

ANNUAL REPORT 2024-2025

NAMBUCCA HEADS BOWLING CLUB LTD
TRADING AS

Club Nambucca

ABN 20 001 023 150






NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Nambucca Heads Bowling Club Ltd trading as Club Nambucca (the Club) is to be held at the Clubhouse, Nelson Street, Nambucca Heads New South Wales on **28 September 2025 at 11am**

Members are kindly requested to submit written notice of any questions (financial and/or general) to the Club's Office by 3pm Friday 12 September 2025. This requirement is necessary to enable accurate and factual answers to be researched and prepared for members information, prior to the meeting.



Nambucca Heads Bowling & Recreation Club Limited

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Nambucca Heads Bowling & Recreation Club Limited

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Chairperson's Report

31 May 2025

To our valued members,

Over the past few years, the Board of Directors has been focused on diversifying and improving the club's business operations and assets, to ensure its viability into the future.

I am very pleased to say the Nambucca Heads Bowling and Recreation Club is in a strong financial position. It has been a very busy 12 months once again with plenty of positive changes within the organisation.

The Board is happy to report a net profit for the financial year of \$186,490. It has been very pleasing to see the continued growth in all our trading departments. Bar sales are up a further 28% on last year, as well as improved sales in raffles and fund-raising income.

During the past year we have been able to significantly reduce the outstanding bank loans that have been used to finance repairs and maintenance to the clubhouse and greens.

The Board's 5-year strategic plan is to continue to upgrade and improve the facilities for members and visitors. Current improvements under the Board's new strategic plan include new external window shutters to the auditorium windows, improved greens lighting to facilitate more night bowls competitions, and further equipment upgrades include new air conditioning units.

I would like to thank our caterers Rita's Bistro for their excellent catering services offered to our members from May 2024 to March 2025.

A big welcome and thank you also to our new caterers Sam Lee, Jeff and Tilly Kang and their staff for the excellent service and food choices they are offering to our members and guests. Your contribution to our business thus far has been very welcome by all members.

As I reflect on the past year, I am reminded of how lucky we are to have such an outstanding group of people at our club. To all our staff, bowls and sporting committees and volunteers, all working towards a common goal to provide the highest quality service and facilities for our members and sporting communities, thank you.

I would like to take this opportunity to thank my fellow Board members who give their time to attend monthly meetings and special events, to ensure the highest quality service for members, and outstanding support for our associated sporting clubs and community groups.

Finally, I would like to thank our members for their unwavering support. Without you, our club would cease to exist. I look forward to the next 12 months as we continue to grow our club and support our community together.

K. J. Rostron

Chairperson

Nambucca Heads Bowling & Recreation Club Limited

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Directors' report

31 May 2025

The Directors present their report on Nambucca Heads Bowling & Recreation Club Limited for the financial year ended 31 May 2025.

Information on Directors

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

Kenneth John Rostron

Responsibilities:	Chairperson
Qualifications:	Business Owner
Experience:	Previous Vice Chairperson
Appointed:	12/12/2021

David Skene Ogilvy

Responsibilities:	Vice Chairperson
Qualifications:	Retired School Teacher
Experience:	Previous Director
Appointed:	12/12/2021

Graeme John Porter

Responsibilities:	Treasurer
Qualifications:	Business Development Executive
Experience:	Previous Director
Appointed:	18/09/2022

Raymond John Hunt

Responsibilities:	Director
Qualifications:	Green Keeper
Experience:	Previous Director
Appointed:	18/09/2022

Nerida Grace Blackford

Responsibilities:	Director
Qualifications:	Deputy Principal and Small Business Owner
Experience:	Business Principal
Appointed:	18/09/2022

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Directors' report

31 May 2025

Information on Directors (continued)

William James Coughlan

Responsibilities: Director
Qualifications: Military Service Member and Building Industry
Experience: Former Military
Appointed: 18/09/2022

Peter Richard Meehan

Responsibilities: Director
Qualifications: Administration and Finance 35 years, Sole Trader 10 years
Experience: Previous Executive Director, Armidale Bowling Club
Appointed: 15/09/2024

Margaret Ann Flagg

Responsibilities: Director
Qualifications: Nursing
Experience: Previous Director
Appointed: 12/12/2021
Resigned: 15/09/2024

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

Meetings of Directors

During the financial year, seventeen (17) meetings (including special meetings) of directors were held. Attendances of each director during the year were as follows:

Director's Name	Eligible to attend	Number attended
Kenneth John Rostron	17	17
David Skene Ogilvy	17	13
Graeme John Porter	17	17
Raymond John Hunt	17	12
Nerida Grace Blackford	17	15
William James Coughlan	17	14
Peter Richard Meehan	13	12
Margaret Ann Flagg	4	3

Nambucca Heads Bowling & Recreation Club Limited

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Directors' report

31 May 2025

Our Vision

Club Nambucca

Connect - Create - Celebrate

Financially driven, family and community focused and recognized professional sporting facilities in our region. Club Nambucca through professional management, provides quality participation experiences for all people playing, umpiring, coaching, volunteering, and/or spectating in the sport of lawn bowls and other community sports.

You can expect:

- To be greeted in a warm and friendly manner.
- To receive a high level of customer service.
- The visual presentation of the Club will be welcoming with a pleasant ambiance, appropriate aesthetics and a comfortable atmosphere.
- Our staff will have a knowledge of all products within the Club and be able to guide you in your selections.
- Management and staff will exercise ambassadorial skills in relation to the Club and to our community.

Operating results

The total operating profit/(loss) of the entity for the reporting period was \$186,490 (2024: \$27,197).

Short term objectives of the Club

The Club's short term objectives are:

- a. To maintain the Club's facilities to a high standard which will maintain or increase membership;
- b. To provide excellent culture, hospitality services and recreational facilities that meet the needs of the members and the wider community;
- c. To continually operate in a manner that ensures the long term viability of the Club; and
- d. To keep in touch with changes in the industry and methods of satisfying members needs.

Long term objectives of the Club

The Club's long term objectives are:

- a. To continue to support bowling activities and carnivals;
- b. To keep updating the Club building;
- c. To keep updating the Club's systems e.g. beer, poker machines, gaming and entertainment;
- d. To ensure the Board of Directors work to a plan limited by their authority and where an opportunity for further training that the Board take advantage of this; and

Nambucca Heads Bowling & Recreation Club Limited

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Directors' report

31 May 2025

Long term objectives of the Club (continued)

- e. To ensure that the Club is in a sound financial position to deal with future needs and developments.

Strategy for achieving these objectives

The Nambucca Heads Bowling & Recreation Club Ltd is working with the current forecast and Strategic Plan created in conjunction with the Board, Management and staff which was developed in January 2025. Key Performance Indicators such as gross profit margins, wages to turnover ratios, net returns from trading and average net per EGM are also monitored and measured on a weekly, monthly and quarterly basis.

Corporate information

The Club is a "not-for-profit" entity, registered as a company limited by guarantee. Under its constitution the company is prohibited from the payment of dividends to its members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards any outstanding obligations of the Company. At 31 May 2025, the total amount that members of the Company are liable to contribute if the Company wound up is \$4,442 (2024: \$3,124).

Indemnifying officers and auditors

The Club has not during or since the financial year in respect of any person who is or has been an officer or auditor of the club:

- a. Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- b. Paid or agreed to pay a premium in respect of a contract insuring against a liability as an officer for the costs or expenses to defend the legal proceedings; with the exception of the following matters:

During or since the end of the financial year, the club has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premium as follows:

The club has paid premiums to insure each director against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity as director of the club, other than conduct involving a wilful breach of duty in relation to the club.

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Directors' report

31 May 2025

Club Property Declarations

Pursuant to Section 41J(2) of the *Registered Clubs Act 1976* the Directors declare that, for the financial year ended 31 May 2025, the classification of the property held are as follows:

Property Address	Current Usage	Classification
Lot 8 in DP758749	Club house, grounds, car park and greens	Core
Lot 422 in DP755550	Club house, greens and grounds	Core
Lot 2 in DP46053	Club house and grounds	Core
Lot 2 in DP113103	Greens and grounds	Core
Lot 1 in DP75849	Club grounds	Non Core
Lot 2 in DP830617	17 Bank Street Nambucca Heads	Non Core
Lot 1 in DP836017	19 Bank Street Nambucca Heads	Non Core

1. Section 41J(2) of the *Registered Clubs Act 1976* requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 1. The defined premises of the Club; or
 2. Any facility provided by the Club for use of its members and their guests; or
 3. Any other declared by a resolution passed by a majority of the members present at a general meeting or ordinary members of the Club to be core property of the Club.
3. 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 Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 1. The property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*; and
 2. The disposal has been approved at a general meeting of the ordinary members of the club at which the majority of the votes cast support the approval; and
 3. Any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

Nambucca Heads Bowling & Recreation Club Limited

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Directors' report

31 May 2025

5. These disposal provisions and what constitutes a disposal for the purposes of Section 41J are to some extent modified by regulations made under the *Registered Clubs Act 1976* and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to:
1. Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer; and
 2. Core property that is lease or licensed to a telecommunications provider for the purposes of a telecommunications tower.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 May 2025 has been received and can be found on page 9 of the financial report.

Signed in accordance with a resolution of the Board of directors made pursuant to Section 298(2) of the *Corporations Act 2001*.



Kenneth Rostron
Director/Chairman



Graeme Porter
Director/Treasurer

Dated: 06 August 2025

Auditor's Independence Declaration

To the Directors of Nambucca Heads Bowling & Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2025, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in black ink that reads 'Angela Holladay'.

Angela Holladay
Director

Nambucca Heads, 06 August 2025

MACKSVILLE

18 Wallace Street
PO Box 27
MACKSVILLE NSW 2447

P 02 6568 3000
E macksville@hlv.com.au

NAMBUCCA HEADS

46 Bowra Street
PO Box 8
NAMBUCCA HEADS NSW 2448

P 02 6568 6197
E nambucca@hlv.com.au

URUNGA

15 Bonville Street
URUNGA NSW 2455

P 02 6655 5530
E urunga@hlv.com.au

HLV AUDIT

ABN 70 606 296 431
AAC 478051
W www.hlv.com.au
E info@hlv.com.au

Liability limited by a Scheme approved
under Professional Standards Legislation.

Nambucca Heads Bowling & Recreation Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 May 2025

	Note	2025 \$	2024 \$
Revenue	5	2,871,829	2,756,743
Finance income	6	171	814
Other income	5	183,094	233,635
Total income		3,055,094	2,991,192
Cost of goods sold		(597,826)	(604,489)
Depreciation	13.b	(251,778)	(239,012)
Employee benefit expenses		(760,855)	(847,972)
Finance expenses	6	(12,114)	(17,000)
Raffles bingo and trivia		(139,028)	(118,394)
Contract labour		(82,032)	(145,051)
Insurance		(95,079)	(132,628)
Poker machine tax and monitoring		(108,071)	(68,315)
Repairs and maintenance		(126,646)	(218,383)
Electricity, gas and rates		(109,845)	(98,418)
Promotions and members draw		(100,815)	(97,774)
Other operating expenses		(484,515)	(376,559)
Total expenses		(2,868,604)	(2,963,995)
Profit (loss) before income taxes		186,490	27,197
Income tax		-	-
Profit (loss) for the year		186,490	27,197
Other comprehensive income for the year		-	-
Total comprehensive income for the year		186,490	27,197

The accompanying notes form part of these financial statements.

Nambucca Heads Bowling & Recreation Club Limited

Statement of financial position

As at 31 May 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	8	253,365	148,795
Trade and other receivables	10	55,600	15,481
Inventories	11	43,255	48,181
Other assets	12	105,184	5,196
Total current assets		457,404	217,653
Non-current assets			
Property, plant and equipment	13	5,676,613	5,688,811
Intangible assets	14	93,171	93,171
Total non-current assets		5,769,784	5,781,982
Total assets		6,227,188	5,999,635
Liabilities			
Current liabilities			
Trade and other payables	15	293,685	130,266
Borrowings	16	20,683	86,930
Employee benefits	17	21,834	16,690
Lease liabilities	18	54,556	80,855
Other liabilities	19	65,500	43,972
Total current liabilities		456,258	358,713
Non-current liabilities			
Borrowings	16	10,094	14,392
Lease liabilities	18	2,372	54,556
Total non-current liabilities		12,466	68,948
Total liabilities		468,724	427,661
Net assets		5,758,464	5,571,974
Equity			
Retained earnings		2,510,242	2,323,752
Reserves	21	3,248,222	3,248,222
Total equity		5,758,464	5,571,974

The accompanying notes form part of these financial statements.

Nambucca Heads Bowling & Recreation Club Limited

Statement of changes in equity

For the year ended 31 May 2025

2024	Retained Earnings \$	Revaluation Surplus \$	Total equity \$
Opening balance	2,296,555	3,248,222	5,544,777
Profit for the year	27,197		27,197
Closing balance	2,323,752	3,248,222	5,571,974

2025	Retained earnings \$	Revaluation surplus \$	Total equity \$
Opening balance	2,323,752	3,248,222	5,571,974
Profit for the year	186,490	-	186,490
Closing balance	2,510,242	3,248,222	5,758,464

The accompanying notes form part of these financial statements.

Nambucca Heads Bowling & Recreation Club Limited

Statement of cash flows

For the year ended 31 May 2025

	2025	2024
	\$	\$
Cash flows from operating activities:		
Receipts from members, visitors and grants	3,313,910	3,180,259
Payments to suppliers and employees	(2,828,085)	(3,003,006)
Interest received	171	814
Interest paid	(12,114)	(17,000)
Insurance Recovery	-	97,454
Net cash flows from/(used in) operating activities	473,882	258,521
Cash flows from investing activities:		
Purchase of property, plant and equipment	(220,285)	(424,949)
Net cash provided by/(used in) investing activities	(220,285)	(424,949)
Cash flows from financing activities:		
Proceeds from borrowings	70,000	123,803
Repayment of borrowings	(140,545)	(23,000)
Repayment of lease liabilities	(78,482)	(107,808)
Net cash provided by/(used in) financing activities	(149,027)	(7,005)
Net increase/(decrease) in cash and cash equivalents	104,570	(173,433)
Cash and cash equivalents at beginning of year	148,795	322,228
Cash and cash equivalents at end of financial year	253,365	148,795

The accompanying notes form part of these financial statements.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

1. Introduction

The financial report covers Nambucca Heads Bowling & Recreation Club Limited as an individual entity. Nambucca Heads Bowling & Recreation Club Limited is a not-for-profit Company Limited by Guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 31 May 2025 were operating as a Registered Club. The functional and presentation currency of Nambucca Heads Bowling & Recreation Club Limited is Australian dollars. Comparatives are consistent with prior years, unless otherwise stated.

The financial report was authorised for issue by the Directors on 06 August 2025.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated. The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

3. Material accounting policy information

a. Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

b. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

c. 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). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payable are stated inclusive of GST.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

3. Material accounting policy information (continued)

c. Goods and services tax (GST) (continued)

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

d. 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 either the present value of the future cash flows expected to be derived from an asset or cash-generating unit or the depreciated replacement cost if the criteria in AASB136 'Impairment of Assets' are met.

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.

Where an impairment loss in a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

e. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e., trade date accounting is required). 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).

i. 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.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

3. Material accounting policy information (continued)

e. Financial instruments (continued)

i. Financial assets (continued)

1) 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.

2) Amortised cost

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 of financial assets are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

3) Trade receivables and contracts assets

Impairment of trade receivables and contract assets 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 contract asset 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.

ii. 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 lease liabilities.

f. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 May 2025. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the company.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

4. Critical accounting estimates and judgements

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.

a. 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.

b. Key estimates - depreciation and estimation of useful lives of assets

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

c. Key estimates - employee entitlements

The Company provides for employee benefits as a liability arising from services rendered by employees to the end of the reporting period. In determining the liability, consideration is given to expected employee wage increases and the probability that the employee may satisfy vesting requirements. The effect of discounting is not considered material and has not been performed. Changes in the measurement of the liability are recognised in the profit or loss.

d. 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.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

4. Critical accounting estimates and judgements (continued)

e. Key estimates - property held at fair value

An independent valuation of property (land and buildings) carried at fair value was obtained on 31 March 2023. The Directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

f. Key judgments - lease classification

The Company is a party to a number of lease arrangements in relation to their poker machine and point of sale equipment. Review of the minimum lease payments, lease term, other terms and conditions in the lease have caused the lease to be classified as operating leases and therefore there are no entries on the statement of financial position in relation to these assets or lease liability.

5. Revenue and other income

a. Accounting policy

i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers 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;
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

ii. Specific revenue streams

All revenue is stated net of the amount of goods and services tax (GST). The revenue recognition policies for the principal revenue streams of the Company are:

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

5. Revenue and other income (continued)

a. Accounting policy (continued)

ii. Specific revenue streams (continued)

Sale of Goods and Provision of Services

The Company usually recognises point-of-sale-based revenues derived from the sale of goods (such as bar and bistro sales) and the provision of service (such as gaming revenues) at a point in time, as the performance obligations inherent in these goods and services are generally satisfied at the time considered received. The Company may receive consideration for the provision of services in advance of those performance obligations being satisfied (such as functions). Whilst the revenue is still recognised at a point in time, this timing difference may give rise to a temporary liability.

Donations

Donations and bequests are recognised as revenue when received.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Rendering of Services

Revenue in relation to rendering of services is recognised upon delivery of the service to customers.

Rental Income

Rental property revenue is recognised in a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Membership Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the period of membership.

Government Subsidies and Grants

The Company assesses the specific facts and circumstances of each grant or subsidy received to determine the appropriate application of revenue recognition requirements - these will generally vary between AASB 15 Revenue from Contracts with Customers or AASB 1058 Income for Not-for-Profit Entities. For consideration received under agreements that are either not enforceable or do not have sufficiently specific performance obligations are recognised in accordance with AASB 1058, either as:

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

5. Revenue and other income (continued)

a. Accounting policy (continued)

ii. Specific revenue streams (continued)

1. Income immediately in the profit or loss for the excess of the initial carrying amount of an asset over any related amounts recognised in accordance with other Standards; or
2. Where the transfer of those grants are to enable the acquisition or construction of a recognisable non-financial asset that is to be controlled by the entity, as income in the profit or loss when (or as) the entity satisfies its obligations under that transfer.

iii. Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants related to assets are recognised when the obligations under the grant agreement have been met, which is usually when the asset has been purchased and installed.

iv. Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

b. Revenue from continuing operations

	2025	2024
	\$	\$
Bar sales and rebates		
Bar Sales	1,254,414	979,342
Bar Promotions_Rebates	69,919	62,293
Promotions - Bar	-	(37,784)
Total	1,324,333	1,003,851
Bistro and catering sales	34,206	260,545
Functions	9,368	-
Competition and green fees	55,291	66,119
Carnivals and special events	42,827	33,849
Poker machine net revenue	1,176,996	1,085,259
Grants	4,768	106,280
Member subscriptions	17,515	16,395
Sponsorship, donations and fundraising	79,560	53,666
Raffles and bingo	120,607	97,303
Mechandise income	5,533	6,413
Sundry income	825	27,063
Total revenue	2,871,829	2,756,743

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

5. Revenue and other income (continued)

b. Revenue from continuing operations (continued)

	2025	2024
	\$	\$

c. Other income

	2025	2024
	\$	\$
Commissions	105,562	92,717
Gaming tax rebate	17,180	17,180
Insurance recovery	-	97,545
Net gain on disposal	14,192	-
Rental income	46,160	26,193
Total other income	183,094	233,635

6. Finance income and expenses

Finance income	2025	2024
	\$	\$
Other finance income	171	814

Finance expenses	2025	2024
	\$	\$
Interest expense	12,114	17,000

7. Auditor's remuneration

	2025	2024
	\$	\$
Auditing the financial statements	22,600	16,900
Other remuneration of the auditor for allowable services	14,370	4,770
Total Remuneration of the auditor	36,970	21,670

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

7. Auditor's remuneration (continued)

Other services include assistance with the preparation of the financial report, ASIC lodgements and compliance, BAS lodgements, superannuation lodgements, conversion of the fixed assets and depreciation from Pulse to Xero, and MYOB training for new staff.

8. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

9. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2025	2024
	\$	\$
Profit for the year	186,490	27,197
Add / (less) non-cash items:		
(Profit) / loss on sale of assets	(14,192)	212
Depreciation and amortisation	251,778	239,012
Changes in assets and liabilities:		
(increase) / decrease in receivables	(40,119)	(432)
(increase) / decrease in inventories	4,926	3,751
(increase) / decrease in other assets	(99,988)	(1,917)
increase / (decrease) in payables	158,315	21,545
increase/ (decrease) in provisions	-	(19,295)
increase / (decrease) in employee benefits	5,144	(45,348)
increase / (decrease) in other liabilities	21,528	33,796
Cash flows from operations	473,882	258,521

10. Trade and other receivables

Current	2025	2024
	\$	\$
Trade receivables	26,485	5,391
ATM and EFTPOS settlements receivable	29,115	10,090
Trade and other receivables	55,600	15,481

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

11. Inventories

a. Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

b. Inventory details

Current	2025	2024
	\$	\$
At Cost		
Stock on Hand - Bar	43,255	48,181
Total Inventory	43,255	48,181

12. Other assets

Current	2025	2024
	\$	\$
Prepayments	105,184	5,196

13. Property, plant and equipment

a. Accounting policy

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

i. Land and buildings

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation and impairment losses for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct their own valuations to ensure that the carrying amount for the land and buildings is not materially different to their fair value.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

13. Property, plant and equipment (continued)

a. Accounting policy (continued)

i. Land and buildings (continued)

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against this reserve directly in equity; all other decreases are charged to the statement of profit or loss and other comprehensive income. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

ii. Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

iii. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use. The depreciation rate used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land	0 %
Buildings and building improvements	2.5 - 5 %
Plant and equipment	5 - 100 %
Bowling Greens	6.67 - 10 %

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. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

13. Property, plant and equipment (continued)

b. Property, plant and equipment details

Summary	2025 \$	2024 \$
Land		
Land at valuation	2,977,000	2,977,000
Buildings		
Buildings and improvements at valuation	1,665,152	1,665,152
Accumulated depreciation - buildings	(89,198)	(44,144)
Total Buildings	1,575,954	1,621,008
Plant and equipment		
Plant and equipment at cost	1,960,621	1,771,216
Accumulated depreciation - plant and equipment	(1,083,971)	(964,429)
Total Plant and equipment	876,650	806,787
Bowling Greens		
Bowling Greens at Cost	623,012	623,012
Accumulated depreciation - Bowling Greens	(376,003)	(338,996)
Total Bowling Greens	247,009	284,016
Total Property Plant and Equipment	5,676,613	5,688,811

Movements in carrying amounts:

2025	Land \$	Buildings \$	Plant and equipment \$	Bowling Greens \$	Total \$
Opening balance	2,977,000	1,621,008	806,787	284,016	5,688,811
Additions	-	-	279,726	-	279,726
Disposals	-	-	(40,146)	-	(40,146)
Depreciation	-	(45,054)	(169,717)	(37,007)	(251,778)
Closing balance	2,977,000	1,575,954	876,650	247,009	5,676,613

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

13. Property, plant and equipment (continued)

b. Property, plant and equipment details (continued)

The Company's land and buildings were revalued at 31 May 2023 based on the valuation by an independent valuer in March 2023. Valuations were made on the basis of fair value in accordance with *AASB 13 Fair Value Measurement*, which defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. This revaluation resulted in an increase in the carrying amount of land and buildings of \$1,391,966 for the year ended 31 May 2023, which was recognised in Other Comprehensive Income and accumulated in equity under the heading Revaluation Surplus for the year ending 31 May 2023. The directors have reviewed the key assumptions adopted by the valuer in March 2023 and do not believe there have been any significant changes in the assumptions or market at 31 May 2025, and therefore no revaluation changes have been recorded in the current year.

14. Intangible assets

a. Accounting policy

The intangible assets shown in the financial statements represent poker machine entitlement licences purchased by the Club. It is considered that the life of the entitlements is indefinite, so the cost cannot be amortised. However, under the applicable accounting standards, intangible assets must be tested annually for impairment. Impairment on an asset occurs when the value of the carrying amount exceeds the recoverable amount. When this occurs the value of the asset must be reduced to the lower amount with the resulting loss being shown in the Statement of Comprehensive Income. The total write-down recognised to date is \$20,000 as shown below. No movement was recognised this or last year as the estimated value in use of the Cash Generating Unit exceeds the carrying amount.

The company holds other poker machine entitlements that were acquired at no cost (prior to the change in legislation in March 2000). Under the applicable accounting standards these cannot be recognised as they have no cost. However, they do retain a market value.

b. Intangible asset details

	2025	2024
	\$	\$
Other intangible assets		
Poker Machine Entitlements	113,171	113,171
Less Accumulated Impairment	(20,000)	(20,000)
Total intangible assets	93,171	93,171

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

15. Trade and other payables

Current	2025	2024
	\$	\$
Trade payables	123,465	87,981
GST and PAYG payable	15,896	17,401
Accrued expenses	54,190	13,411
Premium Funding Loan	95,129	-
Superannuation payable	5,005	11,473
Total trade and other payables	293,685	130,266

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

16. Borrowings

Current	2025	2024
	\$	\$
Bank loans	20,683	86,930

Non-current	2025	2024
	\$	\$
Bank loans	10,094	14,392

a. Summary of borrowings

(i) In October 2018, the Club refinanced the commercial variable rate loan over a term of 25 years with monthly repayments of principal and interest payments. The interest rate was 8.11% at report date. The balance at 31 May 2025 was \$30,626 and the redraw amount available at that date was \$162,947.

(ii) A Business Line of Credit facility of \$100,000, repayable by variable interest only payments. The balance for this facility at 31 May 2025 was \$151 and the balance available was \$99,849.

b. Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

16. Borrowings (continued)

c. Collateral provided

The debt is secured by registered first mortgages over land and improvements, being the Club premises at Nelson Street, Nambucca Heads, and the properties at 17 & 19 Bank Street, Nambucca Heads, together with an equitable mortgage over all of the assets of the Club including the liquor license. The carrying amounts of these assets pledged as security are set out in notes (8) to (13) in these financial statements.

17. Employee benefits

a. Accounting policy

Provision is made for the Company's liability for employee benefits, those 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, plus related on-costs.

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. The effect of discounting is not considered material and therefore has not been performed. Changes in the measurement of the liability are recognised in profit or loss.

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

b. Employee benefit details

Current	2025 \$	2024 \$
Long service leave	3,457	1,652
Annual leave	18,377	15,038
Total current employee benefits	21,834	16,690

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

18. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists.

i. Lessee accounting

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 or the life of the asset on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

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. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Company as a lessee

The Company has leases for the purchase of poker machine equipment.

i. Terms and conditions of leases

Lease liabilities relate to the purchase of poker machines and the related Type 4 licenses for terms of 36 months and expiring in January 2025, March 2026 and June 2026. The liabilities are secured by the underlying assets. The carrying amount of the underlying right of use assets at 31 May 2025 is \$169,397, which is included in the total plant and equipment balance in note 13 of these financial statements.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

18. Leases (continued)

b. Company as a lessee (continued)

ii. Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	2025	2024
	\$	\$
< 1 year	52,184	81,016
1 - 5 years	2,372	54,556
Total undiscounted lease liabilities	54,556	135,572

Lease liabilities included in the statement of financial position	56,928	135,411
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iii. Statement of profit or loss and other comprehensive income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to short-term leases or leases of low value assets, depreciation of right of use assets, and interest expense on lease liabilities are shown below:

	2025	2024
	\$	\$
Expenses relating to short term and low value leases	8,374	2,376
Depreciation of right-of-use assets	42,359	47,692
Interest expense on lease liabilities	161	933
Total lease expenses in the Statement of profit or loss	50,894	51,001

19. Other liabilities

Current	2025	2024
	\$	\$
Members E Purse	9,882	4,266
Tournaments in Advance	16,018	12,759
Sponsorship in Advance	28,207	14,775
Subscriptions in Advance	11,393	12,172
Total Other liabilities	65,500	43,972

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

20. Financial risk management

Financial assets	2025	2024
	\$	\$
Cash and cash equivalents	253,365	148,795
Trade and other receivables	55,600	15,481
Total financial assets held at amortised cost	308,965	164,276

Financial liabilities	2025	2024
	\$	\$
Trade and other payables	293,685	130,266
Borrowings	30,777	101,322
Lease liabilities	56,928	135,411
Total financial liabilities at amortised cost	381,390	366,999

21. Reserves

	2025	2024
	\$	\$
Revaluation surplus	3,248,222	3,248,222

The asset revaluation reserve records fair value movements on land, buildings and land improvements held under the revaluation model.

22. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 May 2025 (2024: None).

23. Related parties

a. The Company's main related parties are as follows:

The remuneration paid to key management personnel of the Company is \$131,457 (2024: \$93,604). Other related parties include close family members of key management personnel (including Directors) and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Nambucca Heads Bowling & Recreation Club Limited

Notes to the financial statements

For the year ended 31 May 2025

23. Related parties (continued)

b. 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. During the year, the following related party transactions occurred:

- Payments to Terminator Ant and Pest Control totaling \$2,500 (plus GST). The owner of Terminator Ant and Pest Control is a close family member of Kenneth Rostron who is a Director of the Nambucca Heads Bowling & Recreation Club Ltd.

24. Events occurring after the reporting date

The financial report was authorised for issue by the Board of Directors on 6 August 2025.

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

25. Statutory information

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

Nambucca Heads Bowling & Recreation Club Limited
12-18 Nelson Street
NAMBUCCA HEADS New South Wales Australia
2448

Nambucca Heads Bowling & Recreation Club Limited

Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the year ended 31 May 2025 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 31 May 2025 and of the performance for the year ended on that date of the Company.

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.



Kenneth Rostron
Director/Chairman



Graeme Porter
Director/Treasurer

Dated: 06 August 2025

Independent audit report to the members of Nambucca Heads Bowling & Recreation Club Limited

Report on the audit of the financial report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Nambucca Heads Bowling & Recreation Club Limited (the Company), which comprises the statement of financial position as at 31 May 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

In our opinion, 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 31 May 2025 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 Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this audit report is included in the Directors' report and Chairperson's report, but does not include the financial report and our audit report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

MACKSVILLE

18 Wallace Street
PO Box 27
MACKSVILLE NSW 2447
P 02 6568 3000
E macksville@hlv.com.au

NAMBUCCA HEADS

46 Bowra Street
PO Box 8
NAMBUCCA HEADS NSW 2448
P 02 6568 6197
E nambucca@hlv.com.au

URUNGA

15 Bonville Street
URUNGA NSW 2455
P 02 6655 5530
E urunga@hlv.com.au

HLV AUDIT

ABN 70 606 296 431
AAC 478051
W www.hlv.com.au
E info@hlv.com.au
Liability limited by a Scheme approved
under Professional Standards Legislation.

Other Information (continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

A handwritten signature in dark ink, appearing to read 'A Holladay'.

Angela Holladay
Director

A handwritten signature in dark ink, appearing to read 'HLV Audit'.

HLV Audit Pty Ltd

Nambucca Heads, NSW

06 August 2025



