

**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]

ABN 80 000 050 279

# **FINANCIAL REPORT**

for the year ended 30 June 2023



Level 8, 65 York Street, Sydney NSW 2000

Telephone [02] 8014 5831

Web: [www.rugbyclub.com.au](http://www.rugbyclub.com.au)

Email: [admin@rugbyclub.com.au](mailto:admin@rugbyclub.com.au)

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]

ABN 80 000 050 279

---

## FINANCIAL REPORT

for the year ended 30 June 2023

| CONTENTS  | Page  |
|---|-------|
| <b>Financial Report</b>   |       |
| Directors' report   | 2-4   |
| Auditor's independence declaration  | 5     |
| Independent audit report to the members   | 6-7   |
| <b>Financial Statements</b>   |       |
| Statement of profit/(loss) and other comprehensive income   | 8     |
| Statement of changes in equity  | 8     |
| Statement of financial position   | 9     |
| Statement of cash flows   | 10    |
| <b>Notes to the Financial Statements</b>  |       |
| <b>Note 1</b> Summary of significant accounting policies  | 11-14 |
| <b>Note 2</b> Cash and cash equivalents   | 15    |
| <b>Note 3</b> Trade and other receivables   | 15    |
| <b>Note 4</b> Other assets  | 15    |
| <b>Note 5</b> Plant and equipment   | 15    |
| <b>Note 6</b> Financial assets  | 15    |
| <b>Note 7</b> Trade and other payables  | 16    |
| <b>Note 8</b> Provisions  | 16    |
| <b>Note 9</b> Other liabilities   | 16    |
| <b>Note 10</b> Reserves   | 17    |
| <b>Note 11</b> Investment income  | 17    |
| <b>Note 12</b> Other income   | 17    |
| <b>Note 13</b> Auditor's remuneration   | 17    |
| <b>Note 14</b> Grants awarded   | 18-19 |
| <b>Note 15</b> Sir Leslie Herron rugby scholarships awarded<br>[See supplementary information on page 23] | 19    |
| <b>Note 16</b> Rugby advocacy expenses  | 19    |
| <b>Note 17</b> Profit for the year  | 19    |
| <b>Note 18</b> Commitments  | 19    |
| <b>Note 19</b> Directors' benefits  | 20    |
| <b>Note 20</b> Related party transactions   | 20    |
| <b>Note 21</b> Key management personnel compensation  | 20    |
| <b>Note 22</b> First year adoption of mandatory accounting standards                                      | 20    |
| <b>Note 23</b> Entity details   | 20    |
| Directors' declaration  | 21    |
| Disclaimer  | 22    |
| <b>Supplementary Information</b>  |       |
| Provision – Sir Leslie Herron rugby scholarships  | 23    |

## THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

---

### DIRECTORS' REPORT

The Directors present their report of The Rugby Club Foundation Limited for the year ended 30 June 2023.

#### Directors

The names of the directors who held office at any time during the year ended 30 June 2023 and changes in respect of those directors since the year ended 30 June 2023 are as follows:

|                      |   |
|----------------------|---|
| Angus Bruxner        | Director/Chairperson – Elected Nov-2019; Re-elected Nov-2022<br>President May-2013 to Nov-2019; Vice-President Apr-2003 to May-2013<br>Director since Mar-1998; Member since Mar-1996<br>Rugby qualified<br>Solicitor<br>Eligible Directors' meetings 7 – Attended 7  |
| Peter Whittington    | Director/Deputy Chairperson – Elected Nov-2019; Re-elected Nov-2022<br>Vice-President May-2013 to Nov-2019; Treasurer Jun-2012 to May-2013<br>Director since Feb-2009; Member since Dec-2006<br>Rugby qualified<br>Lead Partner<br>Eligible Directors' meetings 7 – Attended 6<br>Leave of absence granted – 1 meeting. |
| Stirling Mortlock AM | Director/Treasurer – Elected Nov-2019; Re-elected Nov-2020<br>Treasurer Feb-2018 to Nov-2020<br>Director since Sep-2015; Member since Apr-2015<br>Rugby qualified<br>Founding Partner<br>Eligible Directors' meetings 7 – Attended 6<br>Leave of absence granted – 1 meeting.   |
| Robert Bradley AM    | Director – Elected Nov-2019; Re-elected Nov-2021<br>Director since Sep-2018; Member since May-2002<br>Chief Executive Officer<br>Eligible Directors' meetings 7 – Attended 6<br>Leave of absence granted – 1 meeting.   |
| Stuart Dickinson     | Director – Elected Nov-2019; Re-elected Nov-2020<br>Director since Sep-2015; Member since Oct-2008<br>Rugby qualified<br>Managing Director<br>Eligible Directors' meetings 7 – Attended 7   |
| Owen Finegan         | Director- Elected Nov-2019; Re-elected Nov-2020<br>Director since Oct-2017; Member since Nov-1999<br>Rugby qualified<br>Chief Executive Officer<br>Eligible Directors' meetings 7 – Attended 6<br>Leave of absence granted – 1 meeting.   |
| Adam Freier          | Director – Elected Nov-2019; Re-elected Nov-2021<br>Director since Sep-2015; Member since Oct-2003<br>Rugby qualified<br>General Manager<br>Eligible Directors' meetings 7 – Attended 7   |
| James Maxwell        | Director – Elected Nov-2019; Re-elected Nov-2021<br>Director since Sep-2015; Member since Oct-1988<br>Rugby qualified<br>Solicitor<br>Eligible Directors' meetings 7 – Attended 6<br>Leave of absence granted – 1 meeting.  |

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]

ABN 80 000 050 279

---

## DIRECTORS' REPORT [CONTINUED]

### Directors [continued]

Paula Ward

Director – Elected Nov-2019; Re-elected Nov-2022  
Director May-2013 to Sep-2015 and since Mar-2017; Member since Jul-2012  
Executive Director Human Resources  
Eligible Directors' meetings 7 – Attended 7

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

### Objectives

**Short term:** To establish and implement the structures, procedures, protocols, and relationships which are required to achieve the below mentioned primary (and long term) objective of The Rugby Club Foundation Limited (**Foundation**) and to assist generally in the promotion and propagation of the game of Rugby Union football.

**Long term:** To enhance and maintain the Foundation's financial position so as to generate sufficient funds annually in order to successfully and indefinitely fund its primary objective which is "*to encourage the sport of Rugby in the State of New South Wales and elsewhere*" (**Primary Object**) and, in furtherance of the Primary Object, to do anything incidental to maintaining a strong and supportive Member base, which is regarded by the Board of Directors (**Board**) as being essential to the optimum level of achievement of the Primary Object.

### Strategy for achieving the Objectives

The principal strategies which the Foundation is implementing to achieve the Objectives include the following:

- Investing and managing the Foundation's funds in a manner which preserves the real value of capital, maximises the investment return on capital for an agreed level of risk, and ensures a reasonable level of investment return stability, in order to fund the pursuit of the Foundation's Objectives over the short and long terms.
- Maximising advantage from marketing and promotional opportunities attaching to the Foundation's heritage and brand.
- Organising activities and events for the Members of the Foundation and supporters of Rugby generally, in pursuit of the Primary Object.
- Applying those strategies to pursue the Foundation's Primary Object, and its strategic vision of "Sharing the Spirit of the Game".

### Principal activities

The principal activity of the Foundation (a not-for-profit entity) during the course of the financial year ended 30 June 2023 was to actively pursue the Primary Object by supporting and promoting grassroots Rugby in NSW and elsewhere, including grade, suburban, country, women's and junior Rugby and Rugby referees. There were no significant changes in the nature of these activities during the relevant period.

### How these activities assisted in achieving the objectives

The activities pursued by the Foundation assist in generating revenue which could be (and indeed has been) applied in furtherance of the Primary Object of the Foundation and the promotion and propagation of the game of Rugby Union football.

### Dividends

As a public company limited by guarantee, the Foundation does not have a capital divided into shares and is prevented by the *Corporations Act 2001* and by its Constitution from paying a dividend to members.

### Operating result

The net operating loss before income tax for the year was (\$982,791) [2022: \$1,921,772 Profit], which was derived after financial grants totalling \$475,745 [2022: \$503,091] were awarded to recipients in respect of grassroots Rugby programs, and after charging \$877 [2022: \$1,264] in depreciation and interest expense of \$0 [2022: \$0]. There was no impairment of assets for either year [2022 or 2023]. Income tax expense for the year was \$0 [2022: \$0]. See Note 1[c]: Taxation.

Other comprehensive income reports the movement on the fair value gain/(loss) on financial assets held [these are the investments managed by Escala Partners (**Escala**)] with this movement held in the financial assets reserve as part of equity. For the current financial year, the movement amounted to a revaluation gain of \$2,015,977 [2022: \$3,018,382 loss]. and resulted in a negative financial assets reserve balance of \$1,002,405.

### Significant events and future developments

At a General Meeting of The Rugby Club Foundation Limited held on 22 October 2019 the Members passed resolutions which completed the transition of the Foundation from 'registered club' status to 'not-for-profit' status.

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]

ABN 80 000 050 279

## DIRECTORS' REPORT [CONTINUED]

### Significant events and future developments [continued]

After conducting a comprehensive request for proposal process the Foundation selected and appointed Escala as the Foundation's investment manager on 27 October 2021. The Foundation and Escala entered into an Investment Management Agreement (IMA) and the Foundation's funds continue to be invested by Escala in accordance with the IMA.

In accordance with the Foundation's Constitution and relevant tax legislation, the Board is continuing to use all reasonable endeavours to ensure that the Foundation applies its income and its assets solely in furtherance of the Primary Object.

The continuing purpose of the Foundation's grant-making policy is to define the principles that should guide the annual grant-making commitments approved by the Board and notified to the grantees, in furtherance of the Primary Object.

One of those guiding principles is that the Foundation should always endeavour to at least maintain its corpus in real terms, so that the net income derived from it during each financial year is available to be applied in perpetuity in furtherance of the Prime Object. This principle continues to guide the Foundation's investment policy and the Foundation's grant-making policy and protocols.

The Foundation continues to enhance its relationship with the NSW Rugby Union and its Affiliated Unions by focussing on grassroots Rugby in furtherance of the Primary Object and distributing funds to the NSW Rugby Union and its Affiliated Unions, and entities associated with those Unions.

Concurrently with those significant events, the Board is formulating an expanded strategic plan encapsulating objectives and policies which will provide greater benefits for the Foundation, its Members and Rugby in general. This strategic plan will be implemented by the Board in a manner which will be in furtherance of the Primary Object of the Foundation and Rugby in general, and, incidentally (but importantly), in the interests of the Foundation's strong and supportive Member base, which is still regarded by the Board as being essential to pursuing and achieving the Primary Object.

### Limitation on members' liability

The Rugby Club Foundation Limited is a public company limited by guarantee, and in accordance with its constitution, the liability of financial members in the event of the company being wound-up would not exceed \$4.00 per member [a liability attaching to all membership categories]. The total contribution by financial members in the event of the company being wound-up would be \$3,388 [2022: \$3,368] as reported in the table below.

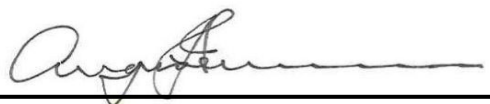
#### Membership

| Categories            | Member Liability | 30 June 2023 | 30 June 2022 |
|-----------------------|------------------|--------------|--------------|
| Honorary life members | \$24             | 6            | 6            |
| Rugby life members    | \$2,156          | 539          | 544          |
| City members          | \$520            | 130          | 131          |
| Country members       | \$416            | 104          | 87           |
| Emeritus members      | \$208            | 52           | 56           |
| Overseas members      | \$64             | 16           | 18           |
|                       | <u>\$3,388</u>   | <u>847</u>   | <u>842</u>   |

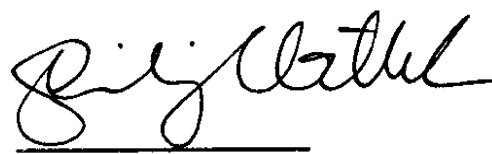
### Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2023 has been received and is located on the next page.

Signed in accordance with a resolution of Directors made pursuant to section 298(2) of the *Corporations Act 2001*, on behalf of Directors by:



Angus Bruxner  
Chairperson



Stirling Mortlock AM  
Treasurer

Signed at Sydney on this 27<sup>th</sup> day of October 2023

# BOROUGHSS ASSURANCE

CHARTERED ACCOUNTANTS

ABN 42 178 198 610  
Level 6  
77 Castlereagh Street  
Sydney NSW 2000, Australia  
DX232, Sydney  
T +61 2 9930 7700  
F +61 2 9930 7777  
mail@boroughs.net.au  
www.boroughs.net.au

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE MEMBERS OF THE RUGBY CLUB FOUNDATION LIMITED

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

- (i) no contraventions of the auditor's 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.



Chris Allen  
Partner

Date: 30th October, 2023

## Independent Auditor's Report

To the members of The Rugby Club Foundation Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The Rugby Club Foundation Limited (the Foundation), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the accompanying financial report of The Rugby Club Foundation Limited is in accordance with the *Corporation's Act 2001*, including:

- (I) giving a true and fair view of the Foundation's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (II) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

#### Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Foundation in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our 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 Foundation, 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.

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

The directors of the Foundation are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal controls as the directors determine are necessary to enable the preparation of a 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 Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so

# BOROUGH'S ASSURANCE

## 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 this financial report.

As part of an audit in accordance with 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 Foundation'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 Foundation'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 Foundation 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.

*Borough's Assurance*

**Borough's Assurance**

*Chris Allen*

**Chris Allen**

Partner

Date: *30th October, 2023*  
Sydney.



# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

## STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2023

|   |                            |      | 2023               | 2022               |
|---|----------------------------|------|--------------------|--------------------|
|   |                            | Note | \$                 | \$                 |
| Investment income   | - Mercer and Escala income | 11   | 770,977            | 2,883,838          |
| Other income  | - Other                    | 12   | 25,604             | 14,260             |
|   | - Interest received        | 12   | 1,188              | 410                |
| <b>Total income</b>   |                            |      | <b>797,769</b>     | <b>2,898,508</b>   |
| Grants awarded  |                            | 14   | (475,745)          | (503,091)          |
| Rugby advocacy expenses   |                            | 16   | (38,185)           | (38,342)           |
| Investment portfolio fees   |                            |      | (95,369)           | (46,339)           |
| Loss on disposal of investments   |                            |      | (982,600)          | (207,224)          |
| Foreign exchange gain/(loss)  |                            |      | (1,893)            | (4,052)            |
| Overheads   | - employee                 |      | (88,900)           | (89,302)           |
|   | - equipment and occupancy  |      | (30,252)           | (28,816)           |
|   | - other                    |      | (66,739)           | (58,306)           |
| Depreciation expense  |                            |      | (877)              | (1,264)            |
| <b>Total expenses</b>   |                            |      | <b>(1,780,560)</b> | <b>(976,736)</b>   |
| <b>Profit (loss) before income tax expense</b>  |                            |      | <b>(982,791)</b>   | <b>1,921,772</b>   |
| Income tax expense  |                            | 1[c] | 0                  | 0                  |
| <b>Profit/(loss) for the year</b>   |                            |      | <b>(982,791)</b>   | <b>1,921,772</b>   |
| <b>Other comprehensive income</b>   |                            |      |                    |                    |
| Fair value gain/(loss) on financial assets held at fair value                           |                            |      | 2,015,977          | (3,018,382)        |
| Reclassification adjustment of fair value gain on financial assets sold during the year |                            |      | 0                  | (1,900,181)        |
|   |                            |      | <b>2,015,977</b>   | <b>(4,918,563)</b> |
| <b>Total comprehensive income for the year</b>  |                            |      | <b>1,033,186</b>   | <b>(2,996,791)</b> |

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2023

|                                   | \$                | \$                       | \$                     | \$                |
|-----------------------------------|-------------------|--------------------------|------------------------|-------------------|
|                                   | Retained Earnings | Financial Assets Reserve | Capital Profit Reserve | Total Equity      |
| <b>Balance as at 1 July 2021</b>  | <b>1,273,336</b>  | <b>1,900,181</b>         | <b>20,307,141</b>      | <b>23,480,658</b> |
| Profit for the year               | 1,921,772         | 0                        | 0                      | 1,921,772         |
| Other comprehensive income        | 0                 | (4,918,563)              | 0                      | (4,918,563)       |
| <b>Balance as at 30 June 2022</b> | <b>3,195,108</b>  | <b>(3,018,382)</b>       | <b>20,307,141</b>      | <b>20,483,867</b> |
| Loss for the year                 | (982,791)         | 0                        | 0                      | (982,791)         |
| Other comprehensive income        | 0                 | 2,015,977                | 0                      | 2,015,977         |
| <b>Balance as at 30 June 2023</b> | <b>2,212,317</b>  | <b>(1,002,405)</b>       | <b>20,307,141</b>      | <b>21,517,053</b> |

The Statement of Profit/(Loss) and Other Comprehensive Income and Statement of Changes in Equity are to be read in conjunction with the Notes to the Financial Statements

**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]

ABN 80 000 050 279

**STATEMENT OF FINANCIAL POSITION**

as at 30 June 2023

|                                      |             | <b>2023</b>       | <b>2022</b>       |
|--------------------------------------|-------------|-------------------|-------------------|
|                                      | <b>Note</b> | <b>\$</b>         | <b>\$</b>         |
| <b>Assets</b>                        |             |                   |                   |
| <b>Current assets</b>                |             |                   |                   |
| Cash and cash equivalents            | 2           | 75,356            | 48,261            |
| Trade and other receivables          | 3           | 325,962           | 216,001           |
| Other current assets                 | 4           | 11,941            | 7,207             |
| <b>Total current assets</b>          |             | <b>413,259</b>    | <b>271,469</b>    |
| <b>Non-current assets</b>            |             |                   |                   |
| Plant and equipment - at cost        | 5           | 1,771             | 2,648             |
| Financial assets - at fair value     | 6           | 21,197,808        | 20,281,027        |
| <b>Total non-current assets</b>      |             | <b>21,199,579</b> | <b>20,283,675</b> |
| <b>Total assets</b>                  |             | <b>21,612,838</b> | <b>20,555,144</b> |
| <b>Liabilities</b>                   |             |                   |                   |
| <b>Current liabilities</b>           |             |                   |                   |
| Trade and other payables             | 7           | 51,002            | 24,368            |
| Short term provisions                | 8           | 33,591            | 36,803            |
| Other liabilities                    | 9           | 2,122             | 3,136             |
| <b>Total current liabilities</b>     |             | <b>86,715</b>     | <b>64,307</b>     |
| <b>Non-current liabilities</b>       |             |                   |                   |
| Employee provision                   | 8           | 9,043             | 6,943             |
| Other liabilities                    | 9           | 27                | 27                |
| <b>Total non-current liabilities</b> |             | <b>9,070</b>      | <b>6,970</b>      |
| <b>Total liabilities</b>             |             | <b>95,785</b>     | <b>71,277</b>     |
| <b>Net assets</b>                    |             | <b>21,517,053</b> | <b>20,483,867</b> |
| <b>Equity</b>                        |             |                   |                   |
| Reserves                             | 10          | 19,304,736        | 17,288,759        |
| Retained earnings                    |             | 2,212,317         | 3,195,108         |
| <b>Total equity</b>                  |             | <b>21,517,053</b> | <b>20,483,867</b> |

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements

**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]

ABN 80 000 050 279

**STATEMENT OF CASH FLOWS**

for the year ended 30 June 2023

|  | 2023             | 2022             |
|--|------------------|------------------|
| Note   | \$               | \$               |
| <b>Cash flows from operating activities</b>                      |                  |                  |
| Receipts from members and customers                              | 59,590           | 13,584           |
| Payments: grants awarded   | 14 (475,745)     | (503,091)        |
| Payments: Sir Leslie Herron rugby scholarships awarded           | 15 (6,000)       | (6,000)          |
| Payments: rugby advocacy   | (33,185)         | (33,342)         |
| Payments to suppliers and employees                              | (218,753)        | (150,165)        |
|  | <u>(674,093)</u> | <u>(679,014)</u> |
| <b>Cash flows from investing activities</b>                      |                  |                  |
| Purchase of plant & equipment                                    | 0                | (3,316)          |
| Redemption of Mercer investments                                 | 0                | 24,158,942       |
| Purchase of investments  | 0                | (24,103,942)     |
| Transfer of cash from Escala investments                         | 700,000          | 667,750          |
|  | <u>700,000</u>   | <u>719,434</u>   |
| Interest received  | 1,188            | 410              |
|  | <u>701,188</u>   | <u>719,844</u>   |
| <b>Net increase in cash and cash equivalents held</b>            |                  |                  |
| Cash and cash equivalents at the beginning of the financial year | 27,095           | 40,830           |
|  | 48,261           | 7,431            |
|  | <u>75,356</u>    | <u>48,261</u>    |

The Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements

---

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board [AASB], and the *Corporations Act 2001*. The Rugby Club Foundation Limited is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

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

**Accounting policies**

**[a] Plant and equipment and intangible assets**

**Acquisition, depreciation, and amortisation**

Plant and equipment and intangible assets are included at cost of acquisition, less any impairment. These assets are depreciated or amortised over their useful lives commencing from the time the asset is held ready for use. The prime cost method [a straight-line basis] is used to depreciate/amortise non-current assets. The following depreciation/amortisation rates are applied:

|                           |               |
|---------------------------|---------------|
| Computer equipment        | 20.0% - 33.3% |
| Website development costs | 33.3%         |

Profits and losses on disposal of plant and equipment are taken into account in determining the operating result for the year. Additionally, impairment of plant and equipment and intangible assets are reviewed at least annually.

**Impairment**

The carrying values of plant and equipment and intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable or the intangible asset may have become redundant. If such an indication exists and where carrying values exceed the recoverable amount or the intangible asset is accessed as being redundant, the asset is written down to the recoverable amount, if any. Recoverable amount is the greater of fair value less costs to sell and value in use.

**[b] Employee entitlements**

Provision is made for the Foundation's liability for employee entitlements arising from services rendered by employees to balance date. The provisions for annual leave and long service leave have been calculated at nominal amounts based on current wage and salary rates and include related costs in accordance with the various award requirements. The provision for long service leave is made on a pro-rata basis for all employees who have an excess of five years' service.

Superannuation contributions are made by the Foundation to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Foundation has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

**[c] Taxation**

**Income tax**

The income tax (if any) payable is based on taxable profit (if any) for the year. Taxable profit differs from profit before income tax as reported in the Statement of Profit & Loss & Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's income tax (if any) is calculated using income tax rates that have been enacted or substantively enacted by the end of the reporting period.

---

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]**

**[c] Taxation [continued]**

**Income tax [continued]**

However, the Foundation has self-assessed its entitlement to exemption from income tax from 15 June 2017 (being the day after the amendment of its constitution on 14 June 2017) under item 9.1(c) in the table section 50-45 of the *Income Tax Assessment Act 1997 (Cth)*, on the basis that, since 15 June 2017, it is a society, association or club established for the encouragement of a game or sport, namely the game or sport of Rugby Union football, and complies with the special conditions in section 50-70 of that Act, namely that:

- (a) the Foundation is not carried on for the purpose of profit or gain to its individual members
- (b) it has a physical presence in Australia and, to that extent, incurs its expenditure and pursues its objectives principally in Australia
- (c) it complies with all the substantive requirements in its governing rules; and
- (d) it applies its income and its assets solely for the purpose for which it is now established.

**Goods and services tax [GST]**

Revenues, expenses, and assets are recognised net of the amount of GST in the financial accounts with the exception:

- where the GST incurred on purchases of goods and services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as a part of the cost of acquisition of the asset or as part of the expense item as applicable.
- receivables and payables are stated inclusive of GST.
- Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the Australian Taxation Office, are classified as operating cash flows.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

**[d] Fair value of assets**

The company measures some of its assets at fair value. Fair value is the price the company would receive to sell an asset in an orderly (i.e., unforced) transaction between independent, knowledgeable, and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

**[e] Investments and other financial assets**

Investments and other financial assets (except for receivables) are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within

---

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]**

**[e] Investments and other financial assets [continued]**

which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Impairment of financial assets*

The entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**[f] Payables [trade and other creditors]**

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

**[g] Receivables [trade and other debtors]**

The terms of trade are usually 7 days from the date of invoice. Collectability of debtors is reviewed on an ongoing basis. Debts known to be uncollectible are written off as impaired.

**[h] Finance expenses**

Finance expenses are recognised as an operating expense in the period in which they are incurred. Finance expenses may include:

- Interest on bank overdrafts; and
- Interest on overdue payables.

---

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]**

**[i] Revenue**

The company recognises revenue as follows:

**General**

In general, revenue is recognised, where it can be reliably measured, in the period to which it relates. However, where there is not an established pattern of income flow, revenue is recognised on a cash receipts basis.

**Membership subscriptions**

The Foundations subscription year is 1 July to 30 June. Subscriptions are payable annually in advance. Only those membership subscription receipts which are attributable to the current financial year are recognised as revenue. Subscription receipts relating to periods beyond the current financial year are shown on the Statement of Financial Position under the heading of Other Liabilities [refer to Note 9].

**Interest**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

**Dividends**

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

**Distribution revenue**

Distributions from unit trusts and managed funds as at the date the unit value is quoted ex distribution and if not received at the end of the reporting period are reflected in the balance sheet as a receivable at market value.

**Other revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

**[j] Cash and cash equivalents**

Cash includes cash on hand, cash at bank, deposits at call and highly liquid investments which are readily convertible to cash on hand.

**[k] Leases [right-of-use-assets]**

For years commencing on or after 1 January 2019 a new lease standard AASB 16 applies. All of the leases entered into by the Foundation are either short term or of low value assets. Accordingly, the Foundation has elected not to recognize right of use assets or lease liabilities for short term leases or leases of low value assets. Lease payments with respect to these leases are expensed on a straight-line basis over the term of the lease.

**[l] Comparative figures**

Where required by the Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. The comparative period for 2023 covers the full year period 1 July 2021 to 30 June 2022.

**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]  
 ABN 80 000 050 279

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2023

|   | <b>2023</b>       | <b>2022</b>       |
|---|-------------------|-------------------|
|   | <b>\$</b>         | <b>\$</b>         |
| <b>2. CASH AND CASH EQUIVALENTS</b>                                   |                   |                   |
| <b>Current</b>  |                   |                   |
| Cash at bank  | 5,323             | 5,216             |
| Call deposit  | 70,033            | 43,045            |
|   | <b>75,356</b>     | <b>48,261</b>     |
| <b>3. TRADE AND OTHER RECEIVABLES</b>                                 |                   |                   |
| <b>Current</b>  |                   |                   |
| Trade debtors   | 22,995            | 0                 |
| Other debtors   | 262,743           | 179,577           |
| Tax asset [GST]   | 40,224            | 36,424            |
|   | <b>325,962</b>    | <b>216,001</b>    |
| <b>4. OTHER ASSETS</b>  |                   |                   |
| <b>Current</b>  |                   |                   |
| Prepayments   | 11,941            | 7,207             |
|   | <b>11,941</b>     | <b>7,207</b>      |
| <b>5. PLANT AND EQUIPMENT</b>   |                   |                   |
| <b>Non-current</b>  |                   |                   |
| Plant and equipment - at cost   | 6,467             | 6,467             |
| <b>Less:</b> Accumulated depreciation                                 | (4,696)           | (3,819)           |
|   | <b>1,771</b>      | <b>2,648</b>      |
| <b>Reconciliation of the carrying amount for plant and equipment:</b> |                   |                   |
| <b>Opening balance</b>  | <b>2,648</b>      |                   |
| Additions   | 0                 |                   |
| Disposals [net]   | 0                 |                   |
| Depreciation  | (877)             |                   |
| Impairment  | 0                 |                   |
| <b>Closing balance</b>  | <b>1,771</b>      |                   |
| <b>6. FINANCIAL ASSETS</b>  |                   |                   |
| <b>Non-current</b>  |                   |                   |
| Escala - domestic equities  | 2,286,032         | 4,384,906         |
| Escala - international equities                                       | 2,751,921         | 2,818,680         |
| Escala - alternative investments                                      | 7,223,238         | 4,971,687         |
| Escala - fixed interest   | 7,444,657         | 6,505,337         |
| Escala - international fixed interest                                 | 644,565           | 280,466           |
| Escala - other investments and options                                | 0                 | 404,008           |
| Escala - cash & cash equivalents                                      | 847,396           | 915,943           |
|   | <b>21,197,809</b> | <b>20,281,027</b> |

These financial assets are presented on a fair value basis [See Note 1: Summary of significant accounting policies [d] fair value of assets].



**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]  
 ABN 80 000 050 279

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 30 June 2023

|   | 2023<br>\$    | 2022<br>\$    |
|---|---------------|---------------|
| <b>7. TRADE AND OTHER PAYABLES</b>  |               |               |
| <b>Current</b>  |               |               |
| Trade creditors   | 27,858        | 6,440         |
| Other creditors   | 1,448         | 1,425         |
| Accruals and other  | 21,696        | 16,503        |
|   | <b>51,002</b> | <b>24,368</b> |
| <b>8. PROVISIONS</b>  |               |               |
| <b>Current</b>  |               |               |
| Employee benefits - provision for annual leave  | 10,066        | 7,278         |
| Sir Leslie Herron rugby scholarships  | 23,525        | 29,525        |
|   | 33,591        | 36,803        |
| <b>Non-current</b>  |               |               |
| Employee benefits - provision for long service leave  | 9,043         | 6,943         |
| <b>Total provisions</b>   | <b>42,634</b> | <b>43,746</b> |
| <b>Reconciliation of the carrying amount of the provision for <u>annual leave</u>:</b>  |               |               |
| <b>Opening balance</b>  | <b>7,278</b>  |               |
| Provision funding   | 8,216         |               |
| Leave taken   | (5,428)       |               |
| <b>Closing balance</b>  | <b>10,066</b> |               |
| Provision represents the liability of accumulated outstanding annual leave of employees based on Award or employment contract.  |               |               |
| <b>Reconciliation of the carrying amount of the <u>Sir Leslie Herron Rugby Scholarships</u> provision:</b>  |               |               |
| <b>Opening balance</b>  | <b>29,525</b> |               |
| Provision funding   | 0             |               |
| Rugby scholarships awarded  | (6,000)       |               |
| <b>Closing balance</b>  | <b>23,525</b> |               |
| Provision represents funds set aside to meet the scholarship liability for rugby scholarships awarded annually.   |               |               |
| <b>Reconciliation of the carrying amount of the provision for <u>long service leave</u>:</b>  |               |               |
| <b>Opening balance</b>  | <b>6,943</b>  |               |
| Provision funding   | 2,100         |               |
| Leave taken   | 0             |               |
| <b>Closing balance</b>  | <b>9,043</b>  |               |
| Provision represents the entitlement of accumulated outstanding long service leave of employees with greater than five [5] years service. The accrued entitlement is not payable to employees until they have completed ten [10] years service. Refer: <i>Long Service Leave Act 1955 [NSW]</i> . |               |               |
| <b>9. OTHER LIABILITIES</b>   |               |               |
| <b>Current</b>  |               |               |
| Membership subscriptions  | 2,122         | 3,136         |
| <b>Non-current</b>  |               |               |
| Membership subscriptions  | 27            | 27            |
| <b>Total other liabilities</b>  | <b>2,149</b>  | <b>3,163</b>  |

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2023

|   | 2023<br>\$         | 2022<br>\$        |
|---|--------------------|-------------------|
| <b>10. RESERVES</b>   |                    |                   |
| Capital profits reserve   | 20,307,141         | 20,307,141        |
| Financial assets reserve  | (1,002,405)        | (3,018,382)       |
| <b>Total reserves</b>   | <b>19,304,736</b>  | <b>17,288,759</b> |
| <b>Capital profits reserve</b>  |                    |                   |
| The capital profits reserve represents the net surplus on sale of the Foundation's land and building. The profit is derive after legal and other costs, write-back of the land revaluation surplus and the retirement of the written-down value of building renovation costs and certain plant & equipment. |                    |                   |
| <b>Financial assets reserve</b>   |                    |                   |
| The financial assets reserve records the revaluation of financial assets.   |                    |                   |
| <b>11. INVESTMENT INCOME</b>  |                    |                   |
| [i] Mercer - distributions - capital gains  | 0                  | 400,627           |
| Mercer - distributions - other income   | 0                  | 830,010           |
| Mercer - fee rebates  | 0                  | 10,210            |
| Mercer - redemption - market gains  | 0                  | 1,337,948         |
| <b>Mercer - investment income</b>   | <b>0</b>           | <b>2,578,795</b>  |
| [ii] Escala - dividends/distributions received  | 604,651            | 288,692           |
| Escala - interest income received   | 162,070            | 14,818            |
| Escala - rebate income received   | 4,256              | 1,533             |
| <b>Escala - investment income</b>   | <b>770,977</b>     | <b>305,043</b>    |
| <b>Less: Escala direct costs:</b>   |                    |                   |
| - Portfolio fees  | (95,369)           | (46,339)          |
| - Loss on disposal of investmements   | (982,600)          | (207,224)         |
| - Foreign exchange gain/(loss)  | (1,893)            | (4,052)           |
|   | <b>(1,079,862)</b> | <b>(257,615)</b>  |
| <b>Escala net investment income/(loss)</b>  | <b>(308,885)</b>   | <b>47,428</b>     |
| <b>Total investment income/(loss)</b>   | <b>(308,885)</b>   | <b>2,626,223</b>  |
| <b>12. OTHER INCOME</b>   |                    |                   |
| Membership subscriptions received   | 14,291             | 12,905            |
| Member and guest receipts - function/events   | 11,313             | 1,245             |
| Donations received  | 0                  | 110               |
|   | <b>25,604</b>      | <b>14,260</b>     |
| Interest received   | 0                  | 20                |
| - NAB main cheque account   | 1,188              | 390               |
| - NAB investment account  | 1,188              | 410               |
| <b>Total other income</b>   | <b>26,792</b>      | <b>14,670</b>     |
| <b>13. AUDITOR'S REMUNERATION</b>   |                    |                   |
| Remuneration of the auditor:  |                    |                   |
| Auditing or reviewing the financial statements  | (8,007)            | (7,850)           |

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2023

### 14. GRANTS AWARDED

#### Recipient

##### 2022

ACT & Southern NSW Rugby Union Limited  
Australian Deaf Rugby  
Australian Rugby Football Schools Union, Inc  
Byron Bay Rugby Union Club, Inc  
Classic Wallabies, Inc  
Disability Sports Australia Limited  
Eastwood District Rugby Union Football Club, Inc  
Far North Coast Rugby Union Referees Association  
Hunter Junior Rugby Union, Inc  
Hunter Wildfires Limited  
Illawarra District Rugby Union, Inc  
Illawarra Rugby Referees Association, Inc  
Jyndabyne Rugby Union Club, Inc  
Kiama Rugby Sevens  
Lloyd McDermott Rugby Development Team, Inc.  
New South Wales Schools' Rugby Union, Inc  
NSW Combined High School Sports Association  
NSW Junior Rugby Union. Inc  
NSW Junior Rugby Union. Inc  
NSW Rugby Referees Association  
NSW Rugby Union Ltd  
NSW Rugby Union Ltd  
NSW Rugby Union Ltd  
NSW Rugby Union Ltd  
NSW Suburban Rugby Union  
Old Ties Club  
Parramatta District Rugby Union Football Club  
Queensland Rugby Union Ltd  
Rugby Australia Limited  
Rugby Victoria  
Sense Rugby Pty Ltd  
Sydney North Rugby Referees, Inc  
Sydney West Rugby Referees' Association, Inc  
Sydney Women's Rugby Union  
The Waratahs Rugby Union Club, Inc  
Victorian Rugby Referees Association, Inc

##### 2023

Australian Schools Rugby Union  
Central West Rugby Union Referees Association, Inc  
Central West Rugby Union, Inc  
Classic Wallabies, Inc.  
Liverpool Cougars Junior Rugby Union Club  
Molong Rugby Union Club  
NSW Combined High Schools Sports Association  
NSW Country Rugby Union Referees Association, Inc.  
NSW Junior Rugby Union, Inc  
NSW Rugby Referees Association  
NSW Rugby Union Ltd  
NSW Rugby Union Ltd  
NSW Rugby Union Ltd  
NSW Suburban Rugby Union

#### Grassroots Rugby Programs

Southern States junior Rugby champions  
Future of deaf Rugby in Australia  
Australian schools Rugby championship  
Byron Bay 7's community engagement & flood relief program  
NSW rural and regional Rugby clinics  
Wheelchair Rugby Australia National League  
Western Sydney Academy of sport  
Communications equipment  
Junior's retention program  
Wildfires Academy  
Under 18's program  
Communications and coaching equipment  
Recruitment and retention initiatives  
50th anniversary tournament  
Community engagement program  
State Rugby trials  
Rugby Union girls 18's Rugby 7's  
Contribution 2022 Rugby championships  
Coaching scholarships program  
Communications equipment  
Development officers program  
Sydney Rugby Union safety resources  
Western Plains region/remote schools program  
Women's XV competition  
Coaching college and "Refs R Us" program  
Flood relief assistance  
Two Blues Rugby Academy  
Development tournaments  
Female match officials leadership program  
Rebel Shield schools competition  
Occupational therapy program  
Coaching equipment  
Development project  
7's/10's/12's tournaments - first aid assistance  
Primary schools initiative  
Communications and coaching equipment

Championships 2023  
Upgrade of communication equipment  
Sports training courses for clubs  
Rural and regional rugby clinics  
Flood recovery  
Walla and junior rugby development  
Girls 18's rugby 7's  
Academy program  
State championships  
Development officer  
Far west rugby for good  
Extending development officer reach and support  
Sydney rugby assistant referee education  
Teamlist management software

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2023

|  | 2023<br>\$       | 2022<br>\$   |
|--|------------------|--|
| <b>14. GRANTS AWARDED [CONTINUED]</b>  |                  |  |
| <b>Recipient</b>   |                  |  |
| <b>2023 [continued]</b>  |                  |  |
| NSW Suburban Rugby Union   |                  | Continuation of "Refs R Us" and coaching college initiatives |
| Parramatta District Rugby Union Football Club Ltd  |                  | Two blues rugby academy                                      |
| South Australian Rugby Union Ltd   |                  | Referees association female and youth development pathway    |
| Sydney Catholic Schools Ltd  |                  | Wheelchair rugby Come Try Day                                |
| Sydney West Rugby Referees' Association, Inc   |                  | Youth referees academy                                       |
| Sydney Women's Rugby Union, Inc  |                  | 7s tournament first aid and referees supply                  |
| The Waratahs Rugby Union Club, Inc   |                  | Primary schools initiative                                   |
| Victorian Rugby Referees Association, Inc  |                  | Young referees development, mentoring and retention program  |
| Victorian Rugby Union, Inc   |                  | Youth girls competition (Silei Etuale cup)                   |
| Wagga Wagga Junior Rugby Union, Inc  |                  | Junior rugby festival  |
| Wheelchair Rugby Australia Ltd   |                  | Nation league  |
| <b>Total grants awarded</b>  | <b>(475,745)</b> | <b>(503,091)</b>   |
| <b>15. SIR LESLIE HERRON RUGBY SCHOLARSHIPS AWARDED</b>  |                  |  |
| <b>[See supplementary information on page 23]</b>  |                  |  |
| <b>Recipients</b>  |                  |  |
| Mr Liam Andrews [Nominee of Sydney Junior Rugby Union] 2021  | 0                | (1,500)  |
| Mr Mitchell Watts [Nominee of NSW Country Junior Rugby Union] 2021                                       | 0                | (1,500)  |
| Mr Darcy Brown [Nominee of Sydney Junior Rugby Union] 2022   | (1,500)          | (1,500)  |
| Mr Oscar Morgan [Nominee of NSW Country Junior Rugby Union] 2022   | (1,500)          | (1,500)  |
| Ms Leilani Taufa [Nominee of Sydney Junior Rugby Union] 2023   | (1,500)          | 0  |
| Mr Charlie Norton [Nominee of NSW Country Rugby Union] 2023  | (1,500)          | 0  |
| <b>Note:</b> Scholarships are awarded over two years totalling \$3,000 each.                             |                  |  |
| <b>Total Sir Leslie Herron rugby scholarships awarded</b>  | <b>(6,000)</b>   | <b>(6,000)</b>   |
| <b>16. RUGBY ADVOCACY EXPENSES</b>   |                  |  |
| Memorabilia archiving  | 5,000            | 5,000  |
| ClubHub website project  | 28               | 9,202  |
| Rugby News digital archiving project   | 4,000            | 10,000   |
| Fund raising/support projects  | 29,156           | 14,140   |
|  | <b>38,184</b>    | <b>38,342</b>  |
| <b>17. PROFIT/(LOSS) FOR THE YEAR</b>  |                  |  |
| Profit for the year has been arrived at:   |                  |  |
| <b>[a] Addition of the following items as income:</b>  |                  |  |
| Net Investment income/(loss)   | (308,885)        | 47,428   |
| Interest received: main cheque account & call deposit  | 1,188            | 410  |
| <b>[b] Charging the following items as expense:</b>  |                  |  |
| Grants awarded   | (475,745)        | (503,091)  |
| Rugby advocacy   | (38,184)         | (38,342)   |
| Amounts set aside to provisions: employee benefits [annual & long service leave]                         | (10,316)         | (13,753)   |
| Depreciation   | (877)            | (1,264)  |
| <b>18. COMMITMENTS</b>   |                  |  |
| <b>Capital Expenditure</b>   |                  |  |
| The Rugby Club Foundation Limited has no capital expenditure commitments contracted for at balance date. |                  |  |

# THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2023

2023

\$

2022

\$

### 19. DIRECTORS' BENEFITS

Directors of The Rugby Club Foundation Limited have been duly appointed on an honorary basis. The Directors do not receive any fees or benefits for the effort and time they expend in the performance of their duties. Out of pocket expenses had previously been reimbursed in accordance with the *Registered Clubs Act 1976 [as amended]* and guidelines issued by Clubs New South Wales. The legislation and guidelines no longer apply to the Foundation because the Foundation ceased to hold a club licence on 22 October 2020.

Directors expenses

0

(114)

### 20. RELATED PARTY TRANSACTIONS

Transactions between related parties are based on normal commercial terms and conditions. These transactions are no more favourable than those available to other parties, unless otherwise stated. During this financial year there were the following dealings:

| Director/Officer         | Entity   |       |       |
|--------------------------|--|-------|-------|
| James Maxwell - Director | <b>Maxwells Patent &amp; Trade Mark Attorneys</b><br><b>Details:</b> Dealings with trade mark and business names on behalf of the Foundation | 3,416 | 3,536 |

### 21. KEY MANAGEMENT PERSONNEL COMPENSATION

#### [a] Key management personnel

The names and positions held of key management personnel who held office at any time during the financial year are:

|                      |   |
|----------------------|---|
| Angus Bruxner        | Director; Chairperson                   |
| Peter Whittington    | Director; Deputy Chairperson; Secretary |
| Stirling Mortlock AM | Director; Treasurer                     |
| Robert Bradley AM    | Director                                |
| Stuart Dickinson     | Director                                |
| Owen Finegan         | Director                                |
| Adam Freier          | Director                                |
| James Maxwell        | Director                                |
| Paula Ward           | Director                                |
| Lisa Kane            | Business Operations Manager             |

#### [b] Key management personnel compensation

Total benefits paid:

83,074

77,611

### 22. FIRST YEAR ADOPTION OF MANDATORY ACCOUNTING STANDARDS

Management have adopted measurement, recognition and disclosure requirements of new or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board ['AASB'] that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### 23. ENTITY DETAILS

The Rugby Club Foundation Limited is domiciled and incorporated in Australia

|   |   |
|---|---|
| [a] The registered office of the entity is: | [b] The principal place of business is: |
| Level 8                                     | Level 8                                 |
| 65 York Street                              | 65 York Street                          |
| Sydney NSW 2000                             | Sydney NSW 2000                         |

## THE RUGBY CLUB FOUNDATION LIMITED

[A Company Limited by Guarantee]  
ABN 80 000 050 279


---

### DIRECTORS' DECLARATION

In accordance with a resolution of the directors of The Rugby Club Foundation Limited, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 20, satisfy the requirements of the *Corporations Act 2001* and:
  - [a] comply with Australian Accounting Standards – Simplified Disclosures applicable to the entity; and
  - [b] give a true and fair view of the financial position of the entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*, on behalf of the Directors by:



Angus Bruxner  
**Chairperson**



Stirling Mortlock AM  
**Treasurer**

Dated at Sydney this 27<sup>th</sup> day of October 2023

# BOROUGH'S ASSURANCE

CHARTERED ACCOUNTANTS

ABN 42 178 198 610  
Level 6  
77 Castlereagh Street  
Sydney NSW 2000, Australia  
DX232, Sydney  
T +61 2 9930 7700  
F +61 2 9930 7777  
mail@boroughs.net.au  
www.boroughs.net.au

## DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION FOR THE MEMBERS OF THE RUGBY CLUB FOUNDATION LIMITED

The additional information on the following pages is in accordance with the books and records of The Rugby Club Foundation Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 30 June 2023. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

*Boroughs Assurance*

**Boroughs Assurance**

*Chris Allen*

**Chris Allen**  
Partner

Date *30<sup>th</sup> October, 2023*

Sydney

**THE RUGBY CLUB FOUNDATION LIMITED**

[A Company Limited by Guarantee]

ABN 80 000 050 279

**SUPPLEMENTARY INFORMATION****PROVISION - SIR LESLIE HERRON RUGBY SCHOLARSHIPS**

for the year ended 30 June 2023

|  | <b>2023</b>    | <b>2022</b>    |
|--|----------------|----------------|
|  | <b>\$</b>      | <b>\$</b>      |
| <b>Income</b>  |                |                |
| Fee rebates - Mercer medium growth fund                                      | 0              | 17             |
| Distributions - Mercer medium growth fund                                    | 0              | 1,620          |
| Market gain - Mercer medium growth fund - redemption                         | 0              | 1,490          |
|  | <b>0</b>       | <b>3,127</b>   |
| <b>Expenses</b>  |                |                |
| Scholarships awarded:  |                |                |
| <b>2021</b>  |                |                |
| Mr Liam Andrews [Nominee of Sydney Junior Rugby Union]                       | 0              | (1,500)        |
| Mr Mitchell Watts [Nominee of NSW Country Junior Rugby Union]                | 0              | (1,500)        |
| <b>2022</b>  |                |                |
| Mr Darcy Brown [Nominee of Sydney Junior Rugby Union]                        | (1,500)        | (1,500)        |
| Mr Oscar Morgan [Nominee of NSW Country Junior Rugby Union]                  | (1,500)        | (1,500)        |
| <b>2023</b>  |                |                |
| Ms Leilani Taufua [Nominee of Sydney Junior Rugby Union]                     | (1,500)        | 0              |
| Mr Charlie Norton [Nominee of NSW Country Rugby Union]                       | (1,500)        | 0              |
| <b>Note:</b> Scholarships are awarded over two years totalling \$3,000 each. | <b>(6,000)</b> | <b>(6,000)</b> |
| <b>Net surplus (deficit) for the year</b>                                    | <b>(6,000)</b> | <b>(2,873)</b> |
| <b>Provision</b>   |                |                |
| Opening balance at the beginning of the financial year                       | 29,525         | 32,398         |
| Net surplus (deficit) for the year   | (6,000)        | (2,873)        |
| Closing balance at the end of the financial year                             | <b>23,525</b>  | <b>29,525</b>  |
| <b>Represented by:</b>   |                |                |
| <b>Non-current assets</b>  |                |                |
| <b>Financial assets</b>  |                |                |
| Investment - Escala portfolio - at Cost                                      | 23,525         | 29,525         |
|  | <b>23,525</b>  | <b>29,525</b>  |