

ANNUAL REPORT

2023



Prepared for:
Riverina Australian Football Club Ltd
Issue Date: 29-09-2023

“Building on our rich traditions, we give back to our community and provide a place where people come together to find comfort in the familiar, celebrate the wins, forge connections and create lasting memories.”

- Rules Club Wagga



Jack Jolley
General Manager



Darren Wallett
Board President



Blair Campbell
Board Senior Vice
President



Rod Sheady
Board Junior Vice
President



Vince Beard
Board Director



Andrew Carey
Board Director



Terry Rosewall
Board Director



Jane Wadley
Board Director

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NOTICES

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Riverina Australian Football Club Limited will be held at the Club's Premises on Fernleigh Road, Wagga Wagga on Tuesday 24 October 2023 at 6:00pm.

AGENDA FOR ANNUAL GENERAL MEETING

The following business will be dealt with at the meeting:

1. Confirmation of Last AGM Minutes
To confirm the Minutes of the last Annual General Meeting.
2. Board of Directors Reports
To receive and consider the reports of the Board of Directors.
3. Financial Report & Annual Report
To receive and consider the Financial Report and Auditors' Report for the year ended 30th June, 2023.
4. Ordinary Resolution 1 – Board of Directors Benefits
To consider and if thought fit pass the following ordinary resolution:
That pursuant to the Registered Clubs Act 1976, the members hereby approve and agree to the members of the Board during the twelve months preceding the 2024 Annual General Meeting receiving the following benefits. The members further acknowledge the benefits outlined in subparagraph (i) to (viii) are not available to members generally, but only to those members who are elected to the Board of Directors of the Club, and in particular instances, staff:
 - (i) The reasonable cost of refreshments for each Director before and after each Board or Committee meeting, or attendance at the Club to perform particular designated functions as may be determined by the Board from time to time;
 - (ii) The reasonable cost in relation to the professional development and education of Directors, including:
 - (a) Directors attending the Annual General Meeting of Clubs NSW;
 - (b) Directors attending the other meetings of Associations of which the Club is a member;
 - (c) Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events as may be determined by the Board from time to time;
 - (d) Directors attending other registered clubs or gaming venues for the purpose of observing their facilities and methods of operation;
 - (e) Directors attending conferences and training sessions in relation to their roles and responsibilities under the Registered Clubs Act 1976, the Corporation Act 2001 and other relevant legislation; and
 - (f) Directors attending functions with partners, where appropriate, and required to represent the Club.

- (iii) That Club Directors be paid the following honoraria on a monthly basis:
 - \$13,973.00 per annum is paid to the President.
 - \$6,920.00 per annum is paid to each of the Senior and Junior Vice Presidents.
 - \$3,397.00 per annum is paid to each Director (including the President and Senior and Junior Vice Presidents).
- (iv) Reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board on production of documentary evidence of such expenditure.
- (v) The reasonable cost of the provision of blazers and associated apparel for the use of each Director when representing the Club;
- (vi) Reasonable expenses for the provision of a Directors' Dinner once a year and on such other occasions as the Board might approve with persons in attendance to comprise the Directors and their partners and persons (with their partners) chosen by the President who have supported the Club during the relevant year and thereby promoted the success of the Club;
- (vii) The payment of Directors and Officers insurance cover premiums; and
- (viii) The provision and marking out of car parking spaces for the exclusive use of Directors, disabled persons (being members, guests of members or temporary members) and staff.

Explanatory Message: Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required at each Annual General Meeting to have approved by Ordinary Resolution, the benefits to be provided to the Directors of the Club. The benefits, which are provided, are the standard benefits that have been provided to Directors of the Club over a number of years.

5. Directors Election

To elect three directors to fill the Group 3 positions on the Board in accordance with the triennial rule.

Note: The triennial rule commenced operation in 2011, with seven directors being elected and those directors drawing lots to be allocated into group 1, group 2 and group 3. Each year, the term of office for directors in a group expires and an election is held for those positions. This year, the term of office of directors allotted to group 3 will expire and an election will be held for those three positions. The directors elected to group 3 this year will, subject to the Constitution of the Club, serve a term of office of three years.

Jack Jolley

Chief Executive

Dated: 25/09/2023

By direction of the Board

NOTICE OF ELECTION

Members are advised that Riverina Australian Football Club Limited (Rules Club Wagga) has appointed John Craig to perform the role of Returning Officer to conduct an election for the following position:

Nominations are called for: DIRECTORS (3)

NOMINATIONS, which must be in writing and comply with the rules of the Club, may be made at any time from Monday, 25 September 2023.

Nominations close, and must reach the office postal address or email box of the Returning Officer no later than Friday 13th October 2023, 5.00pm AEDT. Nominations can be withdrawn at any time prior to the close of nominations.

Note: Prospective nominees and nominators should verify their financial status and any other qualifications or eligibility requirements by the Club's Constitution prior to lodging nominations. All nominations must be accompanied with a Board Election Nominee Statutory Declaration Form.

Nomination and Board Election Nominee Statutory Declaration Forms are available from the Club General Manager, Mr Jack Jolley, or from the Returning Officer, John Craig.

HOW TO LODGE NOMINATIONS:

By Post or by Hand:

Returning Officer - John Craig
101 Tompson Street
WAGGA WAGGA NSW 2650

By Email:

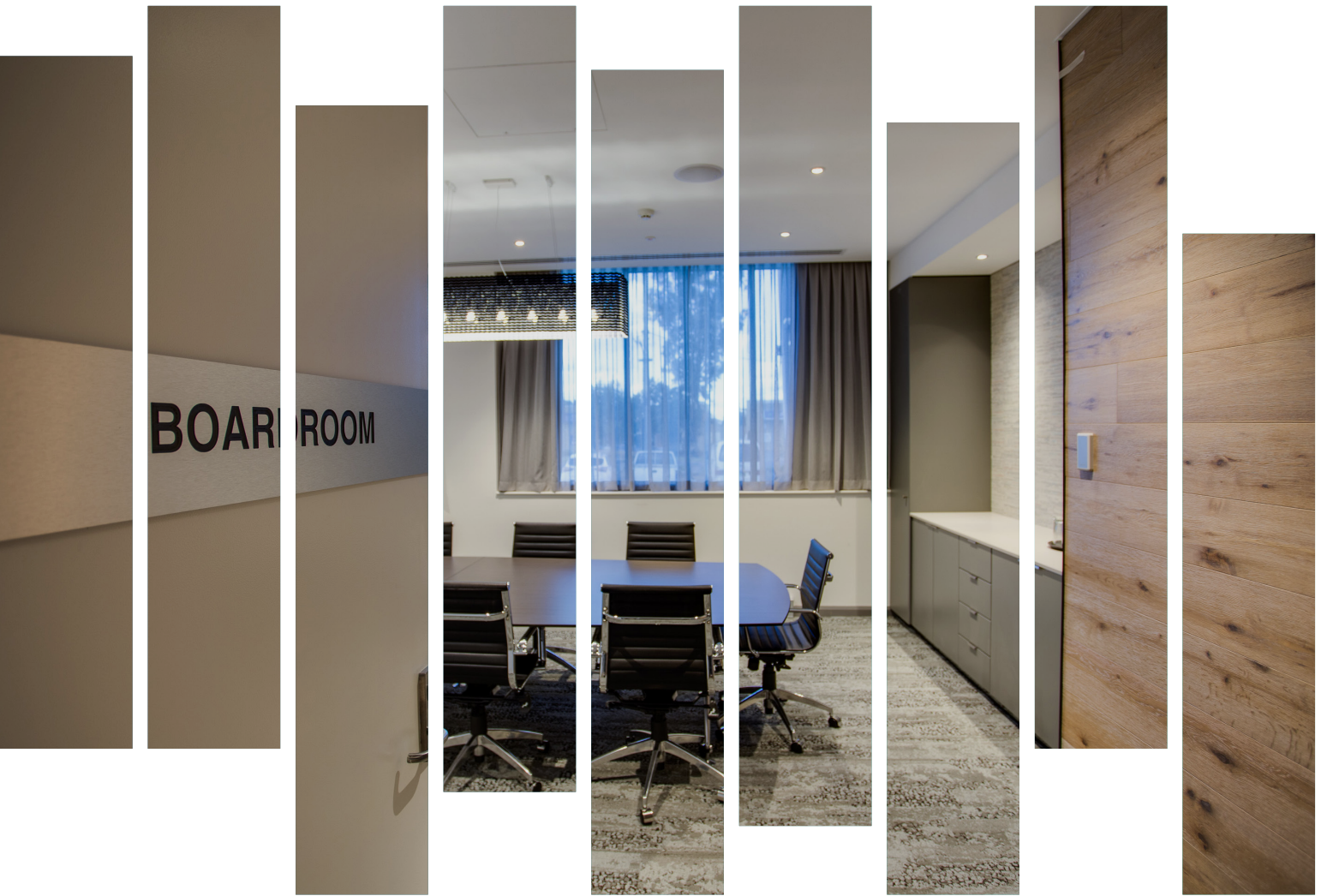
A properly completed *Nomination and Board Election Nominee Statutory Declaration Forms* may be scanned and submitted as a .pdf file to craigj51@yahoo.com.au

Note: Emails greater than 6 MB in size may not be accepted by the email's firewall. Emails to the email box that appear to be spam may be blocked. It is the responsibility of the senders to ensure that their email reaches the Returning Officer before the deadline for the nomination. You may call the contact number provided to check.

BALLOT: The Ballot, if required, will be conducted in conjunction with the Annual General Meeting on Tuesday, 24th October 2023 at 188 Fernleigh Road, Wagga Wagga. The ballot will be held between 4.00pm and 6.00pm. The ballot count will occur as soon as possible after the ballot closes and the results announced to the Annual General Meeting.

SCRUTINEERS: Appointment of scrutineers, and any other matters concerning the election should be directed to the Returning Officer.

Mr John Craig
Returning Officer



CLUB REPORTS

PRESIDENTS REPORT

It's been another successful year for the club during the 2022/23 financial year with the club posting an impressive profit given the capital works that have been undertaken within the precinct.

Whilst the significant rise in interest rates through the financial year appeared to impact our trading thanks to our highly valued patrons, the club has been able to generate solid revenue whilst at the same time continuing to meet postponed taxation commitments to the Government carried over from the previous financial years, reduce the debt owing from the motel, and continue redeveloping our facilities in line with our strategic plan.

I would like to thank all our members for your continued patronage as we are not a successful club without your continued support, and we hope we are providing you with facilities that make you proud to be a member.

The board and Management team have been continuing to work through the strategic plan which has resulted in the completion of renovations to the Café, the installation of the wood fired pizza oven, upgrades to the carpark and Maher Oval that has seen new lighting and a new netball court constructed in partnership with the Turvey Park Junior and Senior Football and Netball Clubs. The board will continue to revise the outcomes identified in the plan and keep delivering them when the club is able to do so.

As I have done in previous years, I would like to recognise the hard work of our dedicated General Manager Jack Jolley who continues to be an exemplary leader of the staff and fantastic support to the Board. Jack's leadership has continued to guide the club and maintain our strong financial position.

I would also like to thank our Business Manager Andrew McIntosh who has recently left us for greener pastures. In Andrew's four years at the club, he helped guide us through the Covid-19 pandemic, lead major projects including the recent renovations, and along with Jack guided the Board with our financial decision making. Andrew will be missed but we wish him all the best in his new endeavors.

Jack and Andrew have a wealth of knowledge and experience and they made decision making much easier over the past 12 months.

Similarly, our Operations Manager Todd Gleeson, Gaming Manager Brandon Pomeroy, Hotel Manager Steve Mullins and all our office staff a huge thank you for your amazing support and efforts during the year.

Many thanks to our Duty Managers Craig Veitch, Paul Mauer, Lindy Titus and all the bar and restaurant staff for their valuable service they give to our members and guests. I would also like to congratulate Pradip Tiwari and Deepak Dhital, our brilliant chiefs, who have impressed everyone who comes and eats at the club with their delicious menu. I am constantly complimented on the beautiful food that the club produces, and the wood fired pizzas are the best pizza's in town.

I would also like to pass on my congratulations to our Greenkeepers lead by Glenn Fahey for their efforts over the past 12 months. They not only look after the bowling greens but also Maher Oval and all surrounding areas of the club. Its not an easy (or popular) job

at times but Faygo handles it in his stride and does a great job keeping our bowlers and footballers on the field.

To our men's and ladies bowling clubs my congratulations on your efforts during the year. You are the backbone of the club. I look forward to hitting the green's with you again now the football season is over and have been practicing so Terry and Oompa don't argue over who has me as their partner.

Brett continues to do an outstanding job both looking after the current bowling members and also working hard to bring new bowlers to the club.

To the Turvey Park Football and Netball Club's we appreciate your partnership and continued support. Congratulations on a great year in 2023.

To my Vice-Presidents Blair and Rod along with fellow directors Vince, Terry, Andrew, and Jane, my heartfelt thanks for your support. Whilst I am still relatively new to the role I continue to find your guidance invaluable. I am enjoying the challenge of learning new skills and appreciate all the support I receive from the board, club management and members.

Finally, as I said last year and reiterate to all our valued members, this is your club, and we are here to serve you. Your continued patronage throughout this past year is the reason behind the club's success. With your continued loyalty and support we can keep improving the club's facilities for you and prosper into the future.

I wish you all a Merry Christmas and good health into the New Year

Darren Wallett

President - Riverina Australian Football Club Inc

GENERAL MANAGERS REPORT

It is with pleasure that I present the General Manager's Report for the 2022/23 year.

It seems as though the 2022/23 year has rushed past us with all the exciting things that have occurred in the past twelve months.

The Club has invested heavily in the Maher Oval facilities during the year with the help of the Turvey Park Football Netball Club, the Turvey Park Junior Football Netball Club, and AFL NSW/ACT.

The total replacement of the lights on Maher Oval was a project undertaken following the damage to another existing light tower which left the lighting substandard and dangerous. The new lights provide a clear and safe environment for all users.

The netball court upgrade was also undertaken to improve the quality, safety and usability of the netball facility. The complete rebuild of two new courts provides the opportunity for additional training time and more appropriate game time scheduling.

We thank the Turvey Park Football Netball Clubs both senior and junior for their enormous fundraising efforts and contributions to both projects. We would also like to congratulate the Turvey Park Football Netball Club on their seniors premierships this year

and for the under 17's netball premiership. Well done to all on and off the playing arena.

The Club has also been investigating the possibility of construction of two new change rooms for to be used primarily for Women's Australian Football. Investment in preparation has already been made and we are hopeful to be able to move forward with the construction which would take place through 2024.

We have been busy in the Club as well with the investment in the planning of the upgrade to the Club Foyer and Café area. Construction began in May and has now been concluded providing us with a fresh and vibrant area that greets members and guests as they enter the Club.

Our Capital Works Master Plan has many more projects listed that we will get to as time and finances permit.

I would like to thank all our staff, current and past who have contributed the success of the Club throughout the 2022/23 year.

A big thank you to the members who continue to make the Rules Club Wagga "their Club". We will keep striving into the future to make the member experience the best that it can be.

Jack Jolley

General Manager

MENS BOWLING CLUB REPORT

It gives me great pleasure to present my report for the past year.

Without doubt the highlight of the year was our Grade 3 Pennant Team being crowned State Champions, our first state flag in 48 years. After bowling a huge lead in a 63 - 59 opening sectional game loss, our boys then won their next 5 matches, capped off with a 66 - 52 victory over Tathra Beach in the final at Club Charlestown. I would like to share with you the words of our team manager Chris Neaves -

"To be here on a day when our club makes history is incredibly special. The team bonded superbly and played as a united group the whole weekend. We have a team first ethos which was a key factor for the whole season. The guys get along on and off the green and it showed in the way we played." Very well said Chris.

Congratulations to our Championship winners to date, our Major Singles and Pairs will be completed in the next couple of months. To our Zone 8 Senior Pairs Winners, Doug Kinder and Bob Wilson and our Zone 8 Senior Triples Winners, Doug Kinder, John Hetherington and Mark Pearce, congratulations and will done at Wollongong contesting the State Finals.

To our Greenkeepers Glenn Fahey, Paul Adams and Logan Franklin, we thank you for your efforts. We are spoiled to be able to play our great game on the greens you prepare.

Thank you to General Manager Jack Jolley and staff for your support shown to the bowling club throughout the year.

Our club would also like to thank, the Rules Club President Darren Wallet and the Board of

Directors for their continued support over the past 12 months.

Financially we continue to show another profitable result even after taking into account the improvements we have made around the greens.

Our sponsors have been paramount in our continued success, and we thank them for their ongoing support. We have been fortunate in attracting some new sponsors. Brett Pieper and Dennis Rawlings have done a great job.

As most of you are aware, unification with the Rules Ladies Bowling Club is soon to be discussed by representatives of both clubs and a recommendation will then be brought back to our members for discussion.

To our Bowling Co-Ordinator Brett Pieper, thank you for implementing a diverse bowling program. Your enthusiasm and innovation have been widely received by our members. You continue to strive to get bowlers on the greens either through tournaments or by group visits to our club, the recent visit from the Albion Park Bowlers highlighted your efforts and it was very pleasing to hear the positive comments from our members.

Thank you to Barry Belt, Alan Jacobson and Wayne Smithers for getting our bowlers onto the greens on our social days right throughout the year.

I trust our new members are, and will continue enjoying themselves on and off the greens.

In closing, I would like to thank my fellow committee members for their support and effort over the last 3 years as well as our selectors and tournament committee.

To the new committee I wish them every success in moving our club forward.

It has been a pleasure to serve as President of your club.

Terry Rosewall

President

LADIES BOWLING CLUB REPORT

It is with pleasure that I present my report on the activities of our Club for the last twelve months.

We entered a side in the 2022 State Pennant and won the Grade 3 District Pennant. Congratulations to all players – Joy Robbins, Joan Stair, Fran Mahon, Trish Iirilli (s), Alice Bower, Cheryl Darcy, Jenny Mitchell and Mona Thornton (s), Sue Dorman, the reserve player and Michelle Henderson, the Manager. The side progressed straight to the State Pennant Final which was played at Bomaderry in November 2022. The ladies played well, enjoyed the experience and the trip away.

Congratulations to the Rules Men's Bowling Club on winning the 2023 Grade 3 State Pennant Final; well played to all players, a great achievement for the Club.

Congratulations to our 2022/23 Champions. Alice Bower won the Singles Championship with Mona Thornton coming runner up. Muriel Telford and Michelle Henderson won

the Nominated Pairs Championship with Sue Pim and Alice Bower coming runners up. Trophies and prize money for the Champions and other Club Drawn Championships events were presented to the winners and runners up at our Presentation Day on 30th May 2023.

Consistency Award: Winner - Trish Iirilli
Runner Up - Barbara Cotterill

Club Drawn Fours: Winners - Joan Stair, Alice Bower, Cheryl Darcy & Leone Maher
Runners Up - Norma Gay, Grace Smith, Sue Dorman & Trish Iirilli

Club Drawn Triples: Winners - Sue Pim, Mona Thornton & Leone Maher
Runners Up - Joy Robbins, Verna Burkinshaw & Fran Mahon

Club Drawn Pairs: Winners - Lyn Carroll & Michelle Henderson
Runners Up - Sandra Lucas & Trish Hogan

The Rules Women's Bowling Club members and The Rules Men's Bowling Club members have voted in favour of representatives from each Club working together for possible unification of the two clubs.

Thank you to Glenn Fahey, Paul Adams and Logan Franklin for always having the greens well prepared for us to play on. We appreciate the improvements around the greens by the men bowlers – seats etc.

My thanks to the following people for their helpful advice and assistance – Rules Club President Darren Wallet and the Board of Directors, Rules Club CEO Jack Jolley, Finance Manager Andrew McIntosh, Bowls Coordinator Brett Pieper and Events Coordinator Jordan Johnston, my thanks also to the Café staff for looking after us so well.

We are a small playing group now, but we all enjoy meeting on Tuesdays and Thursdays to have a game.

Sandra Lucas

President The Rules Women's Bowling Club



FINANCIAL REPORT

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

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RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

CLUB PROPERTY DECLARATION

FOR THE YEAR ENDED 30 JUNE 2023

Pursuant to Section 41E of the *Registered Clubs Act 1976* the Directors declare that, during the financial year ended 30 June 2023, the classification of the freehold land is as follows:

Property Address	Current Usage	Classification
188 Fernleigh Rd, Glenfield Park NSW 2650	Main Club Building	Core
188 Fernleigh Rd, Glenfield Park NSW 2650	Bowling Greens	Core
188 Fernleigh Rd, Glenfield Park NSW 2650	Car Parking Area	Core
188 Fernleigh Rd, Glenfield Park NSW 2650	Hotel Accommodation	Non-core
188 Fernleigh Rd, Glenfield Park NSW 2650	Maher Oval	Non-core
188 Fernleigh Rd, Glenfield Park NSW 2650	Netball Court	Non-core
188 Fernleigh Rd, Glenfield Park NSW 2650	Westside of Main Club Building	Non-core

Notes to Members

Section 41E of the *Registered Clubs Act 1976* requires the annual report to specify the core property and noncore property of the Company as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Company that comprises

- (a) the defined premises of the Company; or
- (b) any facility provided by the Company for use of its members and their guests; or
- (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Company to be core property of the Company.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Company not to be core property.

The significance of the distinction between core property and non-core property is that the Company cannot dispose of any core property unless:

- (a) the property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*; and
- (b) the disposal has been approved at a general meeting of the ordinary members of the Company at which the majority of the votes cast support the approval; and
- (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

These disposal provisions and what constitutes a disposal for the purposes of section 41E are to some extent modified by regulations made under the *Registered Clubs Act 1976* and by Section 41E itself. For example, the requirements above do not apply to core property that is being leased or licenced for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their report on the Riverina Australian Football Club Limited for the financial year ended 30 June 2023.

Information on Directors

The names of each person who has been a Director during the year and to the date of this report are:

Darren Walleth	Director, President from 9 November 2021
Qualifications	Masters of Applied Science in Environmental Management
Experience	Appointed as Director since 30 July 2019. Head of Regional Operations for the Riverina Far West Region, Environment Protection Authority.
Blair Carter Campbell	Director, Senior Vice President from 9 November 2021
Qualifications	Chartered Accountant
Experience	Appointed as a Director since 16 December 2014. Director at Selby Watson & Co, and Director of Southern Sports Academy.
Rodney Charles Sheedy	Junior Vice President
Qualifications	Electronics Technician/Storeman
Experience	Appointed as Director since 21 October 2012.
Vincent Bernard Beard	Senior Vice President, Director from 9 November 2021
Qualifications	Retired Automotive and Agricultural Salesman
Experience	Appointed as Director since 25 October 1998.
Robert Rosewall	Director
Qualifications	Retired Finance Manager
Experience	Appointed as a Director since 24 November 2020.
Andrew Carey	Director
Qualifications	Retired Hospitality Manager
Experience	Appointed as a Director since 24 November 2020
Jane Wadley	Director
Qualifications	Bachelor of Education
Experience	Appointed as Director 18 October 2022

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

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Financial review

The profit of the Company after providing for income tax amounted to \$397,081 (2022: \$632,684).

Sales revenue in most of the Clubs activities increased compared with the previous, however increased cost of goods, interest, and salaries as a result of a return to normal staffing levels post Covid-19; lead to a net profit result lower than last year.

Significant capital additions to the Club facilities and continued debt reduction lead to a growth in net assets from \$6,613,318 in June 2022 to \$7,010,399 in June 2023.

Principal activities

The principal activities of Riverina Australian Football Club Limited during the financial year were to conduct a Registered Club established to promote, form, control and manage sporting activities of all types and classes and, in particular, activities associated with Australian Rules Football.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short-term and long-term objectives

The Company's short-term and long-term objectives are to:

- maintain, and continually develop, a modern social and entertainment venue and accommodation venue, providing a level of service which is consistent with the expectations of the members and guests;
- increase membership and the number of guests utilising our venue;
- increase existing revenue levels and control expenditure costs to improve the Company's trading position, reduce debt levels and provide positive cashflow;
- support sporting activities including the maintenance of bowling greens and Maher Oval;
- provide financial and in-kind support to community and welfare organisations; and
- maintain a safe and rewarding working environment for Club employees.

Strategy for achieving the objectives

These objectives will be achieved through:

- the employment of a management team and employees who have the vision, industry experience, enthusiasm and commitment to customer service to ensure that the Company is able to sustain the objectives;
- updates and maintenance to the Company's facilities, continually invest in equipment and gaming machines; and
- increased budgetary controls and the continuation of a debt reduction plan.

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by providing a stable base of operations to meet the Club's debt and expenditure requirements and maintain high levels of service to members and guests.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Performance measures

The Company measures its own performance through the use of both quantitative and qualitative benchmarks which are set down within the Strategic Plan and annual budgets and are reviewed by the Board and Management. The Company aims to achieve its objectives by implementing the strategies outlined in the strategic plan, continually reviewing the relevance of the items contained within the strategic plan and regular review of the Company's performance against the budget by the Board and Management.

Members' guarantee

Riverina Australian Football Club Limited is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10, subject to the provisions of the Company's constitution.

At 30 June 2023 the collective liability of members was \$105,010 (2022: \$97,050).

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia other than the *Smoke-Free Environment Act 2000*, *Smoke-Free Environment Amendment Regulation 2009*, and the *Smoke-Free Environment Regulation 2007* which bans and regulates smoking in enclosed public places as well as specified public places.

Indemnification

The Company has paid premiums to insure each of its Director's against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than the conduct involving a wilful breach of duty in relation to the Company. The Company has not indemnified its Auditor's.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 6 of the financial report.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

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

President: 
.....
Darren Wallett

Snr Vice President: 
.....
Blair Carter Campbell

Dated: 26 September 2023

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

AUDITOR'S INDEPENDENCE DECLARATION

FOR THE YEAR ENDED 30 JUNE 2023

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

National Audits Group Pty Ltd
Authorised Audit Company



Danielle Nye
Director

Dated 26 September 2023

Wagga Wagga

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
Note	\$	\$
Revenue	13,399,149	10,850,751
Other income	526,699	544,148
	<u>4</u>	<u>11,394,899</u>
Less: Expenditure		
Cleaning, repairs, and maintenance	655,562	553,967
Depreciation expense	1,528,564	1,363,996
Employee benefits expense	4,838,541	3,726,526
Entertainment and promotions expense	887,086	580,460
Finance costs	874,703	603,596
Gaming tax and maintenance expenses	1,245,174	1,260,417
Hotel commission and management fees	304,046	121,447
Insurance	234,070	217,766
Other expenses	1,076,307	917,186
Rates and utilities	471,807	360,500
Stock purchases and related incidentals	1,429,007	980,449
	<u>380,981</u>	<u>708,589</u>
Profit before income tax	380,981	708,589
Income tax benefit/(expense)	2(b),6 16,100	(75,905)
	<u>397,081</u>	<u>632,684</u>
Profit for the year		
Other comprehensive income	-	-
	<u>397,081</u>	<u>632,684</u>
Total comprehensive income for the year		
	<u>397,081</u>	<u>632,684</u>
Retained earnings at the beginning of the year	6,613,318	5,980,634
Profit for the year	397,081	632,684
	<u>7,010,399</u>	<u>6,613,318</u>
Retained earnings at the end of the year		
	<u>7,010,399</u>	<u>6,613,318</u>

The accompanying notes form part of these financial statements.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,397,572	2,628,495
Trade and other receivables		83,731	135,234
Inventories		69,281	46,687
Other financial assets		118,225	92,313
Other assets		156,794	165,483
TOTAL CURRENT ASSETS		1,825,603	3,068,212
NON-CURRENT ASSETS			
Property, plant and equipment	8	20,095,161	18,768,109
Deferred tax assets	6	325,286	309,186
Intangible assets	9	824,343	824,343
TOTAL NON-CURRENT ASSETS		21,244,790	19,901,638
TOTAL ASSETS		23,070,393	22,969,850
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	653,350	1,072,099
Borrowings	11	13,545,827	14,153,460
Other financial liabilities	12	720,556	289,968
Contract liabilities	13	212,071	267,732
Employee benefits	14	313,679	304,778
TOTAL CURRENT LIABILITIES		15,445,483	16,088,037
NON-CURRENT LIABILITIES			
Other financial liabilities	12	566,354	226,714
Employee benefits	14	48,157	41,781
TOTAL NON-CURRENT LIABILITIES		614,511	268,495
TOTAL LIABILITIES		16,059,994	16,356,532
NET ASSETS		7,010,399	6,613,318
EQUITY			
Retained earnings		7,010,399	6,613,318
TOTAL EQUITY		7,010,399	6,613,318

The accompanying notes form part of these financial statements.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	13,933,232	11,071,286
Receipts from government subsidies (COVID-19)	-	170,284
Payments to suppliers and employees	(11,666,473)	(8,606,488)
Interest paid	(874,703)	(603,596)
Net cash provided by operating activities	<u>1,392,056</u>	<u>2,031,486</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,481,957)	(280,658)
Net cash used in investing activities	<u>(1,481,957)</u>	<u>(250,801)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of bank loans	(603,981)	(776,212)
Repayment of finance leases	(537,041)	(377,328)
Net cash used in financing activities	<u>(1,141,022)</u>	<u>(1,153,540)</u>
Net increase/(decrease) in cash and cash equivalents held	(1,230,923)	627,145
Cash and cash equivalents at beginning of year	2,628,495	2,001,350
Cash and cash equivalents at end of financial year	7 <u>1,397,572</u>	<u>2,628,495</u>

The accompanying notes form part of these financial statements.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

The financial report covers the Riverina Australian Football Club Limited (trading as the Rules Club Wagga Wagga), including its bowling club subsidiaries, as one economic entity. The Riverina Australian Football Club Limited is a Company, incorporated and domiciled in Australia.

The functional and presentation currency of the Riverina Australian Football Club Limited is Australian dollars (\$AUD) and all amounts reported have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 26 September 2023.

1 BASIS OF PREPARATION

The financial statements have been prepared on an accruals basis and are based on historical costs.

Comparatives are consistent with prior years, subject to those which have changed from a presentation perspective, as required on application of new accounting standards and interpretations adopted during the year.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Going concern

Despite having current liabilities exceed current assets by \$13,619,880 as at 30 June 2023 (2022: \$13,019,825) and historical operating losses prior to 2022, the Directors are of the opinion the Company will continue to operate on a going concern basis due to the following circumstances:

- The properties used as security for the current Commonwealth Bank of Australia (CBA) finance facility are recognised as non-current assets. The CBA finance facility including bank loans of \$13,545,827 (2022: \$14,149,808) is recognised as a current liability for financial reporting purposes due to the commercial terms of the loan. The current loan term ends on 14 November 2024. In the opinion of Directors, the Company will be able to refinance its borrowings on suitable repayment terms when they fall due for repayment at the end of the current term. A strong loan capital repayment program over the past 2 years, further increases the Directors confidence in a successful refinance.
- Net assets of the Company as at 30 June 2023 amounted to \$7,010,399 (2022: \$6,613,318).
- One hundred and twelve (112) gaming machine entitlements, are not recognised as assets of the Company as at 30 June 2023.
- The Company has maintained profitability for three consecutive years and is likely to continue to do so for the following 12 months. This indicates that its operations have generated sufficient revenue to cover expenses and generate net income, despite a strong capital expenditure program and capital loan repayments over the past 12 months. Consistent profitability is a crucial indicator of a company's financial health and its ability to sustain ongoing operations.
- In addition to profitability, the entity has experienced growing revenues over the past 12 months, with growth budgeted to continue in 24FY. This growth suggests that the Company has expanded its customer base, increased market share, and successfully enhanced its reputation to provide quality food and beverage at reasonable prices. These rising revenues indicate a positive trajectory and the potential for continued success for the Company.
- The entity's robust cash on hand further supports its ability to continue as a going concern. This cash position provides liquidity and flexibility, enabling the Company to cover short-term obligations, invest in improvements to the infrastructure and offerings of products and services, and navigate unforeseen challenges. The Company continues to reduce its long-term loan liabilities, whilst undertaking capital improvements on the infrastructure.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 BASIS OF PREPARATION

Going concern

Considering these factors collectively, the Company's financial historic performance and position and FY24 projections, suggest a strong likelihood of future success and the ability to sustain its operations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Economic dependence

The Company's continued operations are contingent on ongoing support from its financiers, in the form of an extension to the loan facilities. The Company's loan facilities were renewed in September 2022 and are due for renewal in November 2024. Given the significant debt reduction in the past 12 months, there are no matters which the Directors' are aware of that would indicate the loan facility will not be extended beyond November 2024. Therefore, the Directors' are of the opinion its current financiers will provide continued support for the Company beyond November 2024.

(b) Income Tax

The mutuality principle has been applied to the calculation of the Company's income tax. The Company has estimated that the assessable portion of mutual income represented by results of trading attributable to non-members of the Company is 41.63% (2022: 51.8%).

The Company has carried forward tax losses of \$1,253,578 as at 30 June 2023 (2022: \$1,189,177). The carried forward tax losses are available for offset against future taxable income, subject to continuing to meet relevant statutory tests.

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(c) Revenue and other income

Under AASB 15 *Revenue from Contracts with Customers*, the Company recognises revenue on a basis that reflects the transfer of promised goods or services to patrons at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Revenue and other income

Under AASB 1058 *Income of Not-for-Profit Entities*, the Company recognises revenue on a basis that reflects the fair value of goods, services, and assets (such as cash, inventories and property, plant and equipment), which have been provided or transferred to the Company for nil or nominal consideration, and is deemed to further the objectives of the Company.

The revenue recognition policies for the principal revenue streams of the Company are outlined in further detail below:

Sales revenue

Revenue derived through bar, bistro, and cafe sales is recognised on transfer of goods to the patron as this is deemed to be the point in time when all the risks and rewards associated with the goods are transferred, there is no longer any ownership or effective control over the inventory and the Company's performance obligations have been met.

Receipts from function hire are recognised as sales revenue at the point in time the function has been held or the customer has revoked their right to receive a refund for any deposits made.

Gaming machine takings

Gaming machine takings are recognised as revenue on receipt of the funds as there are no enforceable performance obligations contained within a contract between the Company and the patron. Revenue from gaming machine takings is shown in the statement of profit or loss and other comprehensive income net of payouts, with gaming machine tax being recognised as an expense.

Accommodation income

Accommodation charges are made at the commencement of a guests stay and is recognised as income on receipt. Receipts from the sale of goods, such as food and beverages, is recognised as income when all risks and rewards of ownership have been transferred to the customer. In most cases, this coincides with the transfer of legal title or the passing of possession to the customer.

Membership subscriptions

Membership subscriptions represent the amounts received from the Company's members in accordance with the Rules of the Company. Membership subscriptions received in advance incur an obligation for the Company to honour the terms and conditions of the membership for the term of the membership.

This represents a performance obligation to provide all benefits associated with the membership to the members. Therefore, membership subscriptions received in advance are recognised on the statement of financial position as a contract liability and subsequently recognised as revenue in the year to which they relate, on a straight-line basis.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss on the date the disposal occurred.

Other income

Other income is recognised as revenue when the Company has fulfilled its performance obligations.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on an exclusive 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 operating cash flows.

(e) Inventories

Inventories for bar and kitchen stock are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis which is inclusive of freight and delivery charges and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written off in the statement of profit or loss and other comprehensive income when deemed to be damaged or obsolete.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life (Years)
Buildings and Improvements	5 - 100
Plant and Equipment	2 - 20

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(g) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets as those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information, analysis based on the Company's historical experience, and informed credit assessments using forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(g) Financial instruments

Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Intangibles

Gaming machine entitlements

Under the *Gaming Machine Act 2001*, a tradeable asset titled gaming machine entitlement was created. Gaming Machine entitlements are able to be sold to other registered clubs within the state of New South Wales (NSW) provided certain statutory requirements are met. The Act came into effect on 2 April 2001.

Fifty (50) of the one hundred and sixty-two (162) gaming machine entitlements have been recognised, recorded at either cost or deemed cost, and have an indefinite useful life. Gaming machine entitlements purchased prior to 2001 have not been recognised as assets of the Company at year end.

At the end of each reporting period the Company determines whether there is any evidence of impairment indicators by comparing the cost reported for each individual gaming machine licence with the market values for the area. In the event the cost reported exceeds the market values, the licences are immediately reduced to their recoverable amount by recognising an impairment through the statement of profit or loss and other comprehensive income.

(j) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and cash at bank which is readily convertible to known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(k) Leases

Finance leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

The Company is party to a number of hire purchase leases with the the Commonwealth Bank of Australia, Aristocrat, IGT and other third parties for gaming machines and motor vehicles. Lease terms vary between 1-3 years and typically paid monthly in arrears in accordance with the terms of the finance. The leases also include an interest component which is recognised through profit and loss.

Operating leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(k) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term. Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Operating leases are in place for IT assets and an entertainment system which normally have a term between 3 and 5 years. The IT assets and entertainment system was deemed to be low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(l) Employee benefits

A liability is made for the Company's employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(m) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of income and retained earnings. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the goods, and services offered, customers, supply chain and staffing. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavorably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Key judgments - taxes

Deferred tax assets

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, and current and future expected economic conditions.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
4 REVENUE AND OTHER INCOME		
Revenue from contracts with customers		
- Entertainment and promotions	537,423	475,599
- Gaming machine takings	6,135,321	6,006,998
- Hotel revenue	3,099,147	1,700,660
- Members subscriptions	52,874	27,708
- Mens bowling club income	104,125	91,328
- Rent and room hire income	43,104	38,949
- Sales revenue	3,415,756	2,485,361
- Womens bowling club income	11,399	24,148
	<u>13,399,149</u>	<u>10,850,751</u>
Revenue recognised on receipt (AASB 1058)		
<i>(Not enforceable or no sufficiently specific performance obligations)</i>		
- Insurance recoveries	155,598	239,806
- JobKeeper & JobSaver subsidies	-	170,284
- Other income	371,101	134,058
	<u>526,699</u>	<u>544,148</u>
	<u>13,925,848</u>	<u>11,394,899</u>
5 AUDITOR'S REMUNERATION		
Remuneration of the auditor National Audits Group Pty Ltd, for:		
- audit and assistance with the compilation of the financial statements	28,000	23,500
- Gross room revenue audit	2,000	1,500
	<u>30,000</u>	<u>25,000</u>

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
6 INCOME TAX EXPENSE		
At the time of issuing the financial report the Company's tax return was not completed and an estimation of assessable income was required as follows:		
Assessable income	5,953,331	6,043,429
Less: Deductions	(6,017,729)	(5,751,486)
Taxable income	<u>(64,398)</u>	<u>291,943</u>
Income tax expense / (benefit) @ 25% (2022: 26%)	<u>(16,100)</u>	<u>75,905</u>
Deferred tax assets at the beginning of the year	309,186	385,091
Less: Income tax expense/(benefit)	<u>16,100</u>	<u>(75,905)</u>
Deferred tax assets at the end of the year	<u>325,286</u>	<u>309,186</u>
7 CASH AND CASH EQUIVALENTS		
CURRENT		
Cash on hand	325,040	360,384
Cash at bank	1,072,532	2,268,111
	<u>1,397,572</u>	<u>2,628,495</u>

Bank overdrafts

The bank overdraft has a facility limit of \$250,000, has no set term and is utilised for working capital. This bank overdraft was unused as at 30 June 2022. During September 2022, the Company's CBA bank loans were renewed for a further 2 years and 2 months term. The overdraft facility limit was reduced from \$250,000 to Nil.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
8 PROPERTY, PLANT AND EQUIPMENT		
NON-CURRENT		
Land		
At cost	72,122	72,122
Buildings and improvements		
At cost	25,545,928	24,972,953
Accumulated depreciation	(8,531,966)	(7,693,805)
	<u>17,013,962</u>	<u>17,279,148</u>
Capital works in progress		
At cost	280,780	-
Plant and Equipment		
At cost	10,822,691	11,931,011
Accumulated depreciation	(8,094,394)	(10,514,172)
	<u>2,728,297</u>	<u>1,416,839</u>
	<u>20,095,161</u>	<u>18,768,109</u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Works in Progress	Land	Buildings and Improvements	Plant and Equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2023					
Balance at the start of year	-	72,122	17,279,148	1,416,839	18,768,109
Additions	280,780	-	599,624	1,977,721	2,858,125
Disposals	-	-	-	(2,509)	(2,509)
Depreciation expense	-	-	(864,810)	(663,754)	(1,528,564)
Balance at the end of the year	<u>280,780</u>	<u>72,122</u>	<u>17,013,962</u>	<u>2,728,297</u>	<u>20,095,161</u>

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
9 INTANGIBLE ASSETS		
NON-CURRENT		
Gaming machine entitlements - at cost	824,343	824,343
	<hr/> <hr/>	<hr/> <hr/>
10 TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	243,037	430,988
Accrued expenses	289,152	545,636
Other payables	121,161	95,475
	<hr/> <hr/>	<hr/> <hr/>
	653,350	1,072,099
	<hr/> <hr/>	<hr/> <hr/>
11 BORROWINGS		
CURRENT		
CBA loan	13,545,827	14,153,460
	<hr/> <hr/>	<hr/> <hr/>

In September 2015, the Company was approved for a finance facility with Commonwealth Bank of Australia (CBA) for the purpose of:

- expansions to the existing Club to increase the capacity, functionality, capability and aesthetics of the dining and functions area, and
- construction of a new 79 room hotel.

On 14 September 2022, the Company was approved to change the total facility limit from \$14,199,808 to \$13,949,808. It consists of 5 market rate loans with a term ranging from 2 years and 3 months up to 2 years and 10 months.

The facility is repayable in full on expiry of the term. The interest is payable on a quarterly basis until end of the term. Should the Company have free cash flows, principal repayments are able to be made at the discretion of the Company to reduce the liability. During the year, the Company made a principal repayment of \$603,981.

In the opinion of Directors, the Company will be able to refinance its borrowings on suitable repayment terms when they fall due for repayment at the end of the current term.

Defaults and breaches

The finance facility is provided on terms which include requirements for the Company to meet the following financial covenant:

- the number of gaming machine entitlements held are equal to or greater than 162;
- the Company will provide the Bank on a quarterly basis with details of Motel Occupancy and Average Room Rates for the prior period and also advise Occupancy and Average Room Rates Year to Date; and
- Earnings Before Interest and Tax (EBIT) for the preceding 12 months as at the end of each Reporting Period is not less than \$1,650,000.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Bank loans

During the year, the Company failed to meet one aspect of the covenants on four occasions. The Bank is aware of these breaches of covenant and, whilst it reserves its rights, it does not intend to exercise its rights at the date these financial statements were authorised for issue. The Company has had ongoing discussions with the Bank regarding the covenants and their suitability.

Security

The Security for all facilities include a First Registered Mortgage over all real property owned by the Company, a First Registered Equitable Mortgage over all of the Company's assets and undertakings and a General Security Interest over all present and after acquired property.

	2023	2022
	\$	\$
12 OTHER FINANCIAL LIABILITIES		
CURRENT		
Finance lease liability	606,879	194,524
Insurance finance	113,677	95,444
	<u>720,556</u>	<u>289,968</u>
NON-CURRENT		
Finance lease liability	488,994	149,354
Interminable loan	77,360	77,360
	<u>566,354</u>	<u>226,714</u>

The Interminable Loan is not repayable unless, if at any time in the future, the Maher Oval complex is sold for commercial reasons.

The Company is party to a number of hire purchase leases for gaming machines. Lease terms are between 2-3 years and are paid monthly in arrears or in advance in accordance with the terms of the finance agreement. The leases also include an interest component which is recognised through the profit and loss.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
13 CONTRACT LIABILITIES		
CURRENT		
Holding deposits and other funds in advance	31,595	9,990
Lease income received in advance	140,167	198,167
Memberships received in advance	40,309	59,575
	<u>212,071</u>	<u>267,732</u>
14 EMPLOYEE BENEFITS		
CURRENT		
Annual leave	272,991	248,626
Long service leave	40,688	56,152
	<u>313,679</u>	<u>304,778</u>
NON-CURRENT		
Long service leave	<u>48,157</u>	<u>41,781</u>

15 COMMITMENTS AND CONTINGENCIES

Commitments

The Company were successful recipients of a \$500,000 (GST Exclusive) grant from the NSW Office of Sport to construct new female changerooms. The Company entered into a Funding Agreement with the Office of Sport on the 16/05/2023. The Company had received \$25,000 of the grant prior to the end of the financial year, with the balance to be progressively paid to the Company upon achievement of project milestones.

The Company entered a contract with J & J Building & Construction on 16th March to renovate the Club's foyer and cafe. The contract price is \$498,049 (GST Exclusive). The project was completed on 27 August 2023. As at the 30th June, the Company has recorded \$280,780 (GST Exclusive) as Work in Progress.

Contingencies

In the opinion of the Directors, the Company did not have any other contingencies at 30 June 2023 (30 June 2022: None).

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

16 FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk; and
- Interest rate risk.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since Riverina Australian Football Club Limited has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The interest rate risk on the bank loans are managed by the Club entering into an interest rate swap with CBA to obtain a fixed interest rate on total borrowing of \$7,813,000 as at 30 June 2019.

At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED
ABN: 43 000 753 604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

17 EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue on 26 September 2023 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

18 KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel of the Company during the year was \$942,573 (2022: \$561,952). Total remuneration consists of wages and salaries paid to key management as well as honorariums and allowances paid to the Directors during the year.

19 RELATED PARTIES

The Company's main related parties are as follows:

Entities the Company exercises control over

The Riverina Australian Football Club Limited was deemed to have the power and authority to exercise control over its subsidiary Clubs. The subsidiary Clubs operating during the year were as follows:

- Riverina Australian Football Club Limited: Mens Bowling Club; and
- Riverina Australian Football Club Limited: Womens Bowling Club.

The Directors have assessed the financial position of each subsidiary as at 30 June 2023 and their financial performance for the year ended on that date to determine whether the exclusion of the subsidiaries would materially misstate the Company's financial report. In the Directors opinion, the abovementioned subsidiaries were deemed to be material to the Company's overall operations and therefore have been included in the financial report.

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the Company are as follows:

- President;
- Senior Vice President;
- Junior Vice-President;
- Directors;
- General Manager;
- Business Manager;
- Operations Manager;
- Hotel Manager; and
- Gaming and Systems Manager.

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

19 RELATED PARTIES

For details of remuneration disclosures relating to key management personnel, refer to Note 18: Key Management Personnel Remuneration.

Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with related parties

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

The following transactions occurred with related parties during the year:

	Sales	Purchases	Wages	Balance outstanding	
	\$	\$	\$	Owed to the Company	Owed by the Company
	\$	\$	\$	\$	\$
Key management personnel	-	50	942,573	-	-
Other related parties	-	25,000	19,588	-	-
	-	25,050	962,161	-	-

20 STATUTORY INFORMATION

The registered office and principal place of business of the Company is:

Riverina Australian Football Club Limited
188 Fernleigh Road
Glenfield Park NSW 2650

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

DIRECTORS' DECLARATION


FOR THE YEAR ENDED 30 JUNE 2023

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 27, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year then ended.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

President
Darren Wallett

Snr Vice President
Blair Carter Campbell

Dated 26 September 2023

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Riverina Australian Football Club Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of income and retained earnings, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1: Basis of Preparation in the financial report, which indicates that the Company had current liabilities exceed its current assets by \$13,619,880 as at 30 June 2023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in Annual Report, (but does not include the financial report and our auditor's report thereon).

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Other Information (continued)

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

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

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

Responsibilities of 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 - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or 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 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 the financial report.

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

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

RIVERINA AUSTRALIAN FOOTBALL CLUB LIMITED

ABN: 43 000 753 604

INDEPENDENT AUDITOR'S REPORT**FOR THE YEAR ENDED 30 JUNE 2023****Auditor's Responsibilities for the Audit of the Financial Report (continued)**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

National Audits Group Pty Ltd
Authorised Audit Company



Danielle Nye
Director

Dated 26 September 2023

Wagga Wagga

Rules CLUB

WAGGA WAGGA

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