2,500  
PEOPLE**  
through sporting sub-clubs

Assisted over  
**11,300  
PEOPLE**  
with free welfare calls

to deliver 275 missions  
across Greater Sydney and  
Central Coast

Introduced Mounties Care to  
**4,692  
MEMBERS**

Visited  
**300+  
MEMBERS**  
in their home

Record level of  
**COMMUNITY  
SUPPORT**

Donated  
**\$9.9 MILLION**  
Direct Community Support

**158,360+  
MEMBERS**

**741  
STAFF**

**\$18.9 MILLION**  
Profit to meet our purpose  
next year

WHAT WE OFFER



10

MAJOR FUN



19

2021 ANNUAL GENERAL MEETING

Sunday, 5 December 2021 at 10.00am

NOTICE is hereby given that the Annual General Meeting of Mount Pritchard & District Community Club Ltd ABN 98 000 458 622 ("the Club") will be held on Sunday, 5 December 2021 at 10:00am at the Club's premises at 101 Meadows Road, Mt Pritchard NSW 2170 (and video conferenced to the Harbord Diggers premises at 88 Evans Street, Freshwater NSW 2096 and the Halekulani Bowling Club premises at 50 Natuna Avenue, Budgewoi NSW 2262).

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## FROM THE *PRESIDENT*

The COVID-19 pandemic continues to have wide ranging negative impacts across the world and here in NSW, with Mounties Group having just returned to operations after nearly four months of lockdown. Our Clubs, Fitness Centres, Child Play, Resorts, Bars, and Cafes all closed promptly before the end of Financial Year and we are relieved to again be open for our members.

Over 700 of our staff have returned to work and can generate household income, our suppliers are again able to service us and generate sales and our members are finally able to visit their favourite clubs, to enjoy a meal and entertain with family and friends.

This year with the hospitality industry facing dire times, while others went into hibernation, and while many clubs across Australia faced serious financial doubt about their future, Mounties Group stood up to face the challenge head on and committed to making a bigger positive difference than ever before. At a time when our community needed us more than ever, we decided to do more for our community than any Club has ever done. I could not be more proud to be a part of the Mounties Group family.

In the last year, we have achieved so much; from the largest community support ever given by any Club in Australia, to the largest community donations level in history. We provided the funds for a life-saving helicopter in our community, a new building free of charge for youth services in our local area, we have renovated over half an acre inside our main club for free indoor sports. We have provided child play facilities for members children and we have subsidised over 2,000 local children to play sport each week.

In challenging times, we have risen to give more than ever before.

At the same time, our financial success this year has been outstanding considering the environment. Our Net profit for the year was \$18.9 million, our assets have grown by \$35.6 million and our membership has grown to just under 160,000 people. For us, this success means we will continue to support our community in the years to come. Even in the most difficult of times, our members continue to support us and allow us to grow for the future.

We have increased our levels of members support this year as well, with the creation of Murphy's Sporting Hub for our members to enjoy free indoor bowls, table tennis, snooker, darts or more. We have built two new amazing child play centres for our members to provide entertainment for their families, and we have provided free health services to thousands of our members to improve health and wellbeing in our community. We have also grown and welcomed two




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*In simple terms we have been asking members where we can make the biggest possible difference in their lives and we have been responding to deliver.*

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new venues into the Mounties Group family, extending into the Central Coast with Club Wyong and Halekulani Bowling Club.

It has certainly been a challenging year but we have faced it together. When other Clubs stood down staff, we stood by our staff and paid full wages for an extra month more than others. When our staff did stand down, all our staff did at the same time from Senior Management down and when other clubs put on hold their Club Grants or community support, we increased our support.

We have also used the time to make our organisation better for the future. We have spent time over the past year reviewing and further developing our Corporate Governance and developed an ethics policy for the Group. We now move towards being the first Club in NSW to appoint a full time Ethics and Governance Manager to Senior Management within the organisation and whilst we were already identified as having the highest standards, we are going even further. We have been developing our strategy to do more for our members through our growth in non-traditional areas such as medical, allied health, wellbeing and children's services.

In simple terms we have been asking members where we can make the biggest possible difference in their lives and we have been responding to deliver.

This year our educational services will be developed to help our community in learning new and improved skills to give members and their children a better life with more opportunities.

Our local children now have opportunities that they otherwise would not have and we are building on these opportunities as we move into the new financial year. Whether it be a better education, a better place to play or a better opportunity to use their talents through pathways from junior sport to the elite professional levels, Mounties Group is delivering for our children as they really are the future of us all living in a better community.

Our Seniors now have opportunities that they have never before experienced, from welfare calls, to free health advice, to more Sub-Club services, through to more social inclusion programs. Our retirement village offers a community within a community and our plans to develop a village in Western Sydney is progressing.

It has certainly been a year of challenges, but I want to thank my fellow Directors, our Management and Staff for seeing that in adversity also comes opportunity. In times when it would have been easier to not take risks, to worry about themselves and to take it a bit easier, they have been working so hard to deliver so much to our members and our community. In my 40 plus years on the Board at Mounties Group, I have never seen our team so cohesive, driven and committed. It really is admirable to see them working together in such a unified way to deliver to our members.

In summary, yes, we had a strong financial result for the year but more importantly we made a bigger difference in the lives of our members, delivered more to our local community and we improved more members lives than we ever had in the past. So thank you for your support of our Club. It is your support that allows us to get all this done for your own family, neighbours and community.

Regards,

**Kevin Ingram OAM  
President**



## FROM THE CEO

The past 18 months since COVID-19 reached Australia, has certainly bought some challenging times and in times such as these, some people naturally look for the negatives. The truth is that it is often in the most challenging times that we find the biggest opportunities to improve ourselves.

This year has been about improving Mounties Group to be a better organisation in the future and deliver more to our core purpose of improving the lives of our members. I must thank our wonderful President Kevin Ingram, our Board of Directors, Management, Staff and Members who all worked so hard, and gave so much this year, for our success to be so outstanding.

Our members supporting our venues this year allowed us to impact many lives, at the same time as produce a financial outcome that was very strong but the 4 closures over the past 18 months have also meant were able to establish ourselves for a strong future.

More than 40% of our income comes from non-club activities, but 100% of what we do continues to be aimed at the core purpose of improving the lives of our members. All of the profit we generate from our income is used to improve services or facilities for our members and to improve our members lives.

This year even in difficult times we produced strong positive financial outcome due to the support of our members and you attending our venues.

- EBITDARD Group performance improved by 44% to \$65 million, with 60% contribution from clubs
- Out Net profit improved by 150% from \$7.5 million to \$18.9 million
- Our assets grew by \$35.6 Million
- We increased our direct community support from \$4.6 Million to \$9.9 Million
- We provided \$16.6 million total estimated economic value of Mounties community contributions, services and activities
- We generated \$181 million in value-added economic output

We saw considerable improvements in the performance of our beverage departments, fitness centres and property operations as well as gaming and we grew our organisation with the addition of two new Clubs joining the Group. Mounties Group now operates across the hospitality, health and leisure industries and employs over 740 staff serving 160,000 members.

But we did so much more:

- We gave the largest amount of financial support to our community in club history
- We provided the largest indoor Sub Club area of any club
- We provided free health assistance to hundreds of members
- We employed over 700 local people and our suppliers employed another 2,000 local people because of our support
- We subsidised thousands of local children to play sport
- We provided an entire building for local youth services
- We provided financial assistance to allow Australia's fastest rescue helicopter to save lives in our local area

We also provided life-saving boats for local beaches, life saving retrieval vehicles, life-changing support for premature babies, sporting fields for local communities, and support services for those with problems or addiction.

We were already recognised as having the highest standards of Governance in the Club industry but we also understand that we are fortunate to have been granted a social license to operate in the industries we do. This year we further developed and improved our Corporate Governance programs of operations, risk management, board representation and social impact, including improvements in areas such as Director education, strengthened harm minimisation programs and independent oversight.

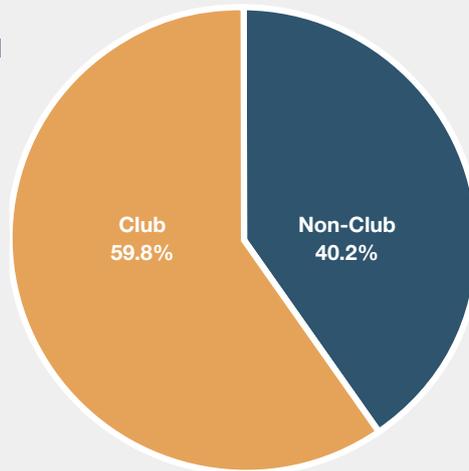
In times of need, Mounties Group is the place many turn to for support. This year that included providing Covid testing clinics, welfare phone calls, a medical hotline, employment and social inclusion. We certainly made a difference in the pandemic.

As we return to normal times, our entertainment, community hubs, fitness centres and medical services as well as restaurants, bars and sub-clubs will continue to make a difference.

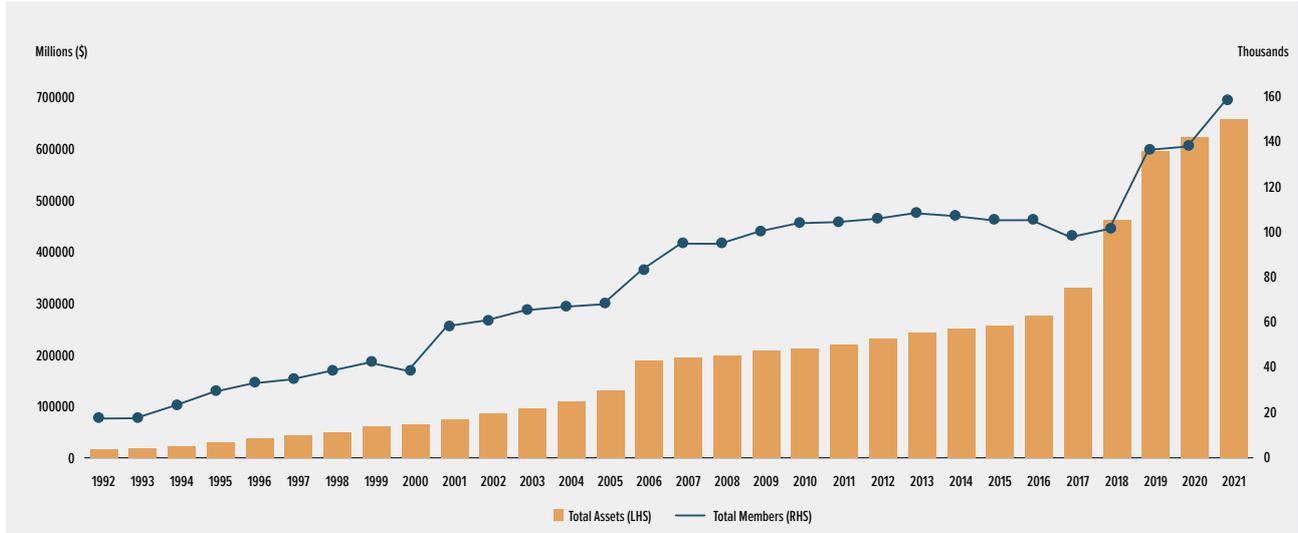
## ANNUAL TRADING PROFIT (EBITDARD)

	2021 \$	2020 \$
Profit attributable to members of the parent	18,927,631	7,566,971
<i>Add:</i>		
Interest	670,291	957,270
Tax expense	11,603,055	4,486,399
Donations expenses	7,885,258	1,546,717
Depreciation expenses	16,004,995	17,650,241
Disposal of property, plant and equipment	9,689,310	12,511,515
Impairment expense	-	383,732
Rent	373,396	86,141
<b>EBITDARD Group</b>	<b>65,153,936</b>	<b>45,188,986</b>
Fair value gain – Harbord Retirement Village	(26,191,641)	(20,774,543)
<b>EBITDARD Clubs</b>	<b>38,962,295</b>	<b>24,414,443</b>

### CLUB VS NON-CLUB EBITDARD CONTRIBUTION



**CLUB PROGRESS SINCE 1992**



*In times of need, Mounties Group is the place many turn to for support. This year that included providing Covid testing clinics, welfare phone calls, a medical hotline, employment and social inclusion.*

We will continue to grow, because with this growth, we can continue to increase the services that we provide our members within our venues and beyond. We will deliver more in the areas of health, education and wellbeing, at the same time as improving the service standards and facilities in our Club venues.

We have an exciting opportunity to grow our group further with amalgamations, and we head into the next financial year with an opportunity to move forward with Breakers Country Club on the Central Coast, strengthening our growth in this burgeoning new market. Breakers Country Club offers a wonderful club house, supported by a strong community and RSL sub branch, boasting family friendly facilities, great dining and bars, function spaces, two bowling greens and golf course for members to enjoy.

We grow our organisation because as we do, all our members gain the added advantages of better buying power; our community gain the benefit of larger support capabilities; and our organisation gains the benefit of reduced risk and larger opportunities. But we always remain focused on the community in which we operate. It is our size that allows us to do more than others, such as Mounties Care Careflight rescue helicopter, Street University for at risk young adults, and providing a pathway from under 6 all the way to NRL first grade for our children.

This growth and our success has certainly meant we have made a significant difference in the community this year.

It shows that when a community such as ours gathers together for one purpose and in our Club, we can make an amazing impact on the lives of our neighbours, friends and community.

**Dale Hunt**  
**ACCM; AMAMI; AIMM; MAICD**  
**Chief Executive Officer**  
**Mounties Group**

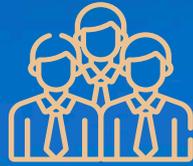


A FINANCIAL CONTRIBUTION TO THE NSW  
ECONOMY OF MORE THAN **\$180 MILLION**



**\$9.9M**

DIRECT  
COMMUNITY  
CONTRIBUTIONS



**2,000+**

LOCAL JOBS  
CREATED



**\$16.6M**

TOTAL ECONOMIC  
VALUE OF  
COMMUNITY  
CONTRIBUTIONS  
(DIRECT AND INDIRECT)



**\$36.7M**

TAXES & RATES



# WHO WE *ARE* AND WHY WE *EXIST*



# *WE ARE 160,000 LOCAL PEOPLE COMING TOGETHER FOR **ONE PURPOSE** TO IMPROVE THE LIVES OF OUR MEMBERS AND COMMUNITY*

Mounties Group operates as a profit-for-purpose member-based organisation, providing world-class facilities, products and services for members, guests and community to enjoy.

As a not for profit organisation, every dollar we make is then shared back into our local community, whether through donations and grants, sponsorships of local sporting teams or new services and facilities for community members to enjoy.

## **WE ARE UNIQUE**

Whilst people may see all registered clubs as the same, we are unlike any other club in Australia. Mounties Group operate across hospitality, fitness, leisure, medical and retirement industries, all of which help to make a positive impact and ultimately make our members lives better.

## OUR VALUES

**FAMILY | FUN | HONEST  
LOYAL | CARING | INNOVATE  
OUTCOME DRIVEN**

## OUR PURPOSE

**TO IMPROVE THE LIVES  
OF OUR MEMBERS**

## OUR MISSION

**TO PROVIDE FOR ALL MEMBERS  
THE BEST OPPORTUNITIES TO  
ENJOY LIFE**

# WHAT WE OFFER

HOSPITALITY | HEALTH | LEISURE | PROPERTY



# HOSPITALITY

## OUR CLUBS

Home to over 158,000 local members, the first thing that enters most people's minds are our registered Club venues.

Mounties Group operates nine registered clubs in NSW from South West Sydney to the Northern Beaches and Central Coast.

Each venue has its own unique history, identity and legacy that are ingrained within their local communities and loved by loyal members.

We are constantly evolving to meet the needs of our members and our community.

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*“We look forward to welcoming you to one of your Mounties Group venues soon.”*

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## MOUNTIES VENUES



**MOUNTIES**  
101 Meadows Road  
Mount Pritchard  
NSW 2170



**TRIGLAV**  
80-84 Brisbane Road  
St Johns Park  
NSW 2176



**MEKONG**  
Level 1/117 John Street  
Cabramatta NSW 2166



**MOUNTIES BOWLING CLUB**  
Lot 387 Lawson Street  
Fairfield NSW 2165



**CLUB ITALIA**  
Corner of Hollywood  
Drive & Wharf Road  
Lansvale NSW 2166



**MANLY BOWLING CLUB**  
59 Raglan Street  
Manly NSW 2095



**HARBORD DIGGERS**  
88 Evans Street  
Freshwater NSW 2096



**CLUB WYONG**  
15 Margaret Street  
Wyong NSW



**HALEKULANI BOWLING CLUB**  
50 Natuna Avenue  
Budgewoi NSW



## MOUNTIES RESORTS



**MOUNTIES@SUSSEX**  
2 Harbord Street  
Sussex Inlet  
NSW 2540



**KOOLOORA LODGE**  
59 Porcupine Road  
Kosciuszko National  
Park NSW 2624

**FWSC – URUNGA**  
Atherton Drive, Urunga  
NSW 2455

**FWSC – FINGAL BAY**  
48 Marine Drive, Fingal  
Bay NSW 2315

**FWSC – SUSSEX INLET**  
106A Pacificana Drive,  
Sussex Inlet NSW 2450

## MOUNTIES

Our “Mother” Club is where the story of Mounties Group began, Mounties has now grown to become one of Australia’s most successful registered clubs. With over 70,000 members on its own in a town of around 9,000 people, it is clear to see that people travel to attend the much-loved venue and its five food outlets, twelve bars, sporting facilities, fitness centre, members services and weekly entertainment offerings.

**Proud moment:** Mounties was the very first registered Club in Australia to allow women full membership. From the moment the Club opened its doors for the first time, Mounties has welcomed all people, from all demographics and considered them full members with equal rights.





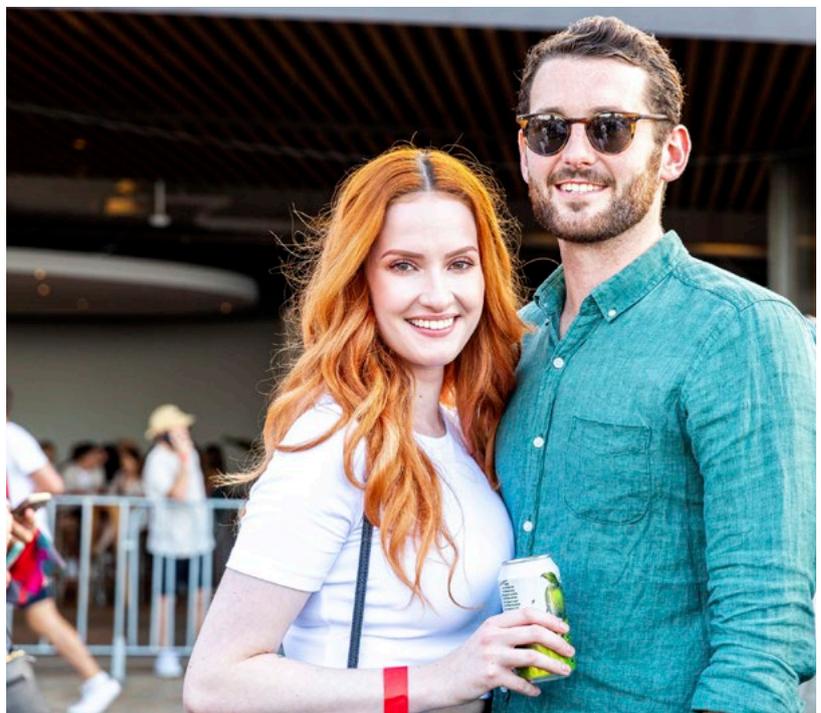
## HARBORD DIGGERS

This Club was originally created by the Diggers of WW1. It has become a flagship venue having been designed as Australia's first intergenerational lifestyle Club including two bars, four restaurants, childcare facility, retirement village, fitness centre and a children's play centre serving its 68,000 members and attracting people from across the Northern Beaches.

**Proud moment:** The first Club in modern times to be fully rebuilt from scratch and open with less poker machines than it closed with 1 year earlier.



**Winner of the Urban Design Category at the 2021 NSW Architecture Awards**



## TRIGLAV

The Community Club was first established in 1971 by the Slovenian Australian community. The intention was to provide a home away from home to Slovenian migrants feeling homesick in a new country. Over the past 40 years, Triglav has become a place where many of its 2,000 members pass down their skills, enthusiasm and facilities for a language school, folk dancing, amateur drama, choir groups and Slovenia's most popular sport – bocce.

**Proud moment:** One of the few bastions still celebrating Slovenian Culture here in Australia. Each year, Triglav runs a variety of cultural celebrations attracting people from all over Sydney including Slovenian Nationals, the Slovenian Ambassador to Australia and Community Group Leaders.

## MEKONG

Located in the main street of Cabramatta and serving the cultural needs of more than 3,000 of our local Vietnamese community. Mekong is the heart of bringing those with English as a second language into our everyday community life.

**Proud moment:** Supporting and promoting the Vietnamese culture and heritage through sports, dance and community activities.

## MOUNTIES BOWLING CLUB

The first amalgamated club to join the Mounties Group family in 1992, Mounties Bowling Club at Fairfield may be small but the 400 members that enjoy the venue say it plays a vital role in their lives. With two bowling greens, futsal courts and plenty of fun to be had, it may be our smallest club venue but it certainly delivers for locals.

**Proud moment:** Bringing one of Australia's most multicultural communities together through the shared enjoyment of sport.

## CLUB ITALIA

Established in 1968, Club Italia continues to be a meeting place for members of Italian heritage whilst bringing the Italian culture to the wider Australian community. Club Italia brings the local community together to enjoy long-standing traditions and helps to build a solid community bond, that strengthens the wellbeing of our members.

**Proud moment:** Introduction of the Mounties Group Scholarship to encourage excellence in education for those Italian heritage.

## MANLY BOWLING CLUB

Nestled in the park in the heart of Manly and just a couple of blocks from the famous Manly Beach, this small Northern Beaches lawn bowls Club is rich in history and big on serving local customers.

**Proud moment:** One of Australia's first ever lawn bowling clubs with a history dating back to the 1800's.





## OUR 2 NEW VENUES

### HALEKULANI BOWLING CLUB

With so many members moving to the Central Coast, we heard time and time again that they missed the unique service offered by Mounties Group and wanted to enjoy that same service near their new homes or whilst holidaying on the Coast. Our new Club venue in Budgewoi offers great food and entertainment whilst keeping the importance of social inclusion at the forefront through lawn bowls.

**Proud moment:** Celebrating 60 years of promoting social inclusion for seniors through lawn bowls at Budgewoi.

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*Keeping these available for local people (including the 5,000+ local people that have joined Mounties Group in the past two months) is an important part of our values.*

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### CLUB WYONG

Located in the heart of Wyong on the Central Coast, Club Wyong is one of two new additions to the Mounties Group Family after facing financial demise. The Club plays an important role in local community life as well as being the head office for the local RSL sub-branch. Keeping these available for local people (including the 5,000+ local people that have joined Mounties Group in the past two months) is an important part of our values.

**Proud moment:** Supporting a 100-year heritage of the Club Wyong RSL sub-branch and service to our nation.



# HEALTH

Mounties Group are committed to improving all aspects of our members lives. Over the past two years we have successfully launched a variety of health and wellbeing initiatives and enhanced our fitness and aquatic facilities.

Our members have told us that their biggest concerns for their future are:

- Their own health
- The wellbeing of their loved ones
- Access to simplified healthcare that they can trust

For us the vision is both clear and simple; to find areas that our members need help in and then delivering to those needs in a positive and sustainable way.

## FITNESS GYM / SWIM

We are home to two amazing fitness facilities offered with Ignite at Mt. Pritchard and GFitness at Freshwater, where over 6,000 members love to work out every week.

Our Aquatic services teach a further 3,500 children learn to swim in our venues each week.

Ultimately, our members enjoy a better quality of life as a result of our continuing investment into creating and improving state of the art facilities and programs for all to enjoy.

**GFitness Winner of the Best Fitness Category at the 2021 Australian Small Business Champion Awards**



## HEALTH & WELLBEING

Mounties Group now offer a myriad of Health & Wellbeing services for members including physiotherapy, dietitians, exercise physiologists, injury recovery, hair, beauty and massage treatments.

## SPECIALISED MEDICAL SERVICES

Our investment in SSMG, is in a model of specialist healthcare that is unique – a care model that is centred around the patient, rather than the doctor. With 16 specialist practices delivering care to thousands of people in need, the simple fact is that we are helping people when they need it the most.

With wide ranging specialist expertise from Cardiologists, Neurosurgeons and Oncologists to Geriatric medicine, Hematology and Plastic Surgery, from Queensland through to South Australia, Mounties Group is impacting lives behind the scenes for people to enjoy a better life.



## MOUNTIES CARE

**Mounties Care exists to improve the lives of our members.**

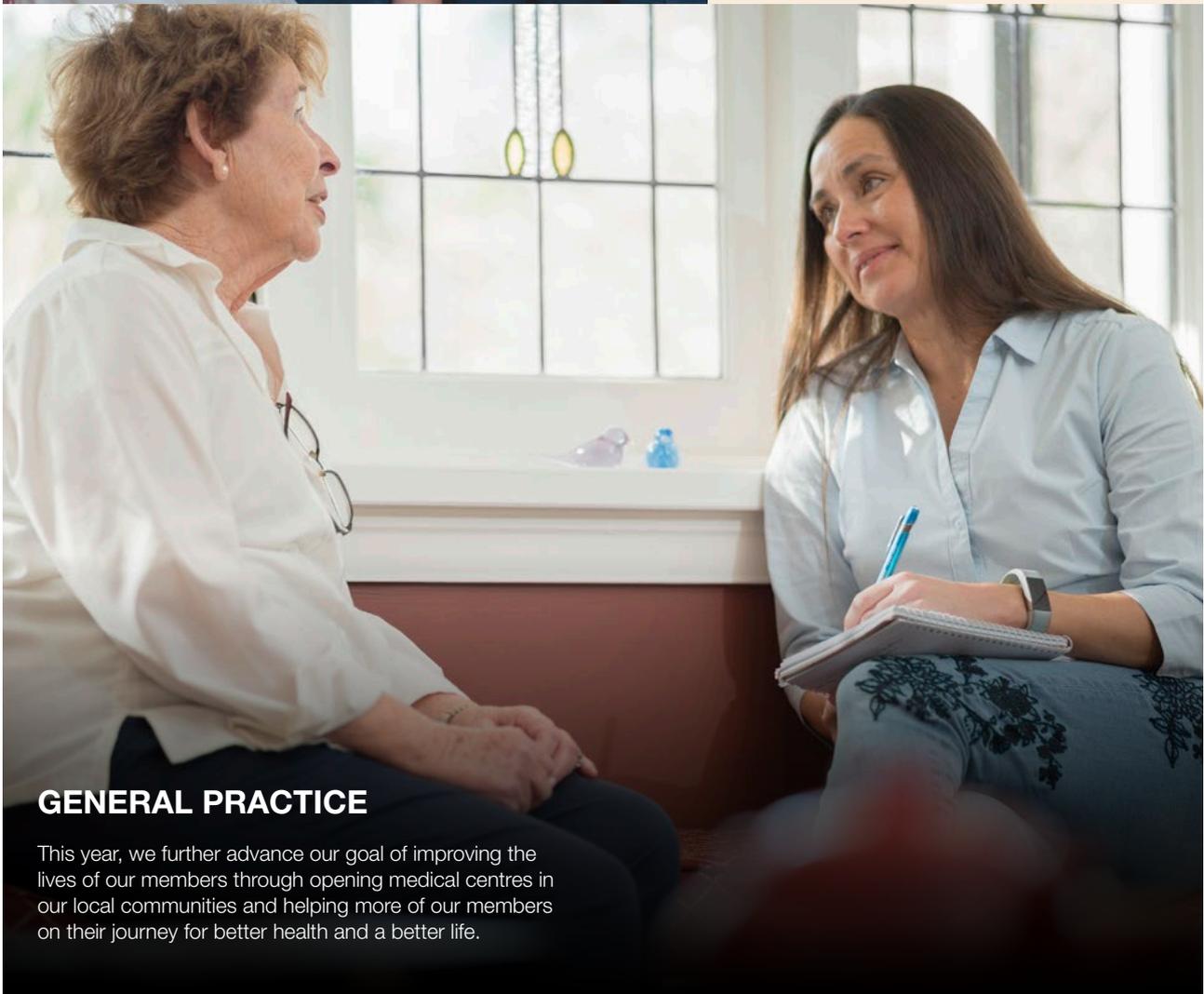
Through partnerships with leaders in the healthcare industry, Mounties Care supports the health, wellbeing, independence, and quality of life of our members.

Services available for members include a free members healthline, access to Care Navigation support to assist in Home Care Services, Hospital in the Home and Allied Health as well as Welfare Calls and regular Presentations to members.

Because our members are our family.



**Winner of the Health & Wellbeing Category at the 2021 Clubs & Community Awards**



## GENERAL PRACTICE

This year, we further advance our goal of improving the lives of our members through opening medical centres in our local communities and helping more of our members on their journey for better health and a better life.



# LEISURE

The positive effects of leisure and play time include better problem solving, improved work ethic and improved creativity. And of course, it's fun!

Quality leisure time has also been shown to help with wider psychological and cognitive wellbeing, physical health, and quality of life. We really shouldn't downplay the importance of leisure time so at Mounties Group, we strive to encourage our members to have fun and live a better life by enjoying quality leisure.

## RESORTS

Sometimes we need a break from the everyday stress, however for many families in Australia, holidays can be out of their reach. Our holiday resorts are aimed at giving our members a way to give their family that much deserved break.

Mounties Group resorts provide an affordable holiday option for our members with facilities located at Perisher and Sussex Inlet. In addition to this, as a member of the Federation of Community Sporting and Workers Clubs we can provide additional options to our members at Fingal Bay, Urunga and Sussex Inlet. Mounties have ensured that a holiday is now more affordable and within reach of many more than before.



### **MOUNTIES @ SUSSEX**

2 Harbord Street,  
Sussex Inlet NSW 2540

### **KOOLOORA LODGE**

59 Porcupine Road,  
Kosciuszko National Park NSW 2624

### **FWSC - URUNGA**

Atherton Drive,  
Urunga NSW 2455

### **FWSC - FINGAL BAY**

48 Marine Drive,  
Fingal Bay NSW 2315

### **FWSC - SUSSEX INLET**

106A Pacificana Drive,  
Sussex Inlet NSW 2450



## MAJOR FUN

Mounties Group launched a brand new business operation early-2021 with Major Fun – Australia’s most exciting children’s play centres located at Mounties and Harbord Diggers – with the aim of bringing families together.

Major Fun provides fun, educational and engaging play-based activities across soft play zones, high level obstacle courses, slides and interactive elements including projector walls, floor games and the creative Max & Mala screens.

**Major Fun has received rave reviews across Western Sydney and the Northern Beaches receiving over 20,000 visits each month.**



## FOOD & BEVERAGE

With 24 bars and 15 food venues across the group, we aim to always deliver something you can enjoy with family and friends. From cafes to world renowned chefs, we help you find a reason to meet up with your loved ones and interact with others in our community.

This past year saw us open three new food outlets across the group and the coming year sees a major refurbishment of food at Mt Pritchard.

## ENTERTAINMENT

Mounties Group venues have always been known for providing great entertainment and a reason for friends to gather and enjoy each other's company. This past year, after identifying the challenges COVID-19 has placed on small entertainers in particular, our concentration has expanded to support the entertainment industry itself.

Through initiatives such as our Live & Local campaign, Mounties Group venues provide local entertainers a place to play, entertain and earn an income in their local areas, often in front of their own neighbours families and friends.

## SPORTS & SUB-CLUBS

Sport isn't just good for the body; it's good for the minds too. Organised sport at all ages and abilities has many psychological and social benefits.

With over 40 sporting sub-clubs arranged and subsidised by Mounties Group, thousands of people each week enjoy the benefits.

Whether it be the local sporting grounds owned by Mounties Group, the clear pathway programs we provide for junior rugby league through development programs feeding into professional football as feeder to NRLs Canterbury Bulldogs; to the newly updated half-acre of indoor sports area at Mt Pritchard or the traditional bowling green; our sports and sub-clubs are the heart of our Club and bring members from all walks of life and backgrounds together with a shared interest – to build a better and more inclusive community.



# PROPERTY

## WATERMARK FRESHWATER

Internationally recognised as the “new benchmark for retirement living anywhere in the world”, Watermark Freshwater offers a unique active lifestyle village for members over the age of 55 years.

Created as Australia’s first inter-generational lifestyle village, the concept is designed to encourage all ages to interact, commingle and cross paths which is designed to improve mental health and social inclusion outcomes.

Watermark Freshwater is the definition of a luxury retirement living village by the sea, exclusively occupying prime coastal real estate on Sydney’s Northern Beaches.



**Winner of the Residential Architecture – Multiple Housing Category at the 2021 NSW Architecture Awards**

# OUR PROUD COMMUNITY

ALL OF THE PROFIT WE GENERATE IS USED TO IMPROVE SERVICES OR FACILITIES FOR OUR MEMBERS AND TO IMPROVE THE LIVES OF OUR MEMBERS AND THE COMMUNITY.

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**\$9.9 MILLION**

TOTAL DIRECT COMMUNITY CONTRIBUTION

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**\$16.6 MILLION**

ESTIMATED ECONOMIC VALUE COMMUNITY CONTRIBUTIONS, SERVICES & ACTIVITIES





# BORN FROM *MATESHIP* AND BUILT TO IMPROVE THE *LIVES* OF MEMBERS

Our purpose as an organisation is to “improve the lives of our members” and as over 90% of our members live within 10km of our venues, we believe that by contributing to our local community, we can directly improve the lives of our members.

Every dollar spent in our venues contributes to this core purpose – in all that we do, we endeavour to provide places for communities to gather, improve living standards and work to make our communities a better place for our members and their families to live in.

This is seen in a variety of ways, from investing in our operations, our facilities and diversifying into new products and services to meet the needs of our members. By hosting, facilitating, sponsoring, or donating to community events, entertainment, function rooms and providing sport or sub-club facilities. Mounties Group make a substantial direct contribution through cash and in-kind donations to a broad range of community activities and initiatives and provide community access to a range of subsidised community and sporting facilities.



**49**

SUB-CLUBS



**2,500**

WEEKLY PARTICIPANTS



**\$3.1M**

ClubGRANTS SUPPORT



**\$6.8M**

ADDITIONAL DONATIONS, SPONSORSHIP & COMMUNITY SUPPORT



**\$9.9M**

DIRECT COMMUNITY SUPPORT

# CLUB *GRANTS*



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**\$3,156,785**

*ClubGRANTS*



# ClubGRANTS STRENGTHEN OUR COMMUNITIES

Firstly, I'd like to mention what a difficult year it has been for Australia and particularly for registered charities and organisations, who have had to survive through floods, bushfires, mouse plagues and of course the COVID-19 pandemic.

With the closures and lockdowns, it has been dramatic for charities to be able to survive, so I am pleased to advise that Mounties Group is once again able to support the local LGA's of Fairfield, Liverpool, Northern Beaches and now Central Coast.

I would like to commence my report by acknowledging all members of Mounties Group, who support the Club every day and every year and create the surpluses which we are then able to direct to worthwhile causes whenever they occur in the communities that we serve.

This year, we have had the privilege of distributing \$9,923,036 through various programs and for a wide range of projects.

One of the most significant types of funding made available in 2020-21 was \$3.15 million which was made up by way of donations and grants. This included ClubGRANTS funding.

## ClubGRANTS scheme in 2020-21:

ClubGRANTS	Category 1	Category 2	Category 3	TOTAL
Mounties	530,513	1,807,628	316,290	\$2,654,431
Harbord	45,625	189,335	21,843	\$256,803
Triglav	46,715	1,000	25,013	\$72,728
Mekong	84,555	46,913	41,354	\$172,822
<b>GROUP</b>	<b>\$707,408</b>	<b>\$2,044,877</b>	<b>\$404,500</b>	<b>\$3,156,785</b>

## ClubGRANTS

ClubGRANTS is a scheme, which sees clubs provide a portion of their total gaming revenue to recognised community projects. The scheme incorporates a process, which scrutinises and ranks, local projects for this funding. The scheme is facilitated by local councils who best understand and plan for the broader social needs of local communities, the clubs are left with the final decision as to who they support.




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*This year, we have had the privilege of distributing \$9.9 million through various programs and for a wide range of projects.*

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### CATEGORY 3

Changes to ClubGRANTS saw the introduction of Category 3 for major infrastructure projects. Mounties Group has contributed \$404,500 to this fund this year. The Fairfield LGA is a significant contributor to this category and deserves to receive consideration for a major project in the future.

I would like to take this opportunity to acknowledge the efforts of the local committees for the role they play in making sure that our Community Grants Committee is aware of the most relevant projects for funding. The work to prioritise all the eligible projects is invaluable to our committee decision making process.

Of course, we receive many requests for financial and other assistance from a wide range of community organisations and individuals, and we do our best to assist as many as possible. Requests are always assessed responsibly and where possible, supported at an appropriate level. Where we can support projects, we always make sure that the community is the beneficiary.

### CAREFLIGHT MOUNTIES CARE

I am pleased to announce that Mounties Group has signed an agreement to sponsor CareFlight for the next five years. This will allow branding of their brand new H145 helicopter for this period, and as a bonus branding of a second helicopter for the same period.

CareFlight's mission is to save lives, speed recovery and serve the community by providing the highest standard of rapid response critical care.

Started in 1986, initially a single daylight only operation with one doctor on duty. Today the organization has endured and expanded, now the doctors and nurses fly from six bases, on helicopters, turbo-prop air ambulances, and med-jets, to destinations throughout Australia.

Since 2017 they have flown to more than 1,300 incidents.

In 2019 CareFlight was named as the most reputable charity in Australia based on measures of trust, administration, respect and overall esteem.



This is an excellent partnership for Mounties Group to be able to support CareFlight and something that should make Mounties Group members proud of sponsoring this wonderful organisation.

I am proud to have been Chairman of a Committee that has been able to guide this important process over the past year. Accordingly, I would like to acknowledge the efforts of the Grants Committee – Lorraine Dean, Jenny McNevin and Trevor Forman – for their commitment and diligence.

I would also like to acknowledge Mounties Team Members Nalan, Dave and Tida for their support in the Grants process.

**Steve Fitzpatrick**  
Chairman

**Some of the significant projects funded under ClubGRANTS through Mounties Group in 2020 and 2021 include:**

Asian Women at Work Inc	NSW Vietnamese Elderly Friendship Association Inc
Assyrian Australian Association	Odyssey House NSW
Australian Chinese Youth Sports Federation Inc	OzHarvest
Australian Foundation for Disability	Police Citizens Youth Clubs NSW Ltd
Autism Advisory and Support Service	Queenscliff Surf Life Saving Club
Bossley Park High School	Special Children Services Centre Inc
Camp Breakaway	Story Factory
Camp Quality	TAD
Community Northern Beaches Incorporated	Ted Noffs Foundation
Dalwood Spilstead Service	The Lakes Surf Life Saving Club
Daystar Foundation	The Shepherd Centre
Fairfield Business Education Partnership (t/a South West Connect)	Trustee for Zen Tea Lounge Trust
Fairfield City Council	Volunteer Marine Rescue
Fairfield City Council - Social Planning and Community Development Division	Volunteer Marine Rescue Middle Harbour
Fairfield Women's Health Service (auspiced by Bankstown and Liverpool Women's Health Centre)	Women's Justice Network
Foster Care Angels Inc	Cabramatta Public School
Happy Healthy Seniors	Delta Society Australia Ltd
Learning Links	Freshwater Surf Life Saving Club
Legacy Club Services	Lansvale Public School
Liverpool Neighbourhood Connections	Life Education
Living Grace Christian Church Inc	Mind Blank Ltd
Manly Hospital Auxiliary	Raise Foundation
Miracle Babies Foundation	Royal Life Saving Society NSW
	The Humour Foundation
	Youth Off The Streets



## YOUTH OFF THE STREETS

Domestic and family violence is a key safety concern in the Western Sydney region, with higher than average reported rates when compared to the rest of New South Wales.



Offering outreach and residential programs, crisis accommodation, alcohol and other drug services, counselling and accredited independent high schools, Youth Off The Streets supported over 4,000 young people in 2020, including 270 through their Fairfield Outreach Service.

Youth Off The Streets has been operating for 30 years, working with young people experiencing disadvantage to turn their lives around. COVID-19 has further isolated young people and in many cases, heightened the harsh realities they faced in their day-to-day life. Prior to the pandemic, many of their outreach activities in Fairfield were delivered through events such as sport and recreational activities at public locations like Cabravale Memorial Park.

But they adapted quickly, changing their approach to focus more on delivering individual support in place of group events and meetings. They started regular street walks in Fairfield as an outreach activity to ensure young people weren't missing out on referrals to services that could support them.

This past financial year, Mounties Group contributed a grant of \$21,000 towards the Fairfield Outreach Service.

This grant in particular, received during the height of the COVID-19 pandemic in 2020, allowed Youth Off The Streets to increase their support of some of the community's most vulnerable members, absolutely vital during lockdown.



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*As leaders of the future, we recognise that youth are a very important part of our community and we are very pleased to be able to support Life Education in delivering their preventative health messages.*

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## LIFE EDUCATION

**If you attended school in New South Wales, chances are you will remember Life Education's iconic mascot, Healthy Harold the giraffe. He has been visiting schools for more than 40 years, empowering children to make safer, healthier choices.**

Life Education works in more than 2,000 schools in NSW and the ACT, delivering its important preventative health education messages to 290,000 children annually.

In the Fairfield LGA specifically, Life Education currently reaches 6,200 school children per year. Unfortunately, this means approximately 30,000 others are missing out on these valuable health lessons.

This is at a time when the need for children's preventative health and wellbeing education in the area has never been greater.

To support the expansion of Life Education's programs in Fairfield, Mounties Group contributed \$14,400.

These funds saw Healthy Harold passing on his words of wisdom to an additional 1,000 students in the Fairfield area this year, with visits to Lansvale East Public, Cabramatta High, Canley Vale Public and Fairvale Public.

In recent years Life Education has redeveloped their Alcohol and Other Drugs education modules to take a very positive, social norms approach. They survey students about what they think is happening among their peer group in relation to alcohol and other drugs.

Overwhelmingly, they have found that the drug and alcohol use students think is happening, is far exaggerated when compared to what is actually happening.

This message – that most of their peers are in fact making good choices – resonates with students and encourages those who are already abstaining to continue that behaviour and those who are currently drinking alcohol or using drugs, to reduce their consumption in line with social norms.

As leaders of the future, we recognise that youth are a very important part of our community and we are very pleased to be able to support Life Education in delivering their preventative health messages to school children. The opportunity to learn about health and wellness, and to gain a better understanding of how our bodies operate is so valuable, especially for children and teenagers.

Laying the foundations of good health early on can make a world of difference over a lifetime.



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*“It is through projects such as these that the NSW VEFA has become a social lifeline and vital connection for so many local community members”*

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## **NSW VIETNAMESE ELDERLY FRIENDSHIP ASSOCIATION**

Social isolation and loneliness can be incredibly damaging to a person's mental and physical health. According to the Australian Psychology Society, one in two Australians reported feeling lonely for at least one day per week in 2018.

Imagine then, the experience of living in Australia without the benefit of having English as your first language. It is an incredibly isolating experience, and one that the NSW Vietnamese Elderly Friendship Association (VEFA) is working hard to address.

Established in 1992, the NSW VEFA aims to promote the spirit of friendship, unity, and mutual support among all elderly Vietnamese Australians. With over 1,450 members, the NSW VEFA is the largest of its kind in Australia.

Some members rely on their children as vital sources of information and communication, but for those without children, it can be an incredibly challenging and isolating situation.

As you can imagine, the isolation a lot of members have to deal with has increased tenfold due to the COVID-19 pandemic, lockdowns and social restrictions we've all had to face in the past year.

Mounties Group contributed almost \$10,000 towards the Vietnamese Seniors Health and Wellbeing Fitness Project and an additional \$18,300 towards the Sustainable Elderly Life Project.

Funding helped to provide a range of activities for members including weekly Tai Chi classes, day centre activities, home visits for members with limited mobility, subsidised excursions, English literacy classes and monthly member meetings.

As a community centred organisation, and with Mekong's well-established reputation as an important meeting point for the local Vietnamese community, we pride ourselves on being able to support organisations like the NSW VEFA, who align so strongly with the Mounties Group values of family, honesty and care.




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***“The grant from Mounties Group helped fund NICU survival packs, emergency care packs, milk express packs and grad bags to support families admitted to Fairfield Hospital SCN.”***

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## **MIRACLE BABIES FOUNDATION**

For families, the experience of having a baby come into the world, not as expected or planned, is life changing.

Parents of extreme pre-term babies are two and a half times more likely to suffer post-natal depression and one in four babies born prematurely will have Cerebral Palsy as well as the possibility of facing ongoing health challenges including development delay or disability.

Every year, in hospitals across Australia, thousands of premature or sick newborn babies are cared for by the Neonatal Intensive Care Units (NICU) or Special Care Nurseries (SCN). More than 48,000 babies born in Australia require some form of specialised care. Of those, around 56% are born prematurely and up to 1,000 families are left devastated when their babies sadly lose their fight for life.

That’s where the Miracle Babies Foundation steps in, supporting premature and sick newborns, their families and the hospitals that care for them.

As part of our ClubGRANTS program – the Foundation was the recipient of \$12,388 to fund further resources at Fairfield Hospital Special Care Nursery. This year marks a nine-year association with Miracle Babies. Formed in 2005 by a group of mothers of premature and sick newborns with a clear vision of better, healthier long-term outcomes and improved care for all Australian families.

The work that Miracle Babies does is literally changing and saving lives and we could not be prouder to support them. Mounties also has a Miracle Babies installation which allows members to donate to the Foundation, providing even more support of this worthy cause.

The grant from Mounties Group helped fund NICU survival packs, emergency care packs, milk express packs and grad bags to support families admitted to Fairfield Hospital SCN.

Each of the different packs have been developed in partnership with neonatal hospital staff, health professionals and parents who have found themselves in need of this specialised care, providing important education, support and empowerment tools and information, and connecting families to vital supports upon discharge.




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*“Clown Doctors™ visit hospitals all over NSW to deliver doses of fun and laughter, brightening up what can otherwise be a difficult time.”*

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## THE HUMOUR FOUNDATION

**Laughter is the best medicine – it’s a common saying we’re all familiar with – but also one that is founded on significant truth.**

Humour is an effective coping strategy, relieving fear, stress and pain. It also has positive effects on the cardiovascular, immune and respiratory systems.

Recognising this, Mounties Group provided a further \$12,680 to The Humour Foundation to fund their flagship program, Clown Doctors™.

With numerous international studies attesting to the positive impact happiness has on a person’s health and wellbeing, Clown Doctors™ visit hospitals all over NSW to deliver doses

of fun and laughter, brightening up what can otherwise be a difficult time. Only a parent who has experienced it can truly understand the heartache and anguish of having a seriously ill child in hospital.

During the 2019 – 2020 financial year, the Clown Doctors™ program put smiles on the faces of over 24,000 kids in NSW hospitals and we are so pleased to have been able to have played a part in that.

Working in partnership with medical and health professionals, Clown Doctors™ divert the attention of children and young people during painful procedures, help calm and distract in emergency department settings, encourage positivity and resilience during physio and occupational therapy, and generally improve outcomes in what is often a stressful, anguished environment.

Mounties Group has been supporting the Clown Doctors program in Westmead Children’s Hospital since 2019, donating a total of \$22,544 in that time.



## STREET UNIVERSITY

Matt Noffs knew transforming a derelict tyre workshop in Liverpool into a youth centre was never going to be easy but with ongoing support from Mounties, his dream is now a reality.

Since its inception in 2008, The Street University in Liverpool has delivered vital services to the young people of Sydney's South Western suburbs. And from day one, Mounties Group has been by their side helping to provide their facility and grants to help this initiative.

The Street University is a youth development project created by the Ted Noffs Foundation which provides various community based services and interactive spaces for people aged 12 – 25. With the aim of helping our youth realise their dreams, harness their potential and to create positive outcomes for their lives and their community.

Inspired by The Wayside Chapel, founded by his grandfather Ted in 1964, Street Universities focusses on issues related to drugs, mental health, employment, education and crime.

Street Universities now help over 15,000 young people across Australia each year.

“Street Universities wouldn't exist if it wasn't for Mounties. They were there at the very beginning and were the first organisation to get behind us,” Noffs says.

The Street University's trained directors, mentors and facilitators use a multifaceted range of youth work, counselling and community development techniques in order to combine progressive approaches to social work with grassroots community participation.



Experimenting with the artistic and social potential made possible by a uniquely Australian multi-ethnic, inter-faith, socially diverse culture.

Operating in this multicultural environment, the Street University opens up dynamic and democratic spaces for marginalised and displaced cultures. Programs specialise in channeling young people away from personally destructive and anti-social behaviours to improved self-esteem, inter-communal co-operation and social engagement.

The Street University uses the commonality of cultural settings that are familiar and attractive to young people to guide, support and transform their interests into vocational and educational success.

Mounties Group has provided over \$460,000 in grants and assistance in order for The Street University to maintain and develop the building, program and staffing to deliver this vital service.

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***“Street Universities wouldn't exist if it wasn't for Mounties. They were there at the very beginning and were the first organisation to get behind us.”***

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## FRESHWATER SURF LIFE SAVING CLUB AND QUEENSLIFF SURF LIFE SAVING CLUB

Living on a land girt by sea, we are a nation of water-loving beach goers. It's a lifestyle ingrained in our culture and our community – some may say it is even part of our DNA.

This is certainly true in Sydney's Northern Beaches, an area which encompasses more than half of Sydney's beaches and features a local community with an incredibly strong affinity to surf and sand. While beaches can mean refreshing dips and lovely sunsets, they also pose several dangers for beachgoers of all ages, especially children.

As a community-focused organisation born out of mateship, Mounties Group is passionate about providing their members with the best opportunities to enjoy life. On the Northern Beaches, that includes supporting the heroes who volunteer their time and put their bodies on the line to keep us all safe, in and out of the water – our surf life savers. Mounties Group's Harbord Diggers donated funds to Freshwater and Queenscliff Surf Life Saving Clubs for the purchase of vital surf safety equipment.

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*“Together, these clubs are responsible for almost 20,000 patrol hours to keep as many as 400,000 people safe as they visit these beaches each year. Both clubs put the much-needed funds towards the purchase of inflatable rescue boats (IRBs) and related equipment.”*

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Together, these clubs are responsible for almost 20,000 patrol hours to keep as many as 400,000 people safe as they visit these beaches each year. Both clubs put the much-needed funds towards the purchase of inflatable rescue boats (IRBs) and related equipment, which is fitting considering it was Harbord Diggers who funded the very first motorised surf life saving boat for the Northern Beaches over 50 years ago.

Freshwater Life Saving Club is one of the largest in NSW and boasts an impressive record of no drownings within the flags during patrol hours in their 113 years of operation.

Their relationship with Mounties Group goes back all the way to the 1960s and over the years they have purchased invaluable IRBs or rubber duckies which enabled them to keep the beach as safe as they could, maintaining that perfect safety record.

The IRBs are essential when conducting rescues over longer distances, rescues that are close to rocks and rescues where multiple people need assistance at the same time.

And because of the tough environment they operate in, being constantly battered by the elements, it's important that the boats are replaced regularly, with the motors replaced every two years.

Queenscliff SLSC used their grant to purchase a hull of a new IRB which was custom-built. The new IRB is used in training during the winter months to hone the skills of surf life savers in preparation for the busy summer months.

Having the new IRB over the winter months is vital to their training program, which consists of both training and development as well as IRB racing, providing crews with the opportunity to fine tune their skills such as speed to water and various search and rescue techniques.

Today's boats are bigger, wider and more stable which all helps in making it easier to perform rescues and help people when they are in trouble. And that is what it is all about.



## ROYAL LIFE SAVING SOCIETY

Australia is a water-loving nation – a country where swimming is part of life, trips to the beach are regular and backyard swimming pools are commonplace.

Of course, our strong affinity with swimming and the water comes with associated dangers, which makes Royal Life Saving Australia’s drowning prevention and water safety education efforts incredibly important.

As Royal Life Saving Australia works towards their vision of a water-loving nation, free from drowning, annual statistics are encouraging, with the rate of fatal drownings in Australia decreasing by 12% over the past 10 years.

To assist them in their mission to reduce drowning and increase swimming and water skills across Australia through education programs, Mounties Group provided a grant of \$9,950 to support the Primary Water Smart Project.

This project sees program facilitators visiting primary schools to deliver vital life-saving education, covering topics such as how to put on a life jacket correctly, help and huddle positions and the ‘Reach to Rescue’ method of helping someone who is in trouble.

Our support allowed Royal Life Saving Australia to visit at least 10 schools, reaching up to 1,200 students with the education program.

Grants such as this enable the organisation to plan, produce and deliver these important training courses,

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*“Mounties Group also contributed \$15,150 towards the 2021 Youth Life Saver Project, which among other things, delivered important drug and alcohol awareness messages to high school students.”*

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updating them regularly based on the most recent research, producing the resources needed to support the program.

Mounties Group also contributed \$15,150 towards the 2021 Youth Life Saver Project, which among other things, delivered important drug and alcohol awareness messages to high school students.

69% of all drownings in the 15 to 24 year-old age group are males and in addition, alcohol contributes to approximately 30% of those drownings. The Youth Life Saver Project is particularly critical as it allowed Royal Life Saving Australia to reach this age group with relevant education and timely messages to help curb these troubling statistics.

We are pleased to be able to do our bit by supporting an organisation that helps make that our blessed water filled lifestyle safer.



# SPORTS & SUB-CLUBS

What a year it has been! Where do I start?

**2020 started off fantastically for all Sub-Clubs with a great season of summer sports finishing up. Just as our winter sports were about to commence, the world stopped us very sharply in our tracks. We were hit with the news of COVID-19. At this stage, many of us were unaware of the effect it would have on us as individuals, the Club, and our sporting clubs.**

On Monday, 23 March 2020, all Mounties Group venues and clubs had to close at the direction of the government at NSW Health.

Whilst we managed to complete our summer sports season, sadly our Sub-Clubs were unable to have their annual presentations.

To ensure the safety of everyone, all Sub-Clubs agreed there would be no major presentation in October and instead we would wait until 2021 to make it bigger and better.

Our Clubs reopened on 1 June 2020 and had to adhere to both the government and NSW Health guidelines. As the health and wellbeing of all members continued to be at the forefront of all decisions, it was decided that some of our internal Sub-Clubs could not recommence until a later date.

It was with a heavy heart that we made the decision to delay the winter sports programs. However, we know that sport and community play a very important role in peoples mental health and so with the support of our staff and members, we strived to work out ways to live and play in the conditions we found ourselves in.

Our hockey and junior soccer teams played a slightly shorter season than usual. Our netball team made the difficult decision to cancel their season, and instead they successfully organised a short twilight competition which was enjoyed by all.

Our Rugby League Administrator, Chris Hutchinson made the difficult decision to withdraw for the season and instead look forward to achieving great things in 2021.





By the end of 2020, using hand sanitiser, signing in and social distancing became the new normal and we all learned to adapt to our surroundings.

At the start of 2021, things certainly felt like they were getting back to normal. We were busy organising our competitions, presentations and the AGMs. We had also started renovations on our internal sports area, previously known as the Champions Area giving us a new space for snooker, indoor bowls, darts, table tennis and physical culture, and our top lounge.

Whilst we have had to delay the launch of this incredible new space, we are excited to reopen and we cannot wait to welcome you to the aptly named, Murphy's.

The name derives from one of our Directors, Tom Murphy. The Murphy's family is a very important part of our Clubs history having been heavily involved with the Club for the last 50 years.

I would like to thank quite a few people for making my life as Sports Director an absolute pleasure.

Firstly, I would like to thank each, and every one of our Sub-Clubs members. We are all one big family that look out for one another, support each other in our times of need and we are all passionately dedicated to enjoying and playing the sports that we love.

A huge thank you to our President, Kevin Ingram and my colleagues on the Board for your advice, guidance, support, and friendship that you have given me. I would not be the Sports Director I am today without you all.

To our Sports Committee; Lorraine Dean, Tom Murphy, Leon Hansen, Omega Octavia, Dawn Kelly and Lyn King, I want to express my gratitude for all your, support, contribution, and friendship and for your unwavering dedication and hard work you have put into our Sub-Clubs during 20-21.

To our CEO Mr Dale Hunt, his management team, and the staff, I thank you all for your support and friendship, it certainly makes my job a pleasure in these very trying times.

Finally, to my two ladies, Dawn and Lyn that I work so closely with every day of the week. Without the love and support of these ladies, I wouldn't be where I am today, as they make my Sports Director portfolio a pleasure. Nothing is too much trouble, and they have my back at all times, I cannot thank them enough.

Remember, as always, we are a community and so much more than a Club, we are family.

From my heart, to yours, thank you

**Jenny McNevin**  
Sports Director



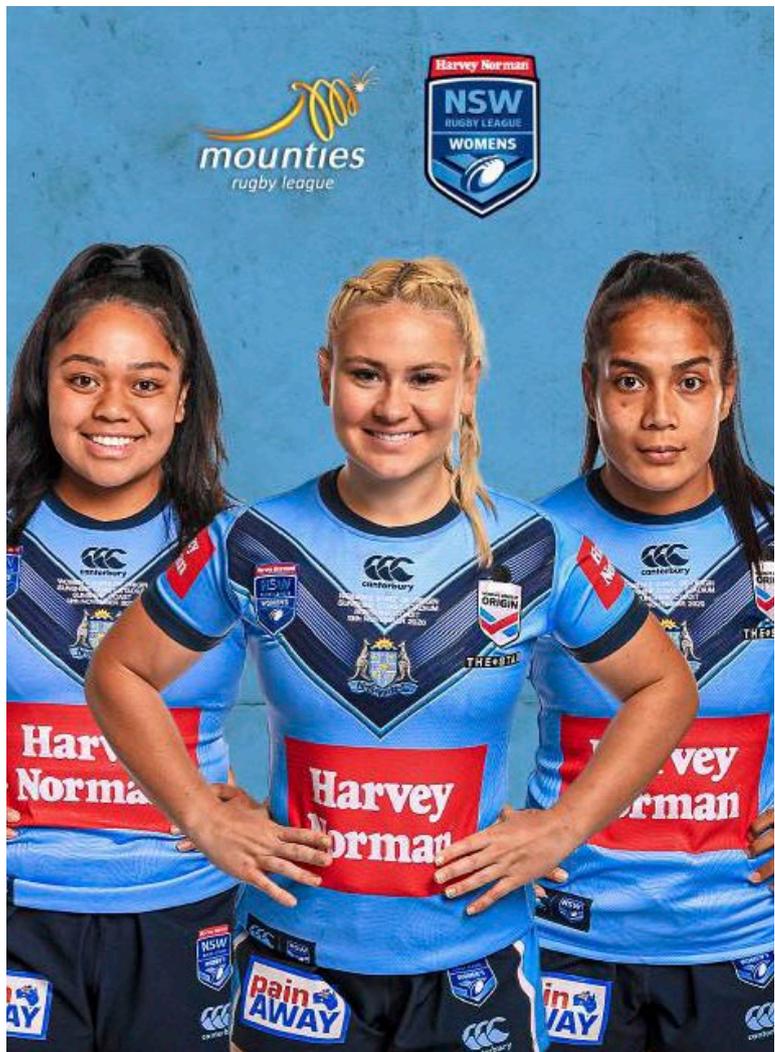
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*We are proud to offer legitimate pathway programs as a result of junior development through to elite and professional sport.*

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## **FROM JUNIORS TO NRL, MOUNTIES OFFERS PATHWAYS TO PROFESSIONAL SPORT**

Since our beginnings as a small sports hut, Mounties has brought together talented and committed sports players over the decades, growing our participation and number of sub-clubs, which include a number of elite sporting teams.



From cricket to rugby league and soccer, Mounties has been influencing the development of both high-level sporting success since the 1960s. We are proud to offer legitimate pathway programs as a result of junior development through to elite and professional sport.

No more obvious is this than the Mounties Rugby League program and our burgeoning partnership as a feeder club directly into the NRL.

Our Juniors are strong in numbers with 22 teams playing for Mounties, including two all-girl teams in 16s and 18s age groups. We also offer junior and senior Try Time teams for members with special needs and intellectual disabilities. We cater for everyone in our community to live a healthy and active lifestyle.

Mounties are also extremely proud to cultivate the talents of our women in rugby league. We are so proud to have three women represent NSW in the Women's State of Origin on the 25th June in Simaima Taufa, Keeley Davis and Filomina Hanisi. While Fatefahi Hansi represented NSW in the 19's Girls State of Origin. Preceding this we have had five players represent the

Open City Women's team in the representative round: Stephanie Ball, Filomina Hanisi, Taina Naividi, Simaima Taufa and Jocephy Daniels along with three players in the Open Country Women's team Jade Etherden, Matilda Power and Keeley Davis. Another highlight was Taliah Fuimaono represented Mounties and playing in the NRL Womens All Stars for the Indigenous team in February.




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*“The name Murphy’s is ingrained in Mounties history. From humble beginnings, the Murphy family have been intertwined in some major moments of Mounties History.”*

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## **MOUNTIES WELCOME MURPHY’S, THE LATEST SUB CLUB HUB**

The name Murphy’s is ingrained in Mounties history.

From humble beginnings, the Murphy family have been intertwined in some major moments of Mounties History.

With a rich story starting with Arthur ‘Spud’ Murphy being at the initial round table discussions conceptualising a new club at Mount Pritchard, and offering up his own land as security for the Club to be built; to Spud’s wife Ethel who became one of the first female club members in Australia when Mounties first opened. Their son Tom who joins Ethel as two of only 20 members to be both founding and life members, setup the first Sub-Clubs, was a State Bowling representative and still serves as a current board member. And Tom’s wife,

Chris Murphy who was the first female Sub-Club Captain and has also served as a Board Director.

So it is fitting that the latest capital improvement at Mounties, one based on enhancing sub-club provision, facilities and social engagement spaces, takes on the Murphy’s name.

The new multi-faceted sub-club hub was completed in late-June 2021, as we had to close our doors to another lockdown.

Murphy’s offers a fresh look and vision for our indoor bowls, snooker, darts, table tennis and physical culture, whilst at the same time, paying tribute to our amazing sporting history and achievements.

It’s wonderful to see that the original idea of developing a hub for the entire community to enjoy, and which has been a driving force for Tom’s dedication to the Group for more than 50 years, is going from strength to strength at Mounties.

## MOUNTIES GROUP SUB CLUBS

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### **MOUNTIES SUB CLUB:**

Athletics (Senior)  
Cricket  
Cricket (Shires)  
Darts  
Euchre  
Fifties Plus  
Fishing  
Golf (Senior)  
Golf (Social)  
Hockey  
Indoor Bowls  
Joggers  
Lawn Bowls  
Netball  
Rugby League (Seniors)  
Rugby League (Juniors)  
Rugby League (Try Time)  
Soccer (Junior)  
Softball  
State League Softball  
Swimming  
Snooker  
Table Tennis  
Toastmasters  
Physical Culture & Dance  
Wanderers Football

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### **CLUB ITALIA:**

Bocce (Social)  
Bocce (Competition)  
Bocce Abruzzi  
Cards Super Ramino  
Cards Section  
Golf

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### **TRIGLAV:**

Bocce

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### **HARBORD DIGGERS:**

Women's Bowling  
Chess Club  
Toastmasters – Daytime  
Toastmasters – Evening  
Cribbage  
Garden Club  
Bridge Club

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### **MANLY BOWLING CLUB:**

Manly Women's Bowls  
Manly Men's Bowls

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### **WYONG:**

Fishing  
Snooker  
Lawn Bowls

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### **HALEKULANI BOWLING CLUB:**

Women's Lawn Bowls  
Men's Lawn Bowls  
Budgewoi Netball  
Golf Club

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# DONATIONS, SPONSORSHIPS & COMMUNITY SERVICES







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**\$6,782,250**

*SUPPORT IN ADDITION TO THE \$3 MILLION CLUB GRANTS DONATIONS TO IMPROVE THE LIVES OF OUR MEMBERS THROUGH DONATIONS, SPONSORSHIPS AND COMMUNITY SERVICES.*

It is clear to see that Mounties Group provides significant support to local organisations, and community members through investment in ClubGRANTS projects as well as sports, sub-club and social inclusion programs all with the aim of improving the lives of members and the community.

In addition to this, Mounties Group also provides support to the community through other means including donations, sponsorships, community partnerships and much-loved community events. The Board of Directors approved the direct investment of over \$6,782,250 to further improve our local areas.

*MOUNTIES GROUP*  
**HELPING TO SAVE LIVES**  
**EACH & EVERY DAY**  
*WITH CAREFLIGHT*





**This year, Mounties Group was proud to announce the biggest sponsorship deal in club and community history.**

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*“Over the years, the support that Mounties Group have provided us has been invaluable, their unwavering commitment to us has certainly allowed us grow our services and save even more lives.”*

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Mounties Care, Mounties’ pioneering healthcare service which launched late last year, just signed a five-year deal as the naming rights sponsor to CareFlight.

As part of this extensive deal, CareFlight launched the Airbus H145, part of the next generation of NSW’s Aeromedical Helicopters. The new helicopter is one of the most advanced aeromedical helicopters in Australia, dedicated to saving lives in Greater Sydney, the Central Coast and Blue Mountains

The move comes as healthcare services in New South Wales are under extreme pressure, meaning existing resources need as much support as possible.

Mounties Group are doing everything they can to be able to assist the community at this difficult time, staying true to their profit-for-purpose ethos.

They recently offered up their extensive carpark at Humphries Road as a COVID-19 testing site and have increased resources to help members through their Mounties Care service. This deal goes one step further, by ensuring that the services of the CareFlight Helicopter are also now available to community members in need.

Mounties Group has enjoyed a rich history with the CareFlight team, previously supporting them through community donations and ClubGRANTS. However, this newly announced deal is of a far greater scale than any partnership they have enjoyed before.

Mounties Group CEO, Dale Hunt, knows all too well the importance CareFlight has in the community after a CareFlight team saved his own son’s life.

“Without CareFlight my son would not be here today. I wholeheartedly believe this, and I know there are many others that share the same sentiment as I,” says Dale.

“The brand-new helicopter is like nothing you have ever seen before. It is state of the art technology. I am incredibly proud that this is now out servicing the region and saving lives every day.” Dale concluded.

CareFlight CEO, Mick Frewen is thrilled with the support Mounties Group have afforded them over the past eleven years and believes the creation of Mounties Care has brought them closer together than ever before.

“The work that Dale and the team are doing through Mounties Care goes far beyond the role in which we expect from clubs, and yet it makes absolute sense for clubs to support their members in such a way with a heavy focus on members health and wellbeing” Mick explains.

“Over the years, the support that Mounties Group have provided us has been invaluable, their unwavering commitment to us has certainly allowed us grow our services and save even more lives and for that we are truly grateful” Mick concluded.



## CLUB WYONG PARTNER WITH WYONG PUBLIC SCHOOL TO PRESENT THE MOUNTIES PERFORMING ARTS AWARD

Mounties Group has a long and positive history in supporting community events, and with two clubs on the Central Coast now part of Mounties Group, they are committed to looking for opportunities to support their new Central Coast family.

Wyong Public School, situated on Cutler Drive, Wyong, is considered one of the lowest socio-economic regions on the Central Coast.

The school has been part of the Wyong community for 131 years. The school currently has 20 classrooms with approximately 460 students, which includes 16 mainstream classes, 2 of the 4 Central Coast gifted & talented classes (Opportunity Classes) and 3 Additional Needs classes.

Currently approximately 36% of our students are also from either a Culturally & Linguistically Diverse or Aboriginal or Torres Strait Islander background. Providing quality and inclusive education to a diverse cohort of students.

Through discussions with the school, an opportunity was realised, one that would create an ongoing relationship between Wyong Public School and Mounties Group with the establishment of an annual Performing Arts Award.

The Mounties Performing Arts Award will inspire young people to explore their talent and the opportunities it can lead to in their future. It will be an annual award and the recipient will receive their name on the sponsored school trophy and a scholarship paid for by Mounties Group for training relevant in the field they have their talent identified in.





*It's about celebrating cancer survivors and carers, remembering those we've lost to cancer and uniting the local community.*

## RELAY YOUR WAY AT MOUNTIES

It was fitting that Mounties played host to the 2020 Fairfield Relay For Life event. After all, the event first took place 14 years ago at Mounties and since then has raised over one million dollars to help fund the Cancer Council's life-saving research.

Relay for Life is a community fundraising challenge for Cancer Council NSW. It's about celebrating cancer survivors and carers, remembering those we've lost to cancer and uniting the local community to 'Fight Back' for a cancer-free future.

Despite stringent COVID-restrictions affecting the traditional on-field Relay, entertainment and ceremonies, this year was billed around Relay Your Way. As a result, we hosted a special event where Mounties Group

CEO Dale Hunt and three Senior Managers Dave Callan, Frank Feng and Jason Woods all battled it out to raise the most money for The Cancer Council by committing to shave their hair in front of the live Club crowd. Together, they raised \$20,002, with Dale just pipping Jason out in the top fundraiser stakes.

The funds raised will directly help The Cancer Council continue their life-saving cancer research, prevention, advocacy and support programs.



## MOUNTIES AND MACARTHUR BULLS POLICE RUGBY LEAGUE CLUB

We strongly support the Macarthur Bulls Police Rugby League Club through sponsorship and dual training opportunities to help promote our connection with local authorities. This is a worthwhile endeavor as it breaks down barriers through sport amongst the community. We held a training session at the NSW Police Area Command in Balmain where the players were treated like recruits for a few hours and put through demanding scenarios.

The Macarthur Bulls Police Rugby League Club (formally Liverpool PRLFC) was established in 1970 and has been competing in the New South Wales Police Rugby League competition for 50 years. The team involves police officers working at Fairfield City PAC, Liverpool City PAC, Campbelltown City PAC, Camden PAC and, several specialist officers from across various squads including the Dog Unit,

Diving Unit, Robbery & Serious Crime Squad and Police Transport Command.

In 2020, Mounties came on board as the Major sponsor of the Macarthur Bulls Police Rugby League Club and provided \$5,000 in sponsorship and again in 2021.

Through Director of Football, Chris Hutchison, the Macarthur Bulls team was given access to the great facility at Aubrey Keech Reserve. The funds provided by Mounties go directly to assist in covering the cost of their playing kit, training kit, equipment and towards the costs incurred with the State Carnival.

We look forward to continuing our relationship and support with The Macarthur Bulls Police Rugby League Club in the years to come.



*“The Mounties Bunny Run is one of the many ways Mounties and its staff give back to the community. It is a tradition that continues to live on today.”*



## MOUNTIES BUNNY RUN

Mounties Bunny Run began over 30 years ago, with the idea originating from Mounties staff Maria Pullen. During one of Maria’s work break she noticed kids and adults within the venue with special needs and disabilities. She began to speak to them and thought of ways in which she could help give back to the community. In doing so, she thought of all the local hospitals, schools and special needs organisations that she could visit with her fellow workmates to spread a bit of joy and gift Easter eggs along the way.

Maria asked Mounties Group for permission to ask the staff if they would be willing to donate any of their tips to help buy gifts and easter eggs. Maria would go from bar to bar within the venue to collect money from staff and patrons. This then led to Maria and Marion Chapman setting up the Staff Social Club. It is within the Staff Social Club, that members and committee would come together to wash cars, trucks and fire trucks to raise money for the Bunny Run and the local charities they were supporting at the time.

Maria and Marion drove their own cars to distribute the donated gifts and Easter eggs to Liverpool Hospital, Ronald McDonald House and Westmead Hospital.

The Mounties Bunny Run is one of the many ways Mounties and its staff give back to the community. It is a tradition that continues to live on today, with the help of Mounties Director; Jenny McNevin and Mounties Staff; Kerrie Andrews-Sorensen, Colleen Cowan, Debbie Bartlet, Larry Brennan, Christine Hall and Mark McDonough.

Kerrie has stated, “I am fortunate to be part of a team who give their day up once a year to put smiles on the faces of people young and old who are in less fortunate circumstances or have little to no family. The joy in their faces seeing the Bunny makes it all worthwhile. For me, every year the day brings mixed emotions; happy, sad and humbling but, what a wonderful heart-warming joy it is to just make someone’s day better.”

## MOUNTIES GROUP LAUNCHES VETERAN HEART HEALTH PROGRAM



Harbord Diggers joined forces with the Department of Veteran Affairs (DVA), Rebound Health and Gfitness to launch a free initiative focused on improving the health of local veterans.

Launched in January 2021, the 'Veteran Heart Health Program' encourages returned service men and women to take control of their own health and learn better habits for the future via individual and group courses.

The health, fitness and wellbeing initiative is administered by Corporate Health Management (CHM), building a simple pathway for veterans to achieve their personal health goals in a safe and social environment.

A normal group session generally consists of 12-18 veterans. To date, 22 have signed on to take part in the Diggers' program. Already considered a rousing success, Mounties Group plans to roll the initiative out further.

Many participants see the initiative as an opportunity to set and conquer health goals they may not have considered without the program. Harbord Diggers RSL Sub-Branch President Sean Rout is one of the 22 and says the value of the program is as much in the building of relationships as it is in building better health behaviours. "It's about reconnecting," said Sean. "We have gymnasium sessions with this group, and once a month the Diggers has offered us a meeting room to talk about issues, it's likely that connections develop inside and outside the program.

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*Many participants see the initiative as an opportunity to set and conquer health goals they may not have considered without the program.*

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# OUR PEOPLE *OUR ASSETS*

Our Board, Management and our Staff are dedicated to improving the lives of our members. They all work tirelessly and as a team with the main aim for you to enjoy your visit to one of our venues by providing you great service, quality product and an exceptional experience.



# AND AS OUR GROUP CONTINUES TO GROW SO TOO DOES THE NEED TO CONTINUALLY *INVEST IN OUR PEOPLE.*

We have a strong focus on **our people** and recognise the **value in investing** in them through learning and development opportunities, including the Mounties Academy of Excellence, through rewards and recognition, employment benefits as well as **health, wellbeing & safety** initiatives.



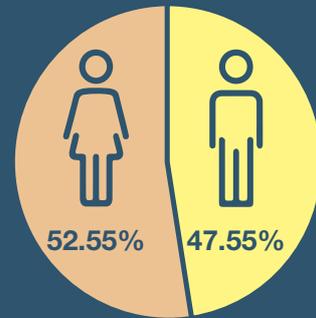
**741**

CURRENT NUMBER  
OF STAFF



**189**

NEW  
EMPLOYEES



**\$95,445**

TOTAL COST  
OF TRAINING



**11,695**

HOURS  
ON TRAINING



**23**

CROSS TRAINING



**\$325,558**

TRAINING WAGES PAID

# BOARD OF DIRECTORS

Representing the interests of all members and community equally.

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## STEVE FITZPATRICK

*Vice President*

A member for over 37 years and has served as Vice President for 20 years but his commitment to our community grants program and ensuring local community groups receive the support they need is what makes Steve passionate.

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## STEPHEN EDWARDS

*Director*

Stephen has been a member of Mounties Group since 1981 but has had a lifelong connection to the Club through family and sport. Dedicated to delivering a level of support to our sporting teams that goes beyond any other club, Stephen is at a Mounties game every week.



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## KEVIN INGRAM OAM

*President*

An active member of Mounties for 49 years and serving on the Board since 1980 makes Kevin Ingram OAM our longest serving Director but its his life in service of the local community from a career in managing the local swimming pool through to life membership of Parramatta Rugby League and Parramatta Junior Rugby League for years of coaching and mentoring local children that makes him a very special human being.



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## JOHN DEAN

*Vice President & Treasurer*

John has been a member for over 30 years and his commitment to our excellence through also holding the roles of Vice President, Treasurer and Gaming Committee Chairman supports his drive to ensure that our clubs continue to provide for the community well into the future.



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## LORRAINE DEAN

*Director*

Lorraine has been on our board of directors since 2008 and a member for over 25 years. Her commitment to local children's sport has made a huge impact on the local community and on thousands of young peoples lives.

# EACH DIRECTOR BRINGS A *DIFFERENT* THOUGHT PROCESS, *IDEAS* AND *EXPERIENCE...*

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## **TREVOR FORMAN**

*Director*

A member of Mounties Group for over 20 years and a life member of Junior Rugby League. Trevor is passionate about making sure that every member of our club has a choice in activities in which to become involved and active to build social inclusion in our local community.



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## **TOM MURPHY**

*Director*

Tom is a Foundation member of the club and has been a director of Mounties Group since 1995. The vision to create a true Profit for Purpose business, 55 years ago saw foresight beyond imagine and the fact that Tom's family put up their own land as security to build our first club is admirable.



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## **JEANETTE McNEVIN**

*Director*

With over 5 years as a Director and as a life member of our Softball/TBall Sub-Club there is no question as to Jenny's commitment and passion towards providing a better life for local children. Her work with sporting teams and disabled groups has been amazing and brings a smile to faces every week.



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## **LEON HANSEN**

*Director*

With over 10 years as a Director and living on the Northern Beaches gives Leon a different geographic perspective but a shared care and commitment to our members and their needs across the entire Group. His passion for upkeeping the legacy of RSL plays an important role in our community in all areas in which we operate.

# OUR SENIOR LEADERS

Delivering the boards vision to improve the lives of members and our community.



**DALE HUNT**  
*Group Chief Executive Officer*

Leading our amazing team and delivering the Boards strategic direction is the responsibility of Dale Hunt.

**DARREN MARINO**  
*Chief Operating Officer*

With more than 30 years experience in hospitality, Darren Marino heads up the operations of our Flagship venues such as Mounties & Harbord Diggers including the food, beverage and gaming experiences.



**DAVE CALLAN**  
*Chief Experience Officer*

Whether it be our people, our communication or the entertainment you enjoy, the members experience is driven by Dave Callan.



**BRAD LALIC**  
*Chief Financial Officer*

Making sure we are doing it right and keeping close track of our finance, technology and back of house services is Brad Lalic.



**ANNEKE LEMMERMAN**  
*Chief Commercial Officer*

Leading our growth in Health, Leisure and Education, Anneke Lemmerman is responsible for our diversified businesses including our medical, home-care, child play, fitness, beauty and property.

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**PETER YOUNG**

*Executive Manager,  
Corporate Services*

From buying at the right price so our members enjoy a better price, through to the technology that delivers our services or the maintenance and services within our buildings, Peter Young is leading the way.



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**JASON WOODS**

*General Manager, Hospitality*

Our growth is about bringing out the best in those with potential. Jason Woods leads our Emerging Venues by improving experiences for our members in food, beverage and all aspects of visiting a Club.



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**JAKE AVAKIAN**

*Executive Manager, Marketing*

As the head of our marketing team, Jake Avakian's role is about putting a smile on the faces of our members through making your experience more enjoyable.



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**FRANK FENG**

*Executive Manager, Gaming*

We may not have the most gaming machines but we lead the industry through our service and experience while protecting our members and responsible for that is Frank Feng.



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**MIRO RESMAN**

*Chief Investment Officer*

Recognising opportunities where others may not see them and protecting our organisation through a spread of liquid investments is the responsibility of Miro Resman.

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**KAREN SHIPLEY**

*Executive Manager,  
Strategic Projects*

Just because you can't come to our venues doesn't mean we stop caring for our members and our Homecare team headed up by Karen Shipley is delivering a range of medical, health and allied services directly into our members homes.

# STAFF Q&A

We are honoured to employ over 700 staff across the Group. And behind each smile that you see whilst in our venue, every staff member at Mounties Group has their own unique story to tell. Here are just a few of them.

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## ARELY CARRION

### VENUE MANAGER OF HARBORD DIGGERS & MANLY BOWLING CLUB

**Community Involvement:** Advocate for Domestic & Family Violence

#### How long have you worked for Mounties Group?

I have been employed with Mounties Group for almost 2 years.

I started as Operations Manager for the Northern Sites (Harbord Diggers and Manly Bowling Club) in 2019; before being promoted to Venue Manager for the Northern Sites.

#### Why do you enjoy working at Mounties Group?

I love working at Mounties Group for a variety of reasons.

*The People* - Staff have become like family, there is a sense of kinship and deep respect for one another.

*The Community* – There's no better feeling than seeing our members and guests enjoying the clubs' facilities, laughing, having fun and enjoying themselves. Whether it be eating at one of our restaurants, enjoying a beer on the Ocean Terrace or seeing the faces of kids as they head into Major Fun.

*Our Leadership Team* – I respect our Board of Directors for their ability to take risks and also the senior leadership team for acting & leading with integrity whilst never losing sight of why we exist.

#### Tell us more about what you do in your community & how you have helped?

For the last 3 years I have been volunteering for a Domestic Violence organisation (DVSM) and worked closely with an initiative they created called "Insight Exchange". This initiative centres on the expertise of people with lived experience of domestic violence and gives voices to these experiences.

The Insight component invites people with lived experience to share their story and the Exchange component allows us to share these stories with communities and organisations so they can respond with better awareness and understanding.

As a person with lived experience, I have shared my story with Insight Exchange and attended multiple seminars speaking publicly and participating in their panels discussing topics, like financial & economic abuse, workplace responses, the use of language and the way we respond.

This type of work is integral to preventing violence, understanding violence and improving the way we respond to violence.



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*The chance to work and lead the amazing teams at Harbord Diggers & Manly Bowling Club has been the highlight of my professional career thus far.*

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#### How has Mounties Group helped you in the last year?

Mounties Group have supported and provided me with endless opportunities for profound professional and personal growth.

The chance to work and lead the amazing teams at Harbord Diggers & Manly Bowling Club has been the highlight of my professional career thus far.

Working alongside such a diverse group of senior managers across the group has also gifted me with so many learnings that have and continue to inspire me every day.



## KERRIE ANDREWS

### MOUNTIES UNIFORM ATTENDANT

**Community Involvement:** Annual Bunny Run

#### How long have you worked for Mouties Group?

I've been working for the Mouties Group for 21 years.

#### Why do you enjoy working at Mouties Group?

I have seen and adapted to many changes in my time at Mouties, but I have always enjoyed the vibrant atmosphere that Mouties bring.

Liaising with existing and new members and helping them all to enjoy our facility and make their day a memorable one is rewarding.

The work life balance and formation of lifelong friendships all form part of working for the Mouties Group.

#### Tell us more about what you do in your community & how you have helped?

Each year I play a very small role volunteering for our Annual Bunny Run.

Putting smiles on the faces of children and adults alike is very rewarding.

Supporting people and family ranging from shopping, chores or just an ear to listen to align with my own beliefs and core values of giving back.

#### How has Mouties Group helped you in the last year?

Given the uncertainty that COVID-19 has delivered to all our lives, Mouties has been the supportive extended family to me, my fellow work colleagues, and community alike.

The emotional and financial help to keep us all afloat and secure is second to none and I for one feel humble, gracious, and thankful that I work for an organisation that put people first.

## DAVID ENGLISH

### HALEKULANI BOWLING CLUB

**Community Involvement:** Numerous local initiatives

#### How long have you worked for Mouties Group?

I've been employed with Mouties since we amalgamated in March this year but have racked up 28 years at Halekulani.

#### Why do you enjoy working at Mouties Group?

The Mouties Group Board and CEO's decision to support all their staff during the latest COVID-19 shutdown is amazing and to be congratulated.

As a Club, Halekulani prided ourselves on supporting its members, community and staff and it is where the Mouties Group was continually shown to excel.

#### Tell us more about what you do in your community & how you have helped?

Clubs are amazing in their ability to help so many in the local community. We have enjoyed long-standing partnerships with so many local organisations like Rotary, Ronald McDonald House, YMCA breakfast Club, The Didi Foundation, The Coast Shelter and The Elandra Women and Children's Refuge, and so many more.

We also run children's discos during the school holidays and thanks to the volunteers from Lakes who oversee the discos with many of their nippers attending, we have donated everything from surf rescue boats to nipper boards to the Lakes Surf Club.

#### How has Mouties Group helped you in the last year?

On a personal note, I have been working through some health challenges and again the support from Dale as CEO and Management Team have been amazing. To have such support during this time allows peace of mind to concentrate on the road back to health not only for myself but my family and again I can't thank the Mouties Group enough.

The culture of any business owes a lot to their success and during the process of amalgamation we continually heard the use of the word family. I have spoken to many of the Group's staff, industry peers and many associates outside of our industry and all are in awe of your assistance for your Mouties family.

# GOVERNANCE & RISK

This year the Board of Mounties Group issued a directive to review and develop a system of Corporate Governance to lead practice standards in the Club industry and to set a benchmark for the Club Industry. This system is based on the principles established by the Australian Institute of Company Directors and the ASX Corporate Governance Councils Governance Principles.

We recognize that we have been granted a Social License by our community to provide services and that with this comes a responsibility to do so in the most ethical and proper manner.

A Governance and Risk committee was confirmed, chaired by an independent expert and the President and two Vice Presidents, as well as CEO of the Club were appointed to the committee. This committee reports regularly to the Board on an agenda that includes 8 key principles.

In the act of true transparency, we report these outcomes to our members. The outcomes below have been achieved towards our targets.

	KEY PRINCIPLE	BEST PRACTICE RECOMMENDATION	MOUNTIES OUTCOMES
PRINCIPLE 1	<b>PURPOSE &amp; STRATEGY</b>  The organisation has a clear purpose and a strategy which aligns its activities to its purpose	1.1 The organisation's purpose is clear, recorded in its governing documents and understood by the board	<ul style="list-style-type: none"> <li>Reviewed April 2020</li> <li>Strategic Planning conducted</li> <li>Communications strategy developed</li> <li>Reporting against outcomes introduced</li> </ul>
		1.2 The board approves a strategy to carry out the organisation's purpose	<ul style="list-style-type: none"> <li>Strategic Planning conducted</li> <li>Strategic Plan documented and distributed with goals, measurements and accountability.</li> <li>Quarterly reviews on Strategic Plan achievements</li> <li>Quarterly reporting to Board on progress to Goals</li> </ul>
		1.3 Decisions by the board further the organisation's purpose and strategy	<ul style="list-style-type: none"> <li>Established Key Performance indicators are used and accountability assigned</li> </ul>
		1.4 The board regularly devotes time to consider strategy	<ul style="list-style-type: none"> <li>Annual Strategic Planning</li> <li>Quarterly Strategic reviews by Board</li> <li>Quarterly reporting</li> </ul>
		1.5 The board periodically reviews the purpose and strategy	<ul style="list-style-type: none"> <li>Purpose and Strategy reviewed annually at strategic Planning</li> </ul>
PRINCIPLE 2	<b>ROLES &amp; RESPONSIBILITIES</b>  There is clarity about the roles, responsibilities and relationships of the board	Directors' roles are clear and understood by the board	<ul style="list-style-type: none"> <li>Independent expert conducts Bi-Annual training of all Board members on roles and responsibilities.</li> <li>Job Descriptions and roles are defined, distributed and agreed.</li> <li>Annual Training undertaken by Directors</li> </ul>
		Directors understand and meet their duties under the law	<ul style="list-style-type: none"> <li>Annual reviews conducted</li> <li>Independent reviews are conducted of all Board meetings</li> <li>Directors undertake appropriate training</li> </ul>
		Directors meet any eligibility requirements relevant to their position	<ul style="list-style-type: none"> <li>Board is elected by members to represent members</li> <li>Eligibility requirements are in place and in accordance with Registered Club Act</li> </ul>
		Delegations of the board's authority are recorded and periodically reviewed	<ul style="list-style-type: none"> <li>Delegation of Authority is reviewed at least annually and recorded then distributed.</li> </ul>
		The role of the board is clearly delineated from the role of management	<ul style="list-style-type: none"> <li>Clear Job Descriptions and codes of conduct are in place and reviewed annually</li> </ul>

	KEY PRINCIPLE	BEST PRACTICE RECOMMENDATION	MOUNTIES OUTCOMES
PRINCIPLE 3	<b>BOARD COMPOSITION</b> The board's structure and composition enable it to fulfil its role effectively	Directors are appointed based on merit, through a transparent process, and in alignment with the purpose and strategy	<ul style="list-style-type: none"> <li>• Bi-Annual elections are conducted under appropriate legislation using an independent electoral officer.</li> <li>• Established mandatory criteria for election are in place</li> </ul>
		Tenure of directors is limited to encourage renewal and staggered to retain corporate knowledge	<ul style="list-style-type: none"> <li>• Each Director is currently appointed to a two-year term</li> <li>• Current reviews are in place to introduce a Tri-Annual staggered election process.</li> </ul>
		The board reflects a mix of personal attributes which enable it to fulfil its role effectively	<ul style="list-style-type: none"> <li>• Directors are elected in accordance with legislation by members of the Club and come from different communities, backgrounds and experiences.</li> </ul>
		The board assesses and records its members' skills and experience, and this is disclosed to stakeholders	<ul style="list-style-type: none"> <li>• An annual review of Directors is conducted.</li> <li>• All members are provided with the information on Director, skills and experience as well as training undertaken during the previous period.</li> </ul>
		The board undertakes succession planning to address current and future skills needs in alignment with the purpose and the strategy	<ul style="list-style-type: none"> <li>• Succession planning for all roles is reviewed at Strategic Planning on an annual basis</li> </ul>
PRINCIPLE 4	<b>BOARD EFFECTIVENESS</b> The board is run effectively and its performance is periodically evaluated	Board meetings are chaired effectively and provide opportunity for all directors to contribute	<ul style="list-style-type: none"> <li>• Board meetings are independently reviewed for effectiveness</li> <li>• Agenda provides opportunity for contribution and input from all Directors</li> </ul>
		Directors seek and are provided with the information they need to fulfil their responsibilities	<ul style="list-style-type: none"> <li>• Monthly Reporting, twice monthly meetings and standardized reporting developed for improved communication</li> <li>• Access and ability to seek further information in place and being used.</li> </ul>
		Directors are appropriately inducted and undertake ongoing education to fulfil their responsibilities	<ul style="list-style-type: none"> <li>• Induction training occurs immediately following every election</li> <li>• Directors undergo mandatory and voluntary training each year</li> </ul>
		The board's performance, as well as the performance of its chair and other directors, is periodically evaluated	<ul style="list-style-type: none"> <li>• Independent reviews of Board decisions and performance is made on a regular basis</li> </ul>
		The relationship between the board and management is effective	<ul style="list-style-type: none"> <li>• Clear roles, job descriptions and delegations of responsibilities is discussed, reviewed and allocated on an annual basis</li> </ul>
PRINCIPLE 5	<b>RISK MANAGEMENT</b> Board decision making is informed by an understanding of risk and how it is managed	The board oversees a risk management framework that aligns to the purpose and strategy	<ul style="list-style-type: none"> <li>• The organisation has a clear risk management framework with established measurements</li> <li>• The risk management framework is reviewed on a regular basis</li> <li>• The organisation with an independent expert has established a risk committee that meets quarterly to review risks in the business</li> <li>• The organisation has established Key Performance criteria and measurements for allowable risk</li> </ul>
		Directors seek and are provided with information about risk and how it is managed	<ul style="list-style-type: none"> <li>• Quarterly reporting to the Board is provided by the Risk Committee</li> <li>• Risk reporting is reviewed by an independent expert</li> </ul>

## GOVERNANCE & RISK continued

	KEY PRINCIPLE	BEST PRACTICE RECOMMENDATION	MOUNTIES OUTCOMES
PRINCIPLE 6	<b>PERFORMANCE</b> The organisation uses its resources appropriately and evaluates its performance	The board oversees appropriate use of the organisation's resources	<ul style="list-style-type: none"> <li>Monthly reviews include KPIs of business performance and allocation of resources</li> <li>Annual Strategic plans are supported by business plans, operational plans and budgets which are revisited regularly for measurement.</li> </ul>
		The board approves an annual budget for the organisation	<ul style="list-style-type: none"> <li>The annual budgets for operational and capital investments are approved prior to activation and reviewed on a monthly basis.</li> </ul>
		The board oversees the performance of the CEO	<ul style="list-style-type: none"> <li>CEO performance is measured against established Key Performance Indicators with formal performance reviews twice per year.</li> </ul>
		The board monitors the solvency of the organisation	<ul style="list-style-type: none"> <li>The board receives and reviews monthly the solvency position of the organisation.</li> </ul>
PRINCIPLE 7	<b>ACCOUNTABILITY &amp; TRANSPARENCY</b> The board demonstrates accountability by providing information to stakeholders about the organisation and its performance	The organisation's governing documents and policies relevant to its governance are available to stakeholders	<ul style="list-style-type: none"> <li>Annual reports, policies and constitution are all available on website and in venue</li> <li>Whistleblower, Responsible service of alcohol and Responsible Gaming policies are on website and in venue</li> <li>Privacy policy an election notices are available on the website and in venue</li> </ul>
		The board oversees appropriate reporting to stakeholders about the organisation's performance and financial position	<ul style="list-style-type: none"> <li>The Board holds annual meeting with Auditors and Board sub committees</li> <li>The Board reviews and approves annual reporting</li> <li>The Board reviews and approves Form 4 statements</li> </ul>
		Transactions between related parties, if any, are disclosed to stakeholders	<ul style="list-style-type: none"> <li>Any and all related party transactions are reported at the first available Board meeting and then reviewed at least twice per year.</li> </ul>
		Directors' remuneration and other benefits, if any, are disclosed to stakeholders	<ul style="list-style-type: none"> <li>Directors remuneration, benefits and use is reported in the Annual General Meeting to all members</li> </ul>
		Members have the opportunity to ask questions about how the organisation is run and to hold the board to account for their decisions	<ul style="list-style-type: none"> <li>Correspondence is reviewed monthly and an annual public meeting is conducted for all members.</li> </ul>

	KEY PRINCIPLE	BEST PRACTICE RECOMMENDATION	MOUNTIES OUTCOMES
PRINCIPLE 9	<b>STAKEHOLDER ENGAGEMENT</b>  <b>There is meaningful engagement of stakeholders and their interests are understood and considered by the board</b>	The board understands who the organisation's stakeholders are, their needs and their expectations	<ul style="list-style-type: none"> <li>The Board understands that our organization works across multiple industries and are integral to local communities. In addition to members, the Board recognises stakeholders including but not limited to members, community, social groups, politicians, suppliers, staff, legal entities and others</li> </ul>
		The board oversees a framework for the meaningful engagement of stakeholders	<ul style="list-style-type: none"> <li>The Club has a comprehensive project plan for communication across multiple platforms for communication to stakeholders.</li> </ul>
		Stakeholders are considered in relevant board decision making	<ul style="list-style-type: none"> <li>The Board has a proven practice of considering all relevant stakeholders</li> </ul>
		There is a process for gathering and responding to complaints and feedback from stakeholders	<ul style="list-style-type: none"> <li>The organisation has an established and well documented complaints process and feedback program</li> </ul>
		The board oversees a framework for how the organisation works with and protects vulnerable people	<ul style="list-style-type: none"> <li>The Board is committed to engagement with and the protection of vulnerable people and has introduced practices for protection of these people, including policies such as whistleblowing, commitment to supporting disability and health services, provision of funding to vulnerable people in our community and stringent policies and processes in harm minimisation etc.</li> </ul>
PRINCIPLE 9	<b>CONDUCT &amp; COMPLIANCE</b>  <b>The expectations of behaviour for the people involved in the organisation are clear and understood</b>		<ul style="list-style-type: none"> <li>The Club has established expectations for behaviour in all venues including as members, guests or staff. These expectations are based on clearly stated values and are supported by documentation, training and communication</li> </ul>

### Director Education 2020-21

Mounties Group recognises that a Director plays a vital role in the governance of the organisation and that continuing education is important to our staying relevant and effective.

During the year, our Directors worked on continuing to develop skills that help us protect and grow our organisation in a safe way. In 2020 the Covid Pandemic limited the opportunity, however Directors undertook the following training:

- Responsible Conduct of Gaming
- Harm minimisation
- Responsible Service of Alcohol
- Mental Health
- Risk Management
- Financial Management & Reporting
- Cyber Security

## GOVERNANCE & RISK continued

### *Risk & Governance Committee*

The Risk committee is an appointed sub committee of the Board of Directors. The risk committee provides advice and recommendations to the Board in the following areas:

- Financial Risk and Compliance
- Corporate Governance
- Internal and External Audits

The committee meets at least four (4) times a year and the committee is made up of

- An independent Chairman
- Two Board members
- Two Members of Management
- The CEO attends meetings of the committee for the purpose of reporting on matters raised in the agenda.

### *Responsible Gambling*

Mounties Group recognises that we have been fortunate to be issued a social license to operate Gaming Machines. We are committed to providing the highest standards of customer care through responsible gaming practices but recognise that a patron's decision to participate in gaming is a personal choice, but with that choice it also places a responsibility on Mounties Group to ensure the relevant information and assistance is available for our members to make a rational choice based on their circumstances.

In addition to the legislated responsible gaming requirements, Mountie Group has introduced the following additional self-imposed responsibilities on our business:

- A multi-venue self-exclusion scheme that prevents the need to visit multiple venues to self-exclude
- A variety of ways to sign up to the self-exclusion scheme including not needing to attend club to do so
- Harm minimisation and problem gambling signage and brochures as well as a dedicated help line and communication in 12 most common languages
- All employees including Directors, Senior management and staff are required to undertake Responsible Gambling training by an expert in the field on a minimum of a biennial basis.
- Formalised procedures for third party (involuntary) exclusion based on evidence
- Adoption of an expert (Betsafe) policies and procedure guidelines ensuring Mounties Group is exceeding legislative requirements
- Compliance audits conducted by an independent expert every three months ensuring entry, ATM/CRT, gaming area, gaming machine, keno, TAB bar and advertising signage is compliant
- Commitment to turn around any audit advice from compliance audit within 24 hours
- No free alcoholic beverages are served to patrons while participating in gaming
- Strict disciplinary procedures for members or guests who do not adhere to the regulation and legislation for gaming whilst attending any Mounties Group venue.

## Code of Conduct

Mounties Group Board of Directors has introduced and committed to a voluntary Code of Conduct which includes (but is not limited to) commitments to best practice in the following areas:

- Because the provision of gambling, food services and alcohol are core activities, we accept that the club industry is highly regulated and that we have a responsibility to be fully informed as to our legal compliance obligations
- We will provide adequate training and supervision to ensure compliance with all relevant laws relating to the club industry
- We are committed to promoting fair and democratic elections and maximising member involvement by adhering to relevant law and following appropriate procedures for the conduct of club election
- We will pursue good governance to support the aims and purpose of our Club by:
  - making decisions that are consistent with these aims/purpose and the interests of members;
  - complying with any relevant legislative, industrial and administrative requirement and keeping up to date with any changes to these requirements;
  - maintaining adequate documentation to support any decisions made; regulations. Club Directors and Managers should take steps to ensure that procedures contained in the Club Constitution are consistent with statutory requirements.
  - treating each club member and employee with due courtesy and respect;
  - providing access to continuing professional development for managers, Directors and staff;
  - achieving operating efficiencies in accordance with Board policies;
  - obtaining value for club money spent;
  - contributing to a safe, healthy and discrimination-free club environment; and
  - not taking or seeking to take improper advantage of any club information gained in the course of our appointment (in the case of Directors) or employment (in the case of managers or staff)
- We acknowledge our responsibility to the community in which our club is located in relation to key revenue-generating activities, in particular the provision of gambling and alcohol
- We are committed to promoting best practice human resource management and industrial relations between our Club management and employees. With the full support of the Board of Directors, our Club Manager(s) will ensure the appropriate terms and conditions of the Award and other relevant industrial instruments are applied at all times. This includes effectively managing disputes that may occur in the workplace from time to time.
- We will make the continuing professional development and training of our Club Managers and other employees a priority.
- We will not lend any amount of money to any director of the Club.
- We will not enter into a contract with a director or top executive of the Club or a company in which a director or top executive has a pecuniary interest unless the proposed contract is first approved by the board of the Club
- We are committed to ensuring that Club procurement of goods & services and capital works represents quality and good value, is subject to a proper tendering process with competitive quotes, and is done in the best interests of the club and its members
- Our directors will disclose any personal interest that they have in a matter relating to the affairs of the Club
- Our directors, top executives and employees will disclose any gift valued at \$1,000 or more, or any remuneration of an amount of \$1,000 or more received from an affiliated body of the club or from a person or body that has entered into a contract with the Club.
- Financial reports that accurately reflect the true financial position of the club will be provided for each Board meeting
- We acknowledge that, as a membership based organisation, our club is entrusted with personal information. We will comply with our duties under the Privacy Act 1998 (as amended in 2013).

# GENERAL PURPOSE (RDR) FINANCIAL REPORT

for the year ended 30 June 2021

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# DIRECTORS' REPORT

Your directors submit their report on Mount Pritchard & District Community Club Ltd (the 'Club' or 'Parent') and the entities it controlled (collectively referred to as the 'Group') for the year ended 30 June 2021.

## DIRECTORS

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

Ingram, Kevin OAM  
Dean, John Joseph  
Dean, Lorraine Ellen  
Edwards, Stephen Mark  
Fitzpatrick, Stephen  
Forman, Trevor James  
Hansen, Leon George  
McNevin, Jeanette Carol  
Murphy, Thomas Leslie

## PARTICULARS OF DIRECTORS

Name of Director	Qualifications and Special Responsibilities	Declared Interest in Contracts
<b>Kevin Ingram OAM</b>	Club Member 1972-current	New Diggers Service Co. Pty Ltd Director
	Club Life Member	
	Club Director 1980-current	Mekong Lease Co. Pty Ltd Director
	Club President 2003-current	
	Club Vice President 1985-1995 and 1998-2003	
	Minute Secretary – 4 years	
	Entertainment Director 1993-2003	
	Club Editor Publicity Officer 2003	
	Catering Director 1989-1992	
	Audit Risk and Governance Committee 2020-current	
	Remuneration Committee 2018-current	
	Leagues Clubs Association Delegate 2006-current	
	ClubsNSW Northern Region Delegate 2006-2020	
	RSL Services Club Delegate 2006-2012, 2014-2018	
	Life Member and Patron Parramatta District Junior Rugby League	
	Life Member Parramatta District Rugby League	
	Life Member & Patron Mounties Lawn Bowls Sub Club	
	Retired Pool Manager	
	<b>Industry Specific Training Completed</b>	
	Directors Foundation and Management Collaboration 2011	
Finance for Clubs Boards 2013		
RSA/RCG Certification		
<b>Current Committee Membership</b>		
Audit Risk and Governance Committee		

## DIRECTORS' REPORT continued

Name of Director	Qualifications and Special Responsibilities	Declared Interest in Contracts
<b>John Joseph Dean</b>	Club Member 1986-current Club Life Member Director 1997-current Vice President 2003-2009, 2011-current Treasurer 2007-current Sports Director 1997-2003 Sports Committee 1995-2008 Audit and Governance Committee Member 2009, 2011-2014, 2017-current Gaming Committee Chair 2013-2016, 2019-current Gaming Committee Member 2009-2016, 2019-current Health Safety Committee Representative 2018-current Remuneration Committee 2018-current Assistant Club Captain 1995 Club Captain 1996, 1997 Life Member Mounties Soccer Club RSL Association Delegate 2020-current ClubsNSW Delegate Federation of Workers Clubs Delegate Quinlan Shield Delegate 1996-2010 Engineering Manager (retired)	New Diggers Land Co. Pty Ltd, Director
	<b>Industry Specific Training Completed</b>	
	Directors Foundation and Management Collaboration 2011 Finance for Clubs Boards 2013 RSA/RCG Certification	
	<b>Current Committee Membership</b>	
	Audit Risk and Governance Committee Gaming Committee (Chair) Health Safety Committee	
<b>Lorraine Ellen Dean</b>	Club Member 1988-current Club Life Member Club Director 2008-current Sports Director 2012-2018 Minute Secretary 2011-current Sports Committee 2006-2009, 2012-current RSL and Service Clubs Association Delegate 2010, 2012-2014, 2018-2020 Correspondence Committee Chair 2011-2016 OH&S Committee – Board Representative 2008-2011 Club Captain 2008 Assistant Club Captain 2006-2007 Life Member Netball Sub Club President Netball 1998-2014 Constitution Committee 2011	Nil
	<b>Industry Specific Training Completed</b>	
	Directors Foundation and Management Collaboration 2011 Finance for Clubs Boards 2013 RSA/RCG Certification	
	<b>Current Committee Membership</b>	
	Community Grants Committee Sports Committee	

Name of Director	Qualifications and Special Responsibilities	Declared Interest in Contracts		
<b>Stephen Mark Edwards</b>	Club Member 1981-current	Nil		
	Club Life Member			
	Club Director 2003-current			
	Catering Director 2006-current			
	Beverage Director 2020-current			
	Sports Committee 2003-2014			
	Grants Committee 2005-2010			
	Gaming Committee 2004-2010, 2014-2016, 2019-current			
	ClubsNSW Delegate 2004, 2010			
	Entertainment Director 2011			
	Publicity Director 2011			
	Director overseeing Mounties Rugby League Club 2006-2009			
	Member Mounties Junior Rugby League Club Operations Manager			
	<b>Industry Specific Training Completed</b>			
	Directors Foundation and Management Collaboration 2011			
	Finance for Clubs Boards 2013			
	RSA/RCG Certification			
	<b>Current Committee Membership</b>			
	Gaming Committee			
	<b>Stephen Fitzpatrick</b>		Club Member 1980-current	Nil
			Club Life Member	
Club Director 1993-current				
Club Vice President 2003-current				
Community Grants Committee Chair 2000-current				
Gaming Committee 2019-current				
Audit Risk and Governance Committee 2017-current				
Sports Director – 3 separate terms				
Remuneration Committee 2018-current				
Director & Delegate to Federation of Workers Clubs				
Snooker Club and Committee Member 30 Years				
Life Member Snooker Club				
Quinlan Shield Life Member				
Quinlan Shield				
Secretary/Recorder/Delegate/Mounties Team Captain				
Retired Customs Classifier (48 years)				
<b>Industry Specific Training Completed</b>				
Directors Foundation and Management Collaboration 2011				
Finance for Clubs Boards 2013				
RSA/RCG Certification				
<b>Current Committee Membership</b>				
Audit and Governance Committee				
Community Grants Committee (Chair)				
Gaming Committee				

## DIRECTORS' REPORT continued

Name of Director	Qualifications and Special Responsibilities	Declared Interest in Contracts
<b>Trevor James Forman</b>	<p>Club Member 1994-current            Club Director 2012-current            Leagues Clubs Association Delegate 2014-current            Life Member Junior Rugby League            Building Defects Committee 2012-2016            Building Defects Committee Chair 2014-2016            Junior Rugby League Committee 1992-2004            Junior Rugby League Committee Secretary 1992-2004            Owner/Director Fineform Flooring PTY LTD</p> <p><b>Industry Specific Training Completed</b></p> <p>Finance for Club Boards 2013            Directors Foundation and Management Collaboration 2011            RSA/RCG Certification</p> <p><b>Current Committee Membership</b></p> <p>Community Grants Committee            Gaming Committee</p>	Nil
<b>Leon George Hansen</b>	<p>Club Member 2005-current            Club Life Member            Club Director 2010-current            Leagues Club Australia Delegate 2014-2016            RSL Services Association Delegate 2010-current            Clubs NSW Northern Region Delegate 2010-current            Gaming Committee 2010-2012            Sports Committee 2010-current            Harbord Advisory Committee 2010-2020            Retired Roads and Pavement Supervisor Local Council – 45 Years</p> <p><b>Industry Specific Training Completed</b></p> <p>Directors Foundation and Management Collaboration 2011            Finance for Clubs Boards 2013            RSA/RCG Certification</p> <p><b>Current Committee Membership</b></p> <p>Sports Committee</p>	New Diggers Car Park Co. Pty Ltd Director

Name of Director	Qualifications and Special Responsibilities	Declared Interest in Contracts
<b>Jeanette Carol McNevin</b>	Club Member 1996-current	Nil
	Club Director 2014-current	
	Sports Director 2018-current	
	Entertainment Director 2018-current	
	Building Defects Committee 2014-2016	
	Correspondence Committee 2014-2016	
	Remuneration Committee 2014-2016	
	Entertainment Director 2014-2016	
	WHS Committee 2016-2018	
	Life Member Softball/TBall Club Captain	
	Assistant Club Captain 2007-2008	
	Retired	
	<b>Industry Specific Training Completed</b>	
	Directors Foundation and Management Collaboration 2011	
Finance for Clubs Boards 2013		
RSA/RCG Certification		
<b>Current Committee Membership</b>		
Sports Committee		
Community Grants Committee		
<b>Thomas Leslie Murphy</b>	Club Foundation Member 1964-current	Nil
	Club Life Member	
	Club Director 1995-current	
	Assistant Club Captain 1993	
	Club Captain 1994	
	Beverage Director 2013-2020	
	Sports Committee 1995-2003, 2006-2009	
	Delegate ClubsNSW 1995-2003, 2005-2007, 2009-current	
	Catering Director 2003-2005	
	President Indoor Bowls 1989-current	
	Life Member Indoor Bowls	
	Retired	
	<b>Industry Specific Training Completed</b>	
	Directors Foundation and Management Collaboration 2011	
Finance for Clubs Boards 2013		
RSA/RCG Certification		
<b>Current Committee Membership</b>		
Sports Committee		

## PRINCIPAL ACTIVITY

The principal activity of Mount Pritchard & District Community Club Ltd and the entities it controlled (the 'Group') is the encouragement of sport and the provision of accommodation and facilities for members and the community, by operating clubs licensed in NSW under the provisions of the *Registered Clubs Act 1976* (as amended).

There were no significant changes in the nature of this activity during the year.

The number of members at the year-end was 158,360 (2020: 144,511).

## DIRECTORS' REPORT continued

### MEASUREMENT OF SUCCESS

The Group measures success by focusing on two key areas:

1. Financial performance measured through:
  - (i) Earnings before interest, tax, depreciation, amortisation, rent and donations (EBITDARD)
  - (ii) Revenue
  - (iii) Wages and salaries
  - (iv) Profitability
  - (v) Return on capital employed
2. Provision of social welfare for the Group's members and the community.

### OPERATING RESULTS FOR THE YEAR

The net profit of the Group for the financial year ended 30 June 2021 after providing for income tax was \$18,927,631 (2020: \$7,566,971).

### REVIEW OF OPERATIONS

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The response of governments in dealing with the pandemic is impacting the general activity levels within the community, the economy, and the operations of the Group. On 26 June 2021, following NSW state government directives in an effort to stop the spread of COVID-19 delta variant, the Group's properties ceased trading. Subsequent to the balance sheet date, the outbreak in Sydney has worsened and current government restrictions are that the lockdown, and therefore closure of the Group's operations, will extend until at least 30 September 2021. The government has provided advice that the lockdown measures will be extended until certain vaccination targets are met in the population, which are forecast to be achieved by November 2021. At this time, it remains uncertain for how long these restrictions will remain in place; however, they will continue to have an impact on our earnings, cash flow and financial condition.

It is not possible to estimate the impact of the outbreak's near-term and longer effects or Governments' varying efforts to combat the outbreak and support businesses. This being the case, we do not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time.

The net profit of the Group for the financial year ended 30 June 2021 after providing for income tax was \$18,927,631 (2020: \$7,566,971) The result was a substantial improvement from last year as a result of temporary stabilisation in the COVID-19 environment within Sydney as compared to the comparative year where trading was substantially halted for 2.5 months due to government directed lockdown measures.

Our assessment below, consistent with board reporting, is on the non-GAAP financial measure of EBITDARD. EBITDARD for the Group this year was \$65,153,936 (2020: \$45,188,986).

	2021 \$	2020 \$
Profit attributable to members of the parent	18,927,631	7,566,971
<i>Add:</i>		
Net interest cost	670,291	957,270
Tax expense	11,603,055	4,486,399
Donations expenses	7,885,258	1,546,717
Depreciation expenses	16,004,995	17,650,241
Loss on disposal of property, plant and equipment	9,689,310	12,511,515
Impairment expense	–	383,732
Rent	373,396	86,141
<b>EBITDARD Group (Trading Profit)</b>	<b>65,153,936</b>	<b>45,188,986</b>
Fair value gain – Harbord Retirement Village	(26,191,641)	(20,774,543)
<b>EBITDARD Clubs</b>	<b>38,962,295</b>	<b>24,414,443</b>

Community support expenses of \$9,923,036 (2020: \$4,559,606) confirms the Group's continuing support. This represents 34.4% (2020: 37.6%) of the Group profit for the year.

## SHORT AND LONG TERM OBJECTIVES OF THE GROUP

The short term objectives of the Group are:

- (a) To maintain a level of operational profitability that supports the Club's objectives, and
- (b) To develop a long term supporter base which will benefit from the Club's success.

This will ensure that the long term objective of:

- (a) Continuing to provide for and promote sporting and social activities for members will continue to be met.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year outside of the impacts of the COVID-19 pandemic as outlined in the review of operations above.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There are no significant events occurring after the reporting period which will affect either the Club's operations or results of those operations or the Club's state of affairs.

## MEMBERS' LIABILITY

Members are liable to contribute a maximum of \$2 in the event that the Club is wound up. The total liability of members is limited to \$316,720 (2020: \$289,022).

## DIRECTORS' BENEFITS

During or since the end of the financial year, no director of the Group has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount received or due and receivable as shown in the consolidated financial statements, by reason of a contract entered by the Group with:

- a director; or
- a firm of which the director is a member; or
- an entity in which a director has a substantial financial interest.

## INDEMNIFICATION OF AUDITOR

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

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Group paid premiums in respect of a contract insuring all the directors and executives of Mount Pritchard & District Community Club Ltd against legal liability arising for any wrongful act committed, attempted or allegedly committed or attempted in the course of their duties as a director or executive of the Group. The policy prohibits disclosure of the premium paid.

## AUDITOR'S INDEPENDENCE

The directors received a declaration of independence from the auditor. The declaration is included within this annual report.

Signed in accordance with a resolution of the directors.



**Kevin Ingram OAM**  
Director



**John Joseph Dean**  
Director

Sydney  
28 September 2021

# AUDITOR'S INDEPENDENCE DECLARATION



**Building a better  
working world**

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

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## **Auditor's Independence Declaration to the Directors of Mt Pritchard & District Community Club Ltd**

As lead auditor for the audit of the financial report of Mt Pritchard & District Community Club Ltd for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Mt Pritchard & District Community Club Ltd and the entities it controlled during the financial year.

A stylized signature of the Ernst &amp; Young logo, written in a cursive, handwritten style.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Daniel Cunningham'.

Daniel Cunningham  
Partner  
Sydney  
28 September 2021

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Revenue from contracts with customers	6.1	138,772,813	116,771,188
Costs attributable	6.3	(74,676,753)	(68,316,677)
<b>Gross profit</b>		<b>64,096,060</b>	<b>48,454,511</b>
Other income	6.2	34,331,286	29,034,664
Community support expenses	6.3	(9,923,036)	(4,559,606)
General and administration expenses	6.3	(57,208,298)	(59,918,929)
Finance costs	6.4	(765,326)	(957,270)
<b>Profit before income tax</b>		<b>30,530,686</b>	<b>12,053,370</b>
Income tax expense	7	(11,603,055)	(4,486,399)
<b>Profit after income tax</b>		<b>18,927,631</b>	<b>7,566,971</b>
<b>Profit for the year</b>		<b>18,927,631</b>	<b>7,566,971</b>
<b>Other comprehensive income</b>			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Gain taken to equity	23	-	875,591
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>875,591</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>18,927,631</b>	<b>8,442,562</b>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2021

	Notes	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	36,314,544	22,076,080
Other receivables	9	2,023,075	846,041
Inventories	10	838,167	498,958
Other financial assets	11	555,244	541,478
Government grant income receivable		–	1,860,250
<b>Total current assets</b>		<b>39,731,030</b>	<b>25,822,807</b>
<b>Non-current assets</b>			
Other receivables	9	3,000,000	–
Property, plant and equipment	12	288,521,629	290,685,803
Investment properties	13	267,194,998	250,775,000
Intangible assets	14	56,524,962	53,719,962
Investments	15	1,800,000	200,000
Right-of-use assets	16	1,232,534	1,158,422
<b>Total non-current assets</b>		<b>618,274,123</b>	<b>596,539,187</b>
<b>Total assets</b>		<b>658,005,153</b>	<b>622,361,994</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade and other payables	17	17,745,037	24,946,107
Deferred revenue	18	5,419,806	6,389,441
Provisions	19	429,469	124,316
Employee benefit liabilities	20	6,323,283	5,639,407
Resident loans	21	224,530,638	231,168,000
Interest-bearing loans and borrowings	22	22,000,000	8,717,914
Lease liabilities	16	532,219	398,173
<b>Total current liabilities</b>		<b>276,980,452</b>	<b>277,383,358</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	7	30,618,793	18,215,007
Deferred revenue	18	15,263,941	1,534,675
Provisions	19	1,081,709	1,149,337
Employee benefit liabilities	20	719,078	593,744
Interest-bearing loans and borrowings	22	–	22,029,761
Lease liabilities	16	700,315	768,351
<b>Total non-current liabilities</b>		<b>48,383,836</b>	<b>44,290,875</b>
<b>Total liabilities</b>		<b>325,364,288</b>	<b>321,674,233</b>
<b>Members' equity</b>			
Retained earnings		303,973,873	285,046,242
Revaluation reserve	23	12,896,229	12,896,229
Amalgamation reserve	23	15,770,763	2,745,290
<b>Total members' equity</b>		<b>332,640,865</b>	<b>300,687,761</b>
<b>Total liabilities and equity</b>		<b>658,005,153</b>	<b>622,361,994</b>

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2021

	Retained earnings \$	Revaluation reserve (Note 23) \$	Amalgamation reserve (Note 23) \$	Hedging reserve (Note 23) \$	Total equity \$
<b>At 1 July 2020</b>	<b>285,046,242</b>	<b>12,896,229</b>	<b>2,745,290</b>	<b>-</b>	<b>300,687,761</b>
Profit for the year	18,927,631	-	-	-	18,927,631
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	18,927,631	-	-	-	18,927,631
Amalgamations (Note 4)	-	-	13,025,473	-	13,025,473
<b>At 30 June 2021</b>	<b>303,973,873</b>	<b>12,896,229</b>	<b>15,770,763</b>	<b>-</b>	<b>332,640,865</b>
<b>At 1 July 2019</b>	<b>277,479,271</b>	<b>12,896,229</b>	<b>2,745,290</b>	<b>(875,591)</b>	<b>292,245,199</b>
Profit for the year	7,566,971	-	-	-	7,566,971
Other comprehensive income	-	-	-	875,591	875,591
Total comprehensive income for the year	7,566,971	-	-	875,591	8,442,562
<b>At 30 June 2020</b>	<b>285,046,242</b>	<b>12,896,229</b>	<b>2,745,290</b>	<b>-</b>	<b>300,687,761</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Operating activities</b>			
Receipts from customers		135,556,287	122,750,897
Payments to suppliers and employees		(126,440,056)	(79,888,818)
Receipts from retirement village residents	21	24,755,777	21,074,137
Receipt of government grants		6,216,000	2,850,000
Interest received		95,035	–
Interest paid		(765,326)	(957,270)
<b>Net cash flows from operating activities</b>		<b>39,417,717</b>	<b>65,828,946</b>
<b>Investing activities</b>			
Proceeds from sale of property, plant and equipment		8,000	3,374,164
Purchase of property, plant and equipment		(8,135,724)	(14,049,500)
Payment for subscription of notes receivable		(3,000,000)	–
Payment for subscription in investment		(1,600,000)	–
Payment for business combinations, net of cash acquired	4	(3,315,108)	–
<b>Net cash flows used in investing activities</b>		<b>(16,042,832)</b>	<b>(10,675,336)</b>
<b>Financing activities</b>			
Payment of principal portion lease liabilities		(388,746)	(412,206)
Proceeds from borrowings		–	5,896,222
Repayment of borrowings		(8,747,675)	(43,845,658)
<b>Net cash flows used in financing activities</b>		<b>(9,136,421)</b>	<b>(38,361,642)</b>
Net increase in cash and cash equivalents		14,238,464	16,791,968
Cash and cash equivalents at 1 July		22,076,080	5,284,112
<b>Cash and cash equivalents at 30 June</b>	8	<b>36,314,544</b>	<b>22,076,080</b>

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2021

## 1. CORPORATE INFORMATION

The consolidated financial report for Mount Pritchard & District Community Club Ltd (the 'Club' or 'Parent') and its controlled entities (collectively referred to as the 'Group') for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 28 September 2021.

Mount Pritchard & District Community Club Ltd is a company limited by guarantee. The Constitution prohibits paying a dividend to members. The Club is incorporated and domiciled in Australia.

The primary objective of the Club is the provision of services for members; the directors have accordingly determined the Club is a 'not-for-profit' entity for accounting purposes. In accordance with its Constitution the liability of members in the event of the Club being wound up would not exceed \$2 per member.

The registered office of Mount Pritchard & District Community Club Ltd is located at 101 Meadows Road, Mount Pritchard, NSW 2170.

The Group employed 741 employees as at 30 June 2021 (2020: 597).

Further information on the nature of the operations and principal activities of the Club are described in the directors' report. Information on the Club's structure is provided in Note 5. Information on other related party relationships of the Club is provided in Note 25.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. Australian Accounting Standards contain requirements specific to not-for-profit entities, including standards AASB 116 *Property, Plant and Equipment*, AASB 138 *Intangible Assets*, AASB 136 *Impairment of Assets* and AASB 1004 *Contributions*. The financial report has been prepared on the historical cost basis, except for investment properties which have been measured at fair value. Certain figures in the comparative financial statements have been reclassified to confirm to the current periods presentation.

The financial report is presented in Australian dollars (\$).

#### b) Changes in accounting policies, disclosures, standards and interpretations New and amended standards and interpretations

The new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2021 do not materially impact the consolidated financial statements of the Group.

#### *Accounting Standards and Interpretations issued but not yet effective*

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. The directors have not early adopted any of these new or amended standards or interpretations. The directors intend to adopt the new or amended standards or interpretations when they become effective.

#### **AASB 1060 General Purpose Financial Statements – Simplified Disclosure for For-Profit and Not-for-Profit Tier 2 Entities**

Entities will be required to follow the recognition and measurement requirements under Australian Accounting Standards but may apply the simplified disclosure requirements in AASB 1060. AASB 1060 is the new simplified disclosure standard developed by the AASB based on IFRS for Small and Medium-sized Entities and replaces the General Purpose Financial Statements – Reduced Disclosure Requirements framework currently being used in this financial report. The standard is effective for reporting periods beginning on or after 1 July 2021.

The directors have performed an assessment of the impact of above standard and anticipate the Group will prepare General Purpose Financial Statements – Simplified Disclosures for the year ending 30 June 2022 onwards.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### c) Going concern

The financial report has been approved by the directors on a going concern basis. In determining the appropriateness of the basis of preparation, the directors have considered the impact of the COVID-19 pandemic on the position of the Group at 30 June 2021 and its operations in future periods.

As at 30 June 2021 the Group has net current asset deficiency of \$237,249,422 (2020: \$251,560,551). The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The response of governments in dealing with the pandemic is impacting the general activity levels within the community, the economy, and the operations of the Group. On 26 June 2021, following NSW state government directives in an effort to stop the spread of COVID-19 delta variant, the Group's properties ceased trading. Subsequent to the balance sheet date, the outbreak in Sydney has worsened and current government restrictions are that the lockdown, and therefore closure of the Group's operations, will extend until at least 30 September 2021. The government has provided advice that the lockdown measures will be extended until certain vaccination targets are met in the population, which are forecast to be achieved by November 2021. At this time, it remains uncertain for how long these restrictions will remain in place; however, they will continue to have an impact on our earnings, cash flow and financial condition.

The directors believe the Group will continue as a going concern and meet its liabilities as and when they fall due. The Group has positive operating cash flow of \$39.4 million (2020: \$65.8 million). The net current liability position includes \$224.5 million of current liabilities related to the resident loans owed to the retirement village residents. Although the expected average residency term is around 12 years, these obligations are classified as current liabilities, as required by Australian Accounting Standards, because the Group does not have an unconditional right to defer settlement to more than twelve months after reporting date. The Group additionally has access to unused available banking facilities of \$33.5 million which, while maturing in June 2022, will assist with liquidity requirements during the temporary closure of the Group's operations due to COVID-19 related government measures. The directors have considered the cash flow forecasts for the next 12 months from this report to enable them to form this view.

### d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Club and its subsidiaries as at 30 June 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### e) Amalgamations

Amalgamations are accounted for in accordance with AASB 3 Business Combinations using the purchase method of accounting. The purchase method of accounting involves assessing the fair value of the assets and liabilities acquired and the contingent liabilities assumed at the date of amalgamation; gains from amalgamation are recognised as a direct addition to amalgamation reserve within equity and any goodwill arising from amalgamation is brought into account as goodwill on amalgamation if such value is sustainable. Amalgamation-related costs are expensed as incurred and included in general and administrative expenses.

## **f) Current versus non-current classification**

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## **g) Cash and cash equivalents**

Cash in the consolidated statement of financial position comprise cash at banks and on hand.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash as defined above.

## **h) Other receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value. The Group holds the receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate (EIR) method.

### **Notes receivable**

Notes receivables are recognised initially at fair value and subsequently measured at amortised cost using EIR method, less provision for expected credit losses (ECL).

## **i) Inventories**

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

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

- Finished goods: purchase cost on a first-in/first-out basis

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

## **j) Derivative financial instruments and hedging**

The Group uses derivative financial instruments, such as interest rate swaps, to hedge its interest rate risks, etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

### **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

### **k) Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings and improvements	5-30 years
Leasehold improvements	33 years
Plant and equipment	3-20 years
Member use properties	33 years

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

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

### **l) Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

### **m) Impairment of non-financial assets**

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Group makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds recoverable amount, which is defined for not for profit entities as the higher of an asset's fair value less costs to sell or depreciated replacement cost. For the purpose of assessing impairment, assets are grouped at the level for which there are separately identifiable cash flows. An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income.

## n) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (CGU), to which the goodwill relates. When the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a CGU and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Impairment losses recognised for goodwill are not subsequently reversed.

Goodwill is tested for impairment annually as at 30 June and when circumstances indicate that the carrying value may be impaired.

## o) Intangible assets

Electronic Gaming Machine (EGM) Entitlements are considered intangibles in accordance with AASB 138 *Intangible Assets* and recognised at cost at the date acquired. Fair value was determined by reference to market prices at which the entitlements had been traded. It is considered that an active market for these entitlements ceased to exist from 1 July 2009 and consequently they are carried at the most recent valuation.

The entitlements are considered to have an indefinite life and accordingly are not amortised.

The entitlements are tested for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in Government regulations, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the entitlements' carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are written off against the revaluation reserve (arose due to recording the entitlements at fair value up to 30 June 2009) to the extent the revaluation reserve is exhausted and against consolidated statement of profit or loss and other comprehensive income.

The gain or loss brought to account on sale of revalued entitlements will represent the difference between the proceeds on disposal and the revalued carrying amount.

Electronic Gaming Machine Entitlements acquired by way of club amalgamation are, in accordance with AASB 3 *Business Combinations* initially brought to account at the date of amalgamation at the fair value at that date, and subsequently accounted for in accordance with the above policy.

## p) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and machinery 3 to 20 years

Motor vehicles and other equipment 3 to 20 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.1(m) Impairment of non-financial assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### q) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of goods and services.

#### r) Interest-bearing loans and borrowings

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

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

#### s) Provisions and employee benefit liabilities

##### *General*

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### *Mortality payment*

A provision for mortality payment is recognised for the expected costs associated with the members eligible to receive the mortality payment. The provision is based on the number of members entitled to receive the payment, discounted for the time value of money.

##### *Wages and salaries*

Liabilities for wages and salaries and non-monetary benefits which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

### **Long service leave and annual leave**

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Employee benefits expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits; and
- other types of employee benefits; are recognised against profits on a net basis in their respective categories. In respect of superannuation plans, any contributions made to the fund by the Group are recognised against profits when incurred.

### **t) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods and services before transferring them to the customer.

#### **Rendering of services**

Revenue from rendering of services comprises revenue earned from the provision of gaming facilities together with other services to members and other patrons of the Group. Revenue is recognised when the service is provided.

#### **Deferred Management Fees**

Deferred management fee (DMF) revenue on retirement village investment property is earned while the resident occupies the independent living unit or serviced apartment and is recognised as income over the resident's expected tenure. The expected tenure is calculated with reference to expected rollovers within the Group and is 12 years for the independent living units.

DMF revenue is not discounted to present value, as the income is received by offset against repayment of the existing resident loan on its settlement. DMF revenue from each resident is amortised over the expected period of tenure of the resident and is calculated by reference to 'exit'-based contracts, where the current market value of the underlying unit.

DMF revenue to which the Group is contractually entitled at reporting date is presented in the consolidated statement of financial position as a deduction from resident loans. The excess of DMF revenue to which the Group is contractually entitled at reporting date, over DMF revenue earned to date by amortisation over the expected period of tenure, is included in deferred revenue in the consolidated statement of financial position. DMF revenue is considered to meet the definition of a lease and therefore is within the scope of AASB 117 *Leases*.

#### **Commissions and member fees and subscriptions**

Commissions and member fees and subscriptions are recognised as revenue over the period to which they relate.

#### **Loyalty points programme**

The Group has a loyalty points programme which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

#### **Contract balances**

##### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

### **u) Finance income**

Interest income is recorded using the EIR. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the consolidated statement of profit or loss and other comprehensive income.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### v) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

### w) Taxes

The Income Tax Assessment Act 1997 (Amended) provides that under the concept of mutuality, Clubs are only liable for income tax on income derived from non-members and from outside entities. Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

#### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiary, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

In determining tax balances, the Waratah formula applicable to registered licensed clubs is used.

#### *Goods and services tax (GST)*

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

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

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

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

### **x) Other member use properties**

The Group owns or holds an occupancy right to a number of holiday properties. The properties are held for the primary purpose of member use. The properties are accounted for on the same basis as the other property, plant and equipment as set out in Note 2.1(k).

### **y) Fair value measurement**

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## **3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

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

### **ESTIMATES AND ASSUMPTIONS**

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

#### **Revaluation of investment properties**

The Group carries its investment properties at fair value, with changes in fair value being recognised in the consolidated statement of profit or loss and other comprehensive income. For investment properties a valuation methodology based on a cash flow model is applied by management, as there is a lack of comparable market data because of the nature of the properties. The Group used CBRE to assess the fair value of the investment property of the seniors' living village as at 30 June 2021.

#### **Estimation of useful lives of assets**

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

#### **Impairment of non-financial assets**

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

#### **Long service leave provision**

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

#### Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### Mortality provision

Provision is made for the anticipated costs with respect to the passing of qualifying members. In determining the present value of the liability, mortality estimates and the time value of money have been taken into account.

#### Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Where the Group is reasonably certain to exercise an option to renew on a lease agreement, the renewal period has been included as part of the lease term when calculating the right of use asset and lease liability under AASB 16.

#### Leases – Estimating the incremental borrowing rate (IBR)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

## 4. AMALGAMATIONS

### AMALGAMATIONS IN 2021

#### Amalgamation of Wyong RSL and Halekulani Bowling Club

On 16 March 2021, the Group acquired the assets and liabilities of Wyong RSL Sub-Branch Club Ltd ('Wyong RSL'). On 22 March 2021, the Group acquired the assets and liabilities of Halekulani Bowling Club Ltd ('Halekulani'). Wyong RSL and Halekulani are both clubs based in the Central Coast, NSW. The Group is deemed to be 'mutual entities' (as opposed to 'investor owned') with each Wyong RSL and Halekulani. Therefore, as acquirer in the combination of mutual entities, the Group recognises the difference between any consideration paid and the net assets acquired at fair value as a direct addition to equity in consolidated statement of financial position.

#### Assets acquired and liabilities assumed – Wyong RSL

The fair values of the identifiable assets and liabilities of Wyong RSL Sub-Branch Club Ltd as at the date of amalgamation were:

	Fair value recognised on amalgamation \$
<b>Assets</b>	
Freehold land (Note 12)	2,681,818
Building, improvements and other buildings (Note 12)	2,150,000
Plant and equipment (Note 12)	1,339,400
Electronic gaming machine entitlement (Note 14)	1,305,000
Cash and cash equivalents	172,296
Inventories	39,262
	<b>7,687,776</b>
<b>Liabilities</b>	
Employee benefit liabilities	(133,000)
	(133,000)
<b>Total identifiable net assets at fair value</b>	<b>7,554,776</b>
<b>Purchase consideration</b>	
Payments made on behalf of Wyong RSL prior to amalgamation	<b>3,929,764</b>
	<b>3,625,012</b>
Tax on gain recognised as deferred tax liabilities (Note 7)	(242,767)
<b>Gain from amalgamation recognised in equity (Note 23)</b>	<b>3,382,245</b>
<b>Analysis of cash flows on amalgamation:</b>	
Cash received (included in cash flows from investing activities)	172,296
Cash paid (included in cash flows from investing activities)	(3,929,764)
<b>Net cash flow on amalgamation</b>	<b>(3,757,468)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 4. AMALGAMATIONS (continued)

#### Assets acquired and liabilities assumed – Halekulani

The fair values of the identifiable assets and liabilities of Halekulani Bowling Club Ltd as at the date of amalgamation were:

	Fair value recognised on amalgamation \$
<b>Assets</b>	
Freehold land (Note 12)	3,436,364
Building, improvements and other buildings (Note 12)	4,200,000
Plant and equipment (Note 12)	1,214,180
Electronic gaming machine entitlement (Note 14)	1,500,000
Cash and cash equivalents	442,360
Inventories	86,224
Other debtors and prepayments	82,827
	<b>10,961,955</b>
<b>Liabilities</b>	
Employee benefit liabilities	(760,763)
	<b>(760,763)</b>
<b>Total identifiable net assets at fair value</b>	<b>10,201,192</b>
<b>Purchase consideration</b>	
Payments made on behalf of Halekulani Bowling Club Ltd	–
	<b>10,201,192</b>
Tax on gain recognised as deferred tax liabilities (Note 7)	(557,964)
<b>Gain from amalgamation recognised in equity (Note 23)</b>	<b>9,643,228</b>
<b>Analysis of cash flows on amalgamation:</b>	
Cash received (included in cash flows from investing activities)	442,360
<b>Net cash flow on amalgamation</b>	<b>442,360</b>

## 5. GROUP INFORMATION

### INFORMATION ABOUT THE SUBSIDIARIES

The consolidated financial statements of the Group include the Club and the below subsidiaries:

Name	Principal activities	Country of incorporation	% Equity interest	
			2021	2020
New Diggers Service Co. Pty Ltd	Service Company	Australia	100	100
New Diggers Land Co. Pty Ltd	Service Company	Australia	100	100
New Diggers Car Park Co. Pty Ltd	Service Company	Australia	100	100

## 6. REVENUE AND EXPENSES

### 6.1. DISAGGREGATED REVENUE INFORMATION

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2021 \$	2020 \$
<b>Type of goods or service</b>		
Poker machines	113,020,710	91,948,074
Bars	8,189,890	7,795,071
Membership	52,905	433,037
Admissions and raffles	245,937	514,235
Internet café and kids amusements	–	65,219
Club Keno and tab commissions	462,950	386,523
Catering commissions and booking fees	5,021,770	6,253,915
Holiday cottages, lodges and apartments	310,427	843,061
Member gift shop	1,744,276	557,867
Fitness centres	3,097,111	3,865,473
Deferred management fee	6,626,837	4,108,713
<b>Total revenue from contracts with customers</b>	<b>138,772,813</b>	<b>116,771,188</b>
<b>Geographical markets</b>		
New South Wales	138,772,813	116,771,188
<b>Total revenue from contracts with customers</b>	<b>138,772,813</b>	<b>116,771,188</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	128,995,960	108,363,965
Services transferred over time	9,776,853	8,407,223
<b>Total revenue from contracts with customers</b>	<b>138,772,813</b>	<b>116,771,188</b>

### 6.2. OTHER INCOME

	2021 \$	2020 \$
Fair value gain on investment property	26,191,641	20,774,543
Government grant income	4,355,750	4,710,250
Interest income	95,035	–
Other income	3,688,860	3,549,871
	<b>34,331,286</b>	<b>29,034,664</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 6. REVENUE AND EXPENSES (continued)

#### 6.3. EXPENSES

	2021 \$	2020 \$
<b>Cost attributable</b>		
Poker machines	43,921,460	38,237,875
Bars	9,872,393	10,185,868
Fitness centres	1,955,320	3,225,058
Membership	1,339,302	1,427,803
Admissions and raffles	1,991,919	2,117,412
Club Keno and Tab commissions	378,923	358,926
Catering commissions and booking fees	6,726,698	6,884,608
Resort expenses	6,767	6,504
Member gift shop	1,669,785	272,623
Tiered loyalty points	6,814,186	5,600,000
	<b>74,676,753</b>	<b>68,316,677</b>
<b>Included in costs attributable and general and administration expense</b>		
Depreciation and amortisation of non-current assets	15,624,351	17,229,933
Depreciation of right-of-use assets	380,644	420,308
Impairment of property, plant and equipment	-	383,732
<b>Total depreciation and amortisation of non-current assets</b>	<b>16,004,995</b>	<b>18,033,973</b>
	2021 \$	2020 \$
<b>Community support expenses</b>		
Sports ground expense	863,798	829,819
Sub clubs expense and grants	837,022	1,133,181
Donations	7,885,258	1,546,717
Children's Christmas party	25,989	132,034
Senior citizens Christmas party	50,424	55,446
Carols by candlelight	-	43,787
Sports	260,545	818,622
	<b>9,923,036</b>	<b>4,559,606</b>

	2021 \$	2020 \$
<b>General and administration expenses</b>		
Club services	9,315,853	9,176,018
Advertising and promotions	4,931,588	3,452,380
Administration expenses	12,935,821	12,845,093
Staff on-costs	1,419,775	1,942,464
Development projects	–	1,299,072
Repairs and maintenance	6,635,873	5,937,474
Property costs	11,906,412	12,668,094
Loss on disposal of property, plant and equipment	9,689,310	12,511,515
Short-term lease expense	373,396	86,141
Other	270	678
	<b>57,208,298</b>	<b>59,918,929</b>

## 6.4. FINANCE COSTS

	2021 \$	2020 \$
Interest expense	748,895	932,793
Interest on lease liabilities (Note 16)	16,431	24,477
	<b>765,326</b>	<b>957,270</b>

## 7. INCOME TAX

The major components of income tax expense are for the years ended 30 June 2021 and 2020 are:

	2021 \$	2020 \$
<b>Consolidated statement of profit or loss and other comprehensive income</b>		
<i>Current income tax:</i>		
Current income tax expense	–	–
<i>Deferred tax:</i>		
Deferred income tax	11,603,055	4,486,399
<b>Income tax expense reported in the consolidated statement of profit or loss and other comprehensive income</b>	<b>11,603,055</b>	<b>4,486,399</b>
<i>Deferred tax expense related to items charged directly to equity:</i>		
Tax on gain from amalgamation	800,731	–
<b>Income tax expense reported in the consolidated statement of changes in equity</b>	<b>800,731</b>	<b>–</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 7. INCOME TAX (continued)

Reconciliation of tax expense and the accounting profit multiplied by Australia's domestic tax rate for 2021 and 2020:

	2021 \$	2020 \$
<b>Accounting profit before income tax</b>	<b>30,530,686</b>	<b>12,053,370</b>
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Club's statutory tax rate 30% (2020: 30%) is as follows:		
Income tax expense prima facie	9,159,206	3,616,011
Prior year tax loss	3,710,357	(1,234,407)
Members only income	(1,316,866)	(1,749,605)
Members only expenses	4,034,273	4,991,751
Effect of mutuality	(3,414,096)	(356,277)
Non-assessable income	-	(1,175,879)
Non-deductible expenses	761,906	1,084,790
Other deductible expenditure	(1,331,725)	-
Other items (net)	-	(689,985)
<b>Income tax expense reported in the consolidated statement of profit or loss and other comprehensive income</b>	<b>11,603,055</b>	<b>4,486,399</b>

### Deferred tax

Deferred tax relates to the following:

	2021 \$	2020 \$
<b>Deferred tax assets</b>		
Employee entitlements	82,882	89,383
Recognised carry forward and current year tax losses	6,731,407	4,424,232
<b>Deferred tax asset</b>	<b>6,814,289</b>	<b>4,513,615</b>
<b>Deferred tax liabilities</b>		
Valuation of investment property	36,632,351	22,170,548
Accrued government grant income	-	558,075
Tax on gain from amalgamation	800,731	-
<b>Deferred tax liabilities</b>	<b>37,433,082</b>	<b>22,728,623</b>
Opening balance	(18,215,007)	(13,728,608)
Income tax expense recognised in the consolidated statement of profit or loss	(11,603,055)	(4,486,399)
Tax on gain from amalgamation recognised as deferred tax liabilities (Note 4)	(800,731)	-
<b>Net deferred tax liabilities at the end of the year</b>	<b>(30,618,793)</b>	<b>(18,215,007)</b>

## 8. CASH AND CASH EQUIVALENTS

	2021 \$	2020 \$
Cash at bank and on hand	36,314,544	22,076,080

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

## 9. OTHER RECEIVABLES

	2021 \$	2020 \$
<b>Current</b>		
Other debtors and prepayments	2,023,075	846,041
<b>Non-current</b>		
Notes receivable	3,000,000	–

On 19 November 2020, the Group subscribed to 2,500,000 fully paid convertible notes from Galen Healthcare REIT in exchange for \$3,000,000. The notes mature on 18 November 2022 and are convertible to ordinary shares where both parties agree to exercise of the option. The notes receivable earn interest at discretion of the issuer.

## 10. INVENTORIES

	2021 \$	2020 \$
Catering and bar		
At cost	760,344	403,288
Merchandise		
At cost	77,823	95,670
<b>Total inventory at cost</b>	<b>838,167</b>	<b>498,958</b>

## 11. OTHER FINANCIAL ASSETS

	2021 \$	2020 \$
<b>Current</b>		
Held for trading investments	555,244	541,478

Held for trading investments include term deposits. Term deposits have a maturity of up to 365 days.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land \$	Building, improvements and other buildings \$	Leasehold improvements \$	Plant and equipment \$	Member use properties \$	Construction in progress \$	Total \$
<b>Cost</b>							
At 1 July 2020	43,711,220	234,243,789	5,873,607	65,770,797	8,712,964	12,564,078	370,876,455
Additions	-	-	-	-	-	8,135,724	8,135,724
Amalgamations (Note 4)	6,118,182	6,350,000	-	2,553,580	-	-	15,021,762
Transfer	1,538,108	5,484,715	-	5,847,144	-	(12,869,967)	-
Disposals	-	(2,317,680)	-	(166,130)	-	(7,379,180)	(9,862,990)
<b>At 30 June 2021</b>	<b>51,367,510</b>	<b>243,760,824</b>	<b>5,873,607</b>	<b>74,005,391</b>	<b>8,712,964</b>	<b>450,655</b>	<b>384,170,951</b>
<b>Depreciation</b>							
At 1 July 2020	-	41,704,198	1,943,790	32,817,111	3,725,552	-	80,190,651
Depreciation charge for the year	-	7,030,646	180,875	8,170,841	241,989	-	15,624,351
Disposals	-	-	-	(165,680)	-	-	(165,680)
<b>At 30 June 2021</b>	<b>-</b>	<b>48,734,844</b>	<b>2,124,665</b>	<b>40,822,272</b>	<b>3,967,541</b>	<b>-</b>	<b>95,649,322</b>
<b>Net book value</b>							
<b>At 30 June 2021</b>	<b>51,367,510</b>	<b>195,025,980</b>	<b>3,748,942</b>	<b>33,183,119</b>	<b>4,745,423</b>	<b>450,655</b>	<b>288,521,629</b>
<b>At 30 June 2020</b>	<b>43,711,220</b>	<b>181,874,784</b>	<b>3,929,817</b>	<b>43,618,492</b>	<b>4,987,412</b>	<b>12,564,078</b>	<b>290,685,803</b>

### 13. INVESTMENT PROPERTIES

	2021 \$	2020 \$
Opening balance	250,775,000	195,170,000
Capitalised expenditure	-	10,704,422
Change in fair value of investment property	16,419,998	53,786,104
Release of unutilised provision	-	(8,885,526)
<b>Closing balance at 30 June</b>	<b>267,194,998</b>	<b>250,775,000</b>

An external valuation by CBRE was carried out as at 30 June 2021. The valuation includes both the occupied and unoccupied independent living units and accounts for the market value of the Seniors living village as at 30 June 2021. The valuer has reported their valuation on the basis of significant valuation uncertainty due to COVID-19.

As at 30 June 2021, there was significant valuation uncertainty relating to the investment property fair value. COVID-19 and the response has impacted our operations as well as the market. This uncertainty affects our ability to reliably determine the key judgements and assumptions used in the property valuations. Two property valuation approaches are generally used: the Income Capitalisation approach and the Discounted Cash Flow approach to arrive at a range of valuation outcomes, from which a best estimate of fair value is derived at a point in time. The Group has followed the Discounted Cash Flow approach ('DCF') and the key assumptions and estimates used in these valuation approaches which have been impacted by COVID-19 include:

- DCF model incorporates actuarial tables and probability analysis to estimate when residents are likely to terminate their resident agreements.
- The market value of the Independent Living Units within the village with the possible volatility in unit prices.
- The discount rate derived from recent comparable market transactions adjusted for COVID-19 to reflect the uncertainty in the amount and timing of cash flows.

Due to the valuation uncertainty the investment property values may change significantly and unexpectedly over a relatively short period of time. The property valuations have been prepared based on the information that is available at 30 June 2021.

## 14. INTANGIBLE ASSETS

	2021 \$
<i>Electronic gaming machine entitlement</i>	
At 1 July	
At cost	39,909,613
Amalgamations (Note 4)	2,805,000
At 30 June	42,714,613
<i>Goodwill</i>	
At 1 July	
At cost	13,810,349
At 30 June	13,810,349
<i>Total intangible assets</i>	
At 1 July	
At cost	53,719,962
Amalgamations	2,805,000
At 30 June	56,524,962

### DESCRIPTION OF THE GROUP'S INTANGIBLE ASSETS

For the nature and description of the intangible assets please refer to the descriptions in Notes 2.1(n) and 2.1(o).

## 15. INVESTMENTS

On 19 November 2020, the Group subscribed to 2,631,579 fully paid I class ordinary shares of Specialist Oncology Property Limited ("SOP") for \$1,500,000, being an equity interest of 6.84%. On the same date, an executive officer of the Club was admitted to the board of directors of SOP as a non-executive director. Concurrently, the Group subscribed to 2,500,000 fully paid convertible notes of Galen Healthcare REIT, a fully controlled trust of SOP (details of which are included in Note 9).

During the year ended 30 June 2021, the Group had received \$34,210 dividends on its investment, and \$81,644 of interest income on the notes receivable.

## 16. LEASES

### GROUP AS A LESSEE

The Group has lease contracts for various items of plant and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Plant and machinery \$
<b>As at 1 July 2019 (on the adoption of AASB 16)</b>	<b>1,578,730</b>
Depreciation expense	(420,308)
<b>As at 30 June 2020</b>	<b>1,158,422</b>
Additions	454,756
Depreciation expense	(380,644)
<b>As at 30 June 2021</b>	<b>1,232,534</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 16. LEASES (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2021 \$	2020 \$
<b>As at 1 July 2020</b>	<b>1,166,524</b>	–
Adoption of AASB 16	–	1,578,730
Additions	454,756	–
Accretion of interest	16,431	24,477
Payments	(405,177)	(436,683)
<b>At 30 June</b>	<b>1,232,534</b>	<b>1,166,524</b>

	2021 \$	2020 \$
Current	532,219	398,173
Non-current	700,315	768,351

The following are the amounts recognised in profit or loss:

	2021 \$	2020 \$
Depreciation expense of right-of-use assets	380,644	420,308
Interest expense on lease liabilities	16,431	24,477
Expense relating to short-term leases	373,396	86,141
<b>At 30 June</b>	<b>770,471</b>	<b>530,926</b>

The Group had total cash outflows for leases of \$778,573 in 2021 (2020: \$522,824).

### GROUP AS A LESSOR

The Group has entered into operating leases on its investment property portfolio. These leases have terms of between one and five years. Rental income recognised by the Group during the year is \$2,267,984 (2020: \$2,068,615).

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	2021 \$	2020 \$
Within one year	2,338,119	1,832,371
After one year but not more than five years	8,376,786	9,951,030
More than five years	1,407,108	2,070,338
	<b>12,122,013</b>	<b>13,853,739</b>

### 17. TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
<b>Current</b>		
Trade payables	17,745,037	24,946,107

## 18. DEFERRED REVENUE

	2021 \$	2020 \$
<b>Current</b>		
Deferred revenue	715,302	866,154
Deferred management fee – deferred portion	4,704,504	5,523,287
	<b>5,419,806</b>	<b>6,389,441</b>
<b>Non-current</b>		
Deferred revenue	2,584,012	1,534,675
Deferred management fee – deferred portion	12,679,929	–
	<b>15,263,941</b>	<b>1,534,675</b>

The Club collects club membership and gym membership fees in advance. At any point in time, the services for those membership fees have not yet been provided and has been recorded as deferred revenue.

## 19. PROVISIONS

	2021 \$	2020 \$
<b>Current</b>		
Mortality payments	43,000	43,500
Other provisions	386,469	80,816
	<b>429,469</b>	<b>124,316</b>
<b>Non-current</b>		
Mortality payments	1,081,709	1,149,337

Movement in provisions	Mortality \$	Other provisions \$	Defects provision \$	Total \$
At 1 July 2019 (current and non-current)	797,774	36,720	8,500,000	9,334,494
Arising during the year	435,063	44,096	–	479,159
Utilised/paid	(40,000)	–	(8,500,000)	(8,540,000)
<b>At 30 June 2020 (current and non-current)</b>	<b>1,192,837</b>	<b>80,816</b>	<b>–</b>	<b>1,273,653</b>
Arising during the year	32,500	290,786	–	323,286
Utilised/paid	(100,628)	–	–	(100,628)
Other adjustments	–	14,867	–	14,867
<b>At 30 June 2021 (current and non-current)</b>	<b>1,124,709</b>	<b>386,469</b>	<b>–</b>	<b>1,511,178</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 20. EMPLOYEE BENEFIT LIABILITIES

	2021 \$	2020 \$
<b>Current</b>		
Employee benefits	6,323,283	5,639,407
<b>Non-current</b>		
Employee benefits	719,078	593,744

All employees are entitled to benefits on retirement, disability or death. The defined contribution superannuation plan provides for payment of benefits accumulated. Certain employees contribute to a private fund at 5% of their wages and salaries; the Club generally contributes at the same rate. The Club also contributes to the defined contribution superannuation fund at the rate of 9.5% (2020: 9.5%); these contributions are legally enforceable.

### 21. RESIDENT LOANS

	2021 \$	2020 \$
<b>Current</b>		
Resident loans	224,530,638	231,168,000
<b>Resident loans</b>		
Opening balance	231,168,000	187,363,200
Deferred management fee recognised in consolidated statement of profit or loss and other comprehensive income (Note 6.1)	(6,626,837)	(4,108,713)
Net cash receipts on resident departures and arrivals	24,755,777	21,074,137
Change in fair value of resident loans	(12,905,156)	32,362,663
Change in deferred revenue – DMF	(11,861,146)	(5,523,287)
<b>Closing balance at 30 June</b>	<b>224,530,638</b>	<b>231,168,000</b>

Resident loans are classified as financial liabilities at fair value through profit and loss with resulting fair value adjustments recognised in the consolidated statement of profit or loss and other comprehensive income. Fair value is the amount payable on demand and is measured at the principal amount plus the residents' share of any increases in market value to reporting date less deferred management fees contractually accruing to reporting date.

Although the expected average residency term is around 12 years, these obligations are classified as current liabilities, as required by Accounting Standards, because the Club does not have an unconditional right to defer settlement to more than twelve months after reporting date.

Resident loans are non-interest bearing and are payable at the end of the resident contract. The rate at which the Group's retirement residents vacate their units, and hence the rate at which the resident loans will fall due for repayment, can be estimated based on statistical tables.

### 22. INTEREST-BEARING LOANS AND BORROWINGS

	Interest rate %	Maturity	2021 \$	2020 \$
<b>Current</b>				
Loan from Westpac	2.35	1 June 2022	22,000,000	–
Loan from Westpac	2.25	31 December 2020	–	8,717,914
			<b>22,000,000</b>	<b>8,717,914</b>
<b>Non-current</b>				
Loan from Westpac	2.35	1 June 2022	–	22,029,761

The total facility available to the Group is \$55,470,000 which is due to mature in June 2022, with \$33,470,000 unused as at 30 June 2021.

## 23. MEMBERS' EQUITY

	2021 \$	2020 \$
<b>Revaluation reserve</b>		
Balance at beginning of the year	12,896,229	12,896,229
Balance at the end of the year	12,896,229	12,896,229
<b>Amalgamation reserve</b>		
Balance at beginning of the year	2,745,290	2,745,290
Gain on amalgamation of Wyong RSL (Note 4)	3,382,245	-
Gain on amalgamation of Halekulani Bowling Club (Note 4)	9,643,228	-
Balance at the end of the year	15,770,763	2,745,290
<b>Hedging reserve</b>		
Balance at beginning of the year	-	(875,591)
Hedging reserve movement	-	875,591
Balance at the end of the year	-	-

### REVALUATION RESERVE

The revaluation reserve is used to record increases and decreases in the fair value of Electronic Gaming Machine Entitlements to the extent that they offset one another.

### AMALGAMATION RESERVE

The amalgamation reserve represents the gain arising on the amalgamation of Triglav and Mekong in 2013, as well as on Wyong RSL and Halekulani Bowling Club in the current year.

### HEDGING RESERVE

The hedge reserve represents the movements in the fair value of the interest rate swap which has been designated as cash flow hedge. The interest rate swap was closed out in the prior year.

## 24. COMMITMENTS

### CAPITAL EXPENDITURE COMMITMENTS

	2021 \$	2020 \$
Estimated capital expenditure contracted for at reporting date but not provided for:		
Payable not later than one year	1,000,000	349,107
	1,000,000	349,107

### LEASE COMMITMENTS

The Group has various lease contracts that have not yet commenced as at 30 June 2021. The future lease payments for these non-cancellable lease contracts are \$nil (2020: \$403,228) within one year, \$nil (2020: \$768,351) within five years and \$nil thereafter.

## 25. RELATED PARTY DISCLOSURES

Details referring to key management personnel, including remuneration paid, are included in Note 26.

There were no other related party transaction during the financial year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

### 26. DIRECTOR AND EXECUTIVE DISCLOSURES

#### 26.1. KEY MANAGEMENT PERSONNEL

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

Total compensation for key management personnel including Directors and Senior Management for Mount Pritchard & District Community Club Ltd during the financial year are set out below:

	2021 \$	2020 \$
Total remuneration	2,285,030	1,958,253

The Directors' remuneration is of the nature of expense reimbursements, and is capped at the amounts approved each year by the members at the Annual General Meeting. For the year ended 30 June 2021, the amounts approved were \$381,924 for reasonable expenses, as well as payment of honoraria of \$18,566 for the President and \$14,853 per each other director. These costs were in addition to the total remuneration for Senior Management disclosed above. The remuneration of directors is all of the nature of short term compensation; the directors are not entitled to post retirement benefits or other long term benefits.

Senior Management are entitled to normal annual leave, vesting sick leave, and long service leave (subject to qualification) and superannuation benefits, they are not entitled to any other long term benefits.

#### 26.2. COMPENSATION OF MANAGEMENT

##### 26.2.1 Compensation policy

The performance of the Group depends on the quality of its directors and management staff. To prosper, the Group must be able to attract, motivate and retain highly skilled management staff. To this end, the Group embodies the following principles in its compensation framework:

- Provide competitive rewards to attract high calibre executives;
- Establish appropriate market measures of salaries and ensure that management salaries are maintained at market value.

##### 26.2.2 Remuneration committee

Four (4) members of the Board of Directors, together with the Employment Relations Manager and Chief Executive Officer form the Remuneration Committee, and maintain responsibility for reviewing compensation arrangements for senior management personnel.

The Remuneration Committee assess the appropriateness of the nature and amount of compensation of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum membership and Club benefit from the retention of a high quality executive team.

##### 26.2.3 Compensation structure

In accordance with best practice corporate governance, the Remuneration Committee use information obtained from an external consultant in the form of a written report detailing market levels of compensation for comparable executive roles. The report is then presented to a meeting of the Remuneration Committee who review executive remuneration levels, and make recommendations to the Board.

In consideration of the job market, state of the economy, business location, type of organisation and business performance, it has been resolved that the Group will reward management personnel within the market range relevant to the position that they hold, and that the market will be checked every 2 years to ensure that this is maintained.

Senior Management personnel are on employment contracts which specify all conditions of employment and remuneration details. These contracts are reviewed at determined intervals in line with performance, salary and market reviews.

## 27. EVENTS AFTER THE REPORTING PERIOD

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

## 28. INFORMATION RELATING TO MOUNT PRITCHARD & DISTRICT COMMUNITY CLUB LTD (THE PARENT)

	2021	2020
Current assets	24,542,580	21,050,255
Total assets	642,816,703	616,614,614
Current liabilities	266,758,266	278,158,121
Total liabilities	315,142,101	323,236,028
Retained earnings	299,007,610	283,161,179
Revaluation reserve	12,896,229	12,896,229
Amalgamation reserve	15,770,763	2,745,290
Total equity	327,674,602	298,802,698
Profit for the year	15,846,431	6,142,838
Total comprehensive income of the Parent	15,846,431	6,043,601

### COMMITMENTS

As at 30 June 2021, the Parent had estimated capital expenditure commitments of \$1,000,000 (2020: \$349,107).

### CONTINGENCIES

The Parent did not have any contingencies as at 30 June 2021 (2020: none).

# DIRECTORS' DECLARATION

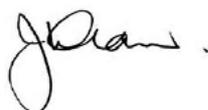
In accordance with a resolution of the directors of Mount Pritchard & District Community Club Ltd, we state that: In the opinion of the directors:

- (a) the consolidated financial statements and notes of the Group for the financial year ended 30 June 2021 are 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 2021 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the board:



**Kevin Ingram OAM**  
**Director**



**John Joseph Dean**  
**Director**

Sydney  
28 September 2021

# INDEPENDENT AUDITOR'S REPORT



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

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Independent Auditor's Report to the Members of Mt Pritchard & District Community Club Ltd

### Opinion

We have audited the financial report of Mt Pritchard & District Community Club Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Emphasis of Matter: Investment Property Fair Value

We draw attention to Note 13 of the financial report which describes the impact of the COVID-19 pandemic on the determination of fair value of investment properties and how this has been considered by the Directors in the preparation of the financial report. Due to the heightened degree of valuation uncertainty, property values may change significantly and unexpectedly over a relatively short period of time. Our opinion is not modified in respect of this matter.

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



The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the director's report but does not include the financial report and our auditor's report thereon.

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

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

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

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A stylized, handwritten-style logo for Ernst &amp; Young, featuring the letters 'E', 'Y', and 'J' intertwined.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Daniel Cunningham'.

Daniel Cunningham  
Partner  
Sydney  
28 September 2021

# LIFE MEMBERS

Year	Name
1969 – 1970	Edward Thirkill*
1970 – 1971	Terry White*
1972 – 1973	Stanley Jacobs*
1975 – 1976	Mervyn Pell*
1977 – 1978	Edwin (Ted) Savage*
1978 – 1979	Michael Dubois*
1978 – 1979	John Whiteley*
1978 – 1979	Mrs M McAuliffe*
1980 – 1981	Ethel Murphy*
1980 – 1981	John Cather*
1981 – 1982	Keith Edwards*
1982 – 1983	Clive Edwards*
1982 – 1983	Harry Turner*
1982 – 1983	Robert Ryan*
1983 – 1984	Stewart Craig*
1983 – 1984	Cecil Smith*
1985 – 1986	Jack Summonds*
1985 – 1986	Enid Smith*
1985 – 1986	Eva Moore*
1986 – 1987	Charlie Lee*
1986 – 1987	Athol Madgewick*
1987 – 1988	Terry Jackson*

Year	Name
1987 – 1988	Robert Penning*
1988 – 1989	Ray Pugsley*
1996 – 1997	Kevin Ingram OAM
1996 – 1997	Daryll Cook*
1996 – 1997	Vic Smith*
1996 – 1997	Allan McGlynn
1996 – 1997	Judith O'Brien*
1996 – 1997	Kath Whiteley
1999 – 2000	Tom Murphy
1999 – 2000	Doreen Brand*
2001 – 2002	Don Wilson*
2002 – 2003	Donald Hocking*
2005 – 2006	Ron Evans*
2005 – 2006	Steve Fitzpatrick
2008 – 2009	John Dean
2008 – 2009	Robin Gould
2008 – 2009	John Araco
2011 – 2012	Marilyn Price
2011 – 2012	John Baron OAM
2014 – 2015	Stephen Edwards
2017 – 2018	Lorraine Dean
2019 – 2020	Leon Hansen

\* Deceased.

# CORPORATE DIRECTORY

## MOUNTIES GROUP

101 Meadows Road,  
Mount Pritchard NSW 2170  
Locked Bag 1,  
Wetherill Park NSW 2164  
(02) 9822 3555  
info@mountiesgroup.com.au  
**mountiesgroup.com.au**

Mounties	New Diggers Service Co Pty Limited
Harbord Diggers	New Diggers Carpark Co Pty Ltd
Club Italia	New Diggers Land Co Pty Limited
Manly Bowling Club	Ignite Property Group Pty Ltd
Mounties Bowling Club	Risekim Pty Ltd
Mekong	Specialist Services Medical Group <sup>^</sup>
Triglav	SSMG Wentworthville NSW <sup>^</sup>
Club Wyong	SSMG Bella Vista NSW <sup>^</sup>
Halekulani Bowling Club	SSMG Deakin ACT <sup>^</sup>
Kooloora Resort	SSMG Richmond NSW <sup>^</sup>
Mounties @ Sussex Resort	SSMG North Lakes Qld <sup>^</sup>
Flamez Hair Dezign	SSMG Spring Hill Qld <sup>^</sup>
Major Fun Freshwater	SSMG Blacktown NSW <sup>^</sup>
Major Fun Mount Pritchard	SSMG Castle Hill NSW <sup>^</sup>
Mounties Academy of Excellence	SSMG Westmead NSW <sup>^</sup>
Mounties Care	SSMG Auchenflower Qld <sup>^</sup>
Watermark Retirement Freshwater	SSMG Katoomba NSW <sup>^</sup>
Ignite Health & Fitness	Specialist Oncology Property <sup>^</sup>
Ignite Swimming	Galen Property <sup>^</sup>
Club Care	Galen Healthcare <sup>^</sup>
Mekong Lease Co Pty Ltd	Galen Petroleum <sup>^</sup>

<sup>^</sup> Mounties Group partnership.





