



# **NELSON BAY GOLF CLUB LIMITED ABN 66 001 023 847**

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## **Annual Report & Financial Statements**

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**Year Ended 30 June 2024**

OUR MISSION IS TO:

- Provide a high quality golf course which will challenge & reward golfers of all standards
- Be the best golfing destination in regional New South Wales
- Be a vibrant social hub for our community

## **President's Report**

This report is presented at the 63<sup>rd</sup> AGM of the Nelson Bay Golf Club on behalf of your Board of Directors.

Please see the Financial Report included for a comprehensive review of the years trading. A small profit of \$75K was obtained which is a skinny return on a turnover of about \$6million. Rising product costs and staff wages continue to be absorbed into our operational expenses. This pressure is a concern for our Club as expenses are increasing at a stronger rate than our revenues. Some of the major increases we will see in the coming years are; rent increase (Crown Lands), electricity, insurance and repairs and maintenance.

A highlight of the year has been our Club being awarded the Clubs NSW Community Awards for Environmental Sustainability. This award was formulated from a combined effort from our hard-working volunteers, the nano bubble irrigation system and other environmental programs such as planting eucalypt trees for koalas, our kangaroo tours and use of hybrid and electric machinery. General Manager, David Lulham and Brooke Ross, compiled an excellent submission that was acclaimed on the night. Well done and congratulations to all who contributed.

This year, our Board introduced an Environmental Committee which supports our Golf Course Committee. Whilst this is only in its infancy, this program will have significant benefits for the Club in future years.

This year, our contracted golf professionals will be retiring, and the operations will now be managed by the Club. Maurie and Maria Moses have done a fantastic job for the Club over the last 31 years, and we thank them for their hard work and commitment during this time. The existing staff will be transferred to the club's operation which will ensure the transition and service offerings for members and visitors will be seamless. Duard Nel was recently employed in the newly created position of Director of Golf and he will oversee the Pro Shop operations. A major renovation of the Pro Shop is currently being planned for mid-2025. This will provide members and visitors with up-to-date merchandise and have the ability to sell food and beverage 7 days a week. This is an exciting time for the Club, and we look forward to seeing this transition through.

This year the Board and Senior Management have commenced reviewing and implementing a new Strategic Plan. This process has included a detailed members' survey on all areas of the Club, a thorough review of the Club's finances including comparisons with key industry benchmarking data and planning for both essential and aspirational capital programs. The key takeaway from completing this process is that our business needs to now increase revenues or diversify the current offering with new business initiatives. The process has been very productive and will ensure our club

continues to prosper for years to come. We expect to finalise the Strategic Plan in late 2024.

Our new fleet of 55 golf carts arrives in early November. The Club will now have complete control of the cart operation rather than the 50% joint venture we had with Moses Golf. The Club has also commenced negotiations with Toro as we aim to replace our golf course machinery in early 2025. Providing our course team with the adequate resources will only continue to enhance our already improving golf course.

Where do you start in noting the Boards appreciation of volunteers input into our Club in various capacities. Obviously on the course we see the cart path program progressing and in addition, the volunteers' many other maintenance roles have been carried out to a high standard. Thank you to those members who contribute toward the match desk, the Bay Buddies program, junior golf and various other unheralded contributions. We really have a great culture at our Club in this regard within our membership.

Our Club is served by almost 70 staff members. On behalf of the Board and everyone at Nelson Bay Golf Club I would like to thank all staff for their support and dedication to our Club.

At the time of writing this, we look forward to extending the contract of our catering team - Blue Water Grill. Will and Tanya, we look forward to another successful term as our caterers.

Thank you to my fellow Board Members; Peri Kennedy, Mark Barden, Jo White, Graeme Luke, John Elsworth and Stuart Phegan for your contributions during the year. I believe we have worked well with GM David Lulham, with many advances achieved during the period.

Peter Fagan  
**President**

## **Captain's Report**

The year ending June 2024 has been a fantastic year for golf. Our golf course continues to improve and flourish with our greens and fairways in tip top condition resulting from our renovation programs and supporting agronomic practices. 2024 has also given us record rainfall which has created challenges for our greenkeeping staff who constantly aim to present our golf course in the best condition possible. The increased rainfall also created many challenges for both the Men's and Lady's Match Committees in rescheduling events. Thank you to our members who were very patient when changes to our events were made.

Our 2023 Men's Club Championships were held in ideal conditions late last year. Our A Grade Winner and Club Champion was Nick Matwijow with a gross score of 303 just 1 shot in front of Lachlan Lawson who was our Runner-Up and Junior Champion. Our B Grade winner was John Clark with a gross score of 358 just 2 shots in front of Scott Bowden. C Grade was won by Nikhil Pillay with a gross score of 373 with Graeme Brown the Runner-up with 383.

Our 2024 Handicap Matchplay Winners and other events for 2024 are as follows:

A Grade – Chris Mawson-Winner, Miles Brunt – Runner-up.

B Grade – Leonard Woods-Winner, Mark Twomey – Runner-up.

C Grade – David Hurley-Winner, Don Holland-Runner-up.

Our 2024 Men's Foursomes Champions were Will Marshall & Shaun O'Malley, with the Runners-up being Lachlan Lawson and Peter Gibson.

Our 27 Hole Mixed Foursome Winners were Jenny Frost and Will Semmens. Our Runners-up were Barbara Frost and Lachlan Lawson.

I would also like to congratulate all our Lady winners which are detailed in the Lady President's Report.

It will soon be time for Maurie and Maria Moses to enter a new stage of their lives. I have known them since early 2000 when I first started operating my Golf Tour Business. They were always helpful and looked after me for the next 10 years or so. I wish them well for their future and they will both be sorely missed by all.

I look forward to continuing to work with Warren and our other dedicated Pro Shop staff. Duard Nel, our newly appointed Director of Golf will be responsible for the overall running of the Pro Shop and its operations. A significant change for the Club in the coming months will be our Pro Shop team facilitating and processing our golf competitions. I would like to thank the Match Committee and the team of members who have volunteered their time to process competitions for our members.

A special thanks needs to go to Warren and his dedication to coaching our aspiring juniors and beginner lady groups. These program however would not be possible without all the volunteers who also support Warren. Thank you for your time.

I would also like to thank our clubhouse, reception and administration teams who have supported the Match Committee throughout the year, your hard work is appreciated.

## ***2024 Pennant Reports***

### A Grade Pennant Report

Our A Grade side were promoted to Division 2 after securing the Division 3 Title in 2023. As expected, it was a “Step-Up” in Class. We had season results of 2 wins and 4 losses. Unfortunately, this means that we will be relegated back to Division 3 next year.

The team has every intention of winning Division 3 again next year and get back to where we belong. It was still a great season and we began the Pennant career of Harvey Payne, another one of our fine young junior players.

The Stand-Out 2024 A Grade Pennant “Player of the Series” was Nick Matwijow who played brilliantly at the top of the order including a clutch play-off win in the last round. An honourable mention must go to Shaun O’Malley who also played very well alongside Nick. Thanks to Peter Gibson for Managing the side and providing the above details.

### B Grade Pennant Report (Neil Lembke)

Our B Grade Pennant side were in the sights of the other divisional teams this year as we were looking to make it three B Grade Pennant Flags in a row.

Unfortunately, the team fell one point short of qualifying for the finals to try and defend our title. With a 4/2 win required in our last game against eventual finalists Hawks Nest we went down 3.5 to 2.5 and so our year ended in third place in the northern division.

With four new players in the squad after we lost four previous regulars of our 2023 and 2022 team, the boys put up some great efforts over the 6 rounds of the season. Hopefully next year we can get back up to the top of the division and bring home another flag.

The team put in some fine performances throughout the year with every player contributing wins to get us so close to the finals. Our “Most Valuable Player” was John Morgan who contributed 4.5 points out of a possible 6 points.

### C Grade Pennant Report (Gary Troon)

This year we started out full of hope of reaching the Finals. Our side was very strong with a handicap range from 19.2 to 23.0. Our first game we went down 3.5 to 2.5. We had 2 very good wins 5-1 and 3 draws winning 1 and losing 2 in playoffs. Our team was made up Steve Fogwill, John Fitzgerald, Michael Trigas, Peter Courts, Ian Sandy, Dave Shepard, Peter Sinclair, Ray Carruthers (Captain) and Bob Connor.

We had a great time this year with a good bunch of players and look forward to competing again next year. The “Most Valuable Player” was John Fitzgerald who never gave up, wearing his opponents down in the process.

After many years of playing and Managing C Grade I am standing aside and handing the reins over to Stephen Rigby for 2025. Good luck to Stephen and the Team for 2025.

### Masters Pennant Report

This year saw the return to the series run by Golf NSW. We played some tough matches and held our own but finished “mid field” for the season.

Unfortunately, we did not progress to the next Stage. We will be better for the run and look forward to having another go next year. We blooded a few new players during the Season including our 2024 Masters “Player of the Season” Brad Rostron. Brad has come from a solid “matchplay” career with our B Grade Pennant side and performed brilliantly winning the majority of his matches.

### Super Seniors Pennant Report (Al Daubaras)

A tough season over. It was played during the wet weeks of winter playing in the elements of rain and at times, gale force winds. Nevertheless, the team performed most admirably during all matches and their spirit gave credit to the Club.

The top teams were far too strong, but they were given a “wake-up call” by the boys. With a bit of luck, we would have finished third. The team was great and very easy to manage. Strong performances came from our No1, Dave Warder and our No2, Wayne Finney and Jim Ball down the order.

Mark Barden

**Captain**

## Director of Finance Report

The profit for the financial year ending 30 June 2024 was \$75K. Through to March, we were enjoying a strong position but the last three consecutive months of poor weather had an impact. Despite this, we still achieved a cash positive result and our cash and cash equivalents comfortably exceed members' YE 2025 subscriptions received in advance.

Our net cash from operating activities was \$848K. We spent \$298K on capital expenditure and paid-off our Toro equipment debt of \$213K. Please refer to the Statement of Cash Flows on page 26 of this Report. This allowed us to increase our cash and equivalents by \$337K to almost \$1.5M which places us in a sound financial position.

During the last year it has become more apparent that there are challenges ahead. In the short term we – like all in the small business sector – are confronted with many inflationary challenges. Examples of cost increases are rent, utilities, wage increases, course materials and insurance.

While we currently enjoy a strong position there is a different story for the longer term. In conjunction with the Strategic Planning process this year, the Board has continued to develop a detailed capital expenditure plan. These two sources of information clearly inform us that we need to find new channels of revenue to maintain and improve the standard of the Club's facilities. The Board is planning to explain this for our members in October as part of a presentation on the Strategic Plan. Ongoing, this will be a key focus of your Board and Management.

In the Profit and Loss Statement for the year on pages 46 to 49 of the Annual Report, there are income and expense items where there are significant variances from last year to this year. The following table seeks to provide members with information on these variances and other important information:

Income/Expense Item	YE 2024	YE 2023	Commentary
Bar Income	\$1,973K	\$1,785K	Improvement achieved through the patronage by golfers (particularly in the good weather months); the general popularity of our clubhouse; & the increase in functions.
Functions & Marketing Income <i>(Members should note that beverage revenue from functions is included in the Bar Income item)</i>	\$119K	\$92K	Function activity increased over 2023. Our digital marketing focus & efforts are achieving good results.

Gaming	\$677K	\$727K	While the volume of bets gaming activity generates is relatively consistent year on year, there is typically a variation of net income year on year.
Golf Income	\$1,831K	\$1,528K	A 20% increase attributable to the period of good weather and the popularity of golf & our golfing facilities. If we did not encounter the rainy/windy period the result would have been better.
Other Income	\$1,120K	\$1,075K	The majority of this category is subscription revenue which showed a mostly inflationary increase. Interest received was higher due to more cash on deposit and higher rates. Joining fees are contributing to our revenues. Other Income category improved significantly due to the backlog of apprentice rebates being cleared.
Chemicals, Fertiliser and Repairs and Maintenance Course <i>(These expense lines are grouped as they are the largest of our discretionary expenses)</i>	\$252K	\$213K	Price increases/inflation was the primary contributor to the increase in this expense line. Notwithstanding, the Board remained/s committed to continual positive, sustainable course improvement.
Computer Software and Subscriptions	\$81K	\$68K	Partially due to inflation. Also, to derive operational efficiencies, we have on-boarded a new WHS provider & we upgraded our Function software.
Contractors and Consultants	\$67K	\$23K	Significantly, the extent of tree lopping has been ramped up to improve safety around the course and, also importantly, to promote turf growth. Consultants were engaged to assist with – <ul style="list-style-type: none"> <li>○ our Strategic Planning process,</li> <li>○ Pro Shop uplift/ design; &amp;</li> <li>○ our successful Liquor &amp; Gaming applications.</li> </ul>



Depreciation	\$748K	\$764K	Some assets have been fully depreciated, reducing our depreciation expense.
Electricity and Gas	\$127K	\$118K	Inflationary effects and market forces have impacted.
Insurance	\$133K	\$104K	Contributing factors included – <ul style="list-style-type: none"> <li>○ our insurance cover needed to increase resultant of s re-valuation of our assets; &amp;</li> <li>○ premiums increased due to the volume of claims arising from numerous disasters and clubhouse fires.</li> </ul>
Machinery Parts	\$44K	\$35K	Some course equipment is aging and incurring more maintenance and repair costs. A new fleet of course equipment is scheduled for early 2025.
Repairs and Maintenance Clubhouse	\$74K	\$80K	While lower than last year, we are continuing to invest in maintaining the standard of our Clubhouse. It is now over seven years old. We will need to continue with this program in the coming years to replace items that are showing wear and tear.
Staff Expenses	\$2,412K	\$2,095K	During recruitment and benchmarking processes, it was identified that many of our course staff were significantly under market and over the last two years this has been addressed leading to pay increases above inflation. We also have one extra full time equivalent on the course staff. The Board endorsed both the employee headcount and staff rates of pay.

As noted in last year’s Annual Report, a Working Capital Deficiency of \$99K existed as at 30 June 2023. It was the Directors’ view at the time that the Club would continue as a going concern and that the club would generate significant positive cashflow during the 2024 financial year which would see this deficiency extinguished and this was achieved.

During the year, the club incurred \$308K on capital expenditure as follows:

- Cart paths - \$59K
- 14 & 15 Tees - \$34K
- Bar Furniture - \$66K
- Clubhouse equipment - \$7K
- Course equipment – 17K
- Poker Machines - \$121K
- Computer equipment - \$4K

In the 2025 financial year, we plan to invest more in the Club. More information on this will be provided as part of our Strategic Plan presentation and related communications.

We must acknowledge the work of our volunteers. These hard-working people help our staff in various ways thus saving us money and others, such as the kangaroo tour leaders, help raise money for the club. Thank you!

Also, thank-you to my fellow Directors and to the members of the Finance Committee, viz. Peter Fagan, Niel Bowling, Nathan Lilly and Peter Kent as well as the senior staff – David Lulham and Bill Francis, for their assistance during the year.

John Elsworth  
**Director of Finance**

## **Lady President's Report**

Ladies golf from July 2023 to June 2024 has mostly been uninterrupted with not many rescheduled events. Note some of our annual events do not finish until the following financial year end.

Our Singles Knock-Out for 2023 was completed in July 2023, with congratulations going to the winners:

A Grade Winner: Di Johnson / Runner-Up Sharon Dunn

B Grade Winner: Mary Conway / Runner-Up Marg Reimer

C Grade Winner: Ruth Buchanan / Runner-Up Pam Norman

The 6 Golf NSW ladies medal rounds were completed during the season with the Medal of Medal round being played in July. Sharon Dunn was the 2023 winner of this major prize kindly donated by the clubs' patron Brian Diemar.

In September 2023 we once again held the Ladies Classic kindly sponsored by First National R.E. We had 140/150 registered players on each of the 3 days which included visitors from 27 clubs. Thanks to our Social Committee, the raffles also raised \$2,400 for our nominated charity, Nelson Bay Cancer Patient Transport Group plus \$2000 for Hope Cottage. The winner of this major event was junior member Amy Squires.

Club Championships were held over 3 rounds in October 2023.

Scratch Winners:

A Grade Winner: Jenny Frost / Runner-Up Jenny Bezuidenhout

B Grade Winner: Jenny Hazer/ Runner-Up Wendy Heapy

C Grade Winner: Norma Hocking / Runner-Up Tina Jeggo

Nett Winners:

A Grade Winner: Rita Fitzgerald / Runner- Up Di Moon

B Grade Winner: Marg Reimer / Runner-Up Elizabeth Pfennigwerth

C Grade Winner: Ruth Buchanan / Runner-Up Stephanie McKay

At the November 2023 Ladies AGM we thanked outgoing Committee Members Barbara Frost (Captain) Linda Drake and Ann Turner (Committee Members) for their contributions to ladies golf.

The current Vice Captain Gail Murray very graciously stepped up as Captain, and we welcomed Louise Kerr (Vice Captain) Colleen Beattie and Anita Hutchinson (Committee Members). It was important to the ladies of Nelson Bay they continued to have a full committee to represent them and take on all the challenges that came our way.

The 2023 Presentation of awards were held over a long lunch in November instead of a dinner. This proved very successful with more members attending, all of which participated in recognising the achievements of the players who won during the year.

Christmas Golf and Lunch once again brought out all the festive fun with our ladies dressing up to the occasion as well supporting the Salvation Army at Taylors Beach. We donated a carload of presents for local families in need, plus \$1000 was raised for the Nelson Bay Cancer Transport Group from our generous members. An amazing effort which will be greatly appreciated by many families.

We had 176 players for Gala Day on 8<sup>th</sup> February 2024 which was generously sponsored by Ray White Bill Knaggs Group Real Estate. Our theme of Happy Hippies spilled out onto the course with everyone making the effort to dress up. Our raffle and fun on a couple of the Pars 3 holes raised over \$1600 for Nelson Bay Cancer Patient Transport Group.

Nelson Bay is one of the few golf clubs able to field 3 women's Pennant teams in the Newcastle Hunter District LGA. After the success of the Division 2 team in 2023, we were promoted to Division 1 this year and finished a creditable 4th out of 7 teams. In Bronze North we finished 4th out of 6 teams and the Weekend Pennants team we completed the trifecta with another 4th overall. We will be fielding 3 teams again in 2025. Our thanks go to Port Stephens Home Centre for sponsoring the club shirts.

The ladies 4BBB Knock Out Championships were completed by April, Congratulations go to:

A Grade Winners: Peri Kennedy & Mary Conway / Runners-Up Linda Drake & Julie Newsham

B Grade Winners: Gwenda Bates & Chris Ledingham / Runners Up Norma Hocking & Janice Ingleton

After being postponed, 27 Hole Foursome Championships finally took place in May with a smaller field on a very cold and wet day; Congratulations go to:

A Grade Gross Winners: Rita Fitzgerald & Barbara Frost / Runners-Up Robyn Rocher & Jenny Frost

A Grade Nett Winners: Di Johnson & Heather Atkins / Runners Up Julie Newsham & Linda Drake

We had no B Grade due to lack of numbers.

Our annual Breast Cancer awareness golf day in March was a wonderful day for all that attended. Delta Airlines once again donated 2 return flights to US which together with raffles, 100 boards and kind donations enabled us raise over \$24,000 for the local charity.

Thanks go to everyone who sponsored, played, supported, and volunteered for this great event.

We have now completed 3 years of our Bay Buddies programme, and it is still very much an integral part of introducing ladies to the world of golf. To sustain growth of lady's golf at Nelson Bay this initiative is paramount. Sincere thanks go to Anne Turner (who was a founder of the programme) and Roz Manley; they both continue to organise the 2 days a week of mentoring. But all would be lost if we did not have the support of all our lady members who continuously volunteer as mentors each year; we truly appreciate your work and dedication.

Our efforts with new lady members have seen no decline in numbers since last year, but we do have a different breakup of categories.

The ladies' memberships for Year End June 2024 are 323 (Same as last year but with more FPM)

Full Playing – 128	Country – 25	Cadets - 6
Flexi – 84	Social Playing – 39	Jnr -6
Limited Day – 33	LM – 2	Full U35 -0

The 9-hole competition every Tuesday is seeing more ladies play and providing them with confidence to move to 18-hole competitions. The committee are scheduling more 18-hole games to integrate beginners and learn new game types.

To the Board, Management and Administration Staff of Nelson Bay Golf Club, thank you all. It has again been a pleasure to work with you all this past year.

The administration staff are very patient and always supportive of our requests. We approach the big events as a team, working together to make it a very special and seamless day for everyone.

Greg Stynes and his team have the never-ending task of keeping our course looking pristine, whilst managing the challenges of nature during the seasons. Together with the hard-working volunteers, we can all be proud of our golf course.

Tanya, Will and staff at Blue Water Grill continue provide a great restaurant within the club. The ladies organise numerous events during the year, and we have confidence in knowing they will deliver a sumptuous meal every time.

Our thanks go to the Pro Shop team for all their assistance, especially Maurie and Maria who have decided to retire after 30 years with Nelson Bay Golf Club. Our best wishes for a well-deserved retirement to you both. The ladies will now look to forging a new relationship working with Duard Nell, our Director of Golf. Warren, who will remain as a club pro, will be an integral part in coaching our Bay Buddies and other members of the club.

This is my final report as Ladies President, and over the past 3 years I have witnessed many positive changes take place and expect to see more in 2025. We have a wonderful golf club and I feel honoured to have been a small part of the evolution. To each lady member, thank you for your support and encouragement, I do hope I have fulfilled the role to your expectations. To the ladies committee and the social committee, my sincere thanks for all your time volunteering and working together as a team to make the ladies golf and events run smoothly each week.

Jeannie Punshon  
**Ladies President**

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# NELSON BAY GOLF CLUB LIMITED

ABN 66 001 023 847

## Annual Financial Report 30 June 2024

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### Nelson Bay Golf Club Limited

### Directors' Report

The Directors present their report together with the financial statements of Nelson Bay Golf Club Limited (the Company) for the year ended 30 June 2024.

### Directors

The Directors of the company in office at any time during or since the end of the financial year are:

	<b>Appt</b>	<b>Resigned</b>	<b>Occupation</b>	<b>Position</b>	<b>Years as Director</b>
Peter Fagan	30.11.2020		Project Manager	President	21
David Lulham	12.10.2022		Management Consultant	Secretary	1
Keith Campbell	21.10.2013	27.11.2023	Retired - Newspaper Editor	Finance Director	10
Mark Barden	29.11.2020		Retired – Tour Operator	Captain	3
Joanne White	24.08.2018		Retired – Retailer	Director	5
Graham Luke	27.01.2023	25.07.2024	Retired – Sales Manager	Director	1
Stuart Phegan	03.09.2020		WH&S Consultant	Director	4
Peri Kennedy	29.11.2021		Image Consultant	Director	3
John Elsworth	27.11.2023		Retired – Company Director	Director	1

# **Nelson Bay Golf Club Limited**

## **Directors' Report**

### **Objectives**

- Provide a high-quality golf course which will challenge and reward golfers of all standards.
- Be the best golfing destination in regional New South Wales.
- Be a vibrant hub for our community.
- Generate sufficient positive cash flow to finance current and future capital expenditure.

### **Principal Activity**

The principal activity of the company during the year has continued to be promotion of the game of golf and provision of golfing facilities for members and their guests.



# Nelson Bay Golf Club Limited

## Directors' Report

### Directors' Meetings

The number of meetings of the company's Board of Directors (the Board) held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	<b>Meetings Held</b>	<b>Meetings Attended</b>
Peter Fagan	12	11
Mark Barden	12	11
Joanne White	12	10
Stuart Phegan	12	9
Peri Kennedy	12	11
Graham Luke	12	11
John Elsworth	7	7

### Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2024 and the comparison with last year is as follows:

	<b>2024</b>	<b>2023</b>
Life Members	4	5
Golf Members	1,163	1,212
Non Golf Members	6,265	6,242
Junior Golf Members	59	56
Total	<u>7,491</u>	<u>7,515</u>

### Members' Limited Liability

In accordance with the Constitution of the company every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. At 30 June 2024, the total amount that members of the company are liable to contribute if the company is wound up is \$14,982 (2023: \$15,030).

# Nelson Bay Golf Club Limited

## Directors' Report

### Operating Result

The net profit for the year was \$74,821 compared with a profit of \$60,046 for the prior year. This result was after charging \$747,892 (2023: \$763,683) for depreciation. The table below shows a reconciliation of the Club's earnings before interest, income tax, depreciation and amortisation.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Profit/ (Loss)</b>	74,821	60,046
<b>Net Profit/(Loss) after income tax attributable to members</b>	74,821	60,046
<b>Add Back:</b>		
Finance Costs	21,207	22,061
Depreciation	747,892	763,683
<b>EBITA</b>	843,920	845,789
<b>Total Revenue and Other Income</b>	5,721,485	5,206,753
<b>EBITA % of total revenue</b>	<b>15%</b>	<b>16%</b>

# **Nelson Bay Golf Club Limited**

## **Directors' Declaration**

The directors of the company declare that:

- (1) the financial statements and notes are in accordance with the Corporations Act 2001:
  - (a) Comply with Accounting Standards – Simplified Disclosures described in Note 1 to the financial statements and the Corporations regulations; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year ended on that date in accordance with the accounting policies described in notes to the financial statements.
- (2) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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**Peter Fagan**  
**Director**

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**John Elsworth**  
**Director**

**Dated: 23 September 2024**

**Nelson Bay Golf Club Limited**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF NELSON BAY GOLF CLUB LIMITED**

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

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

**Kelly Partners Hunter Region Partnership**

**Brad Crooks**

**Senior Partner**

**Dated: 23/09/2024**

**Kelly Partners Hunter Region Partnership** ABN 64 934 535 226

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[kellypartners.com.au](http://kellypartners.com.au)

Liability limited by a scheme approved under Professional Standards Legislation



## Nelson Bay Golf Club Limited

### Independent Auditor's Report to the members of Nelson Bay Golf Club Limited

#### Opinion

We have audited the financial report of Nelson Bay Golf Club Limited (the Company), which comprises the statement of financial position as at 30 June 2024, 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 material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Nelson Bay Golf Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for Opinion

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

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

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

#### Other Information

The directors are responsible for the other information. The other information comprises the directors' report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

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

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

Kelly Partners Hunter Region Partnership ABN 64 934 535 226

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

Kelly Partners Hunter Region Partnership

Brad Crooks  
Senior Partner  
RCA 488544

Dated: 23/09/2024

**Kelly Partners Hunter Region Partnership** ABN 64 934 535 226

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## Nelson Bay Golf Club Limited

### Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Revenue</b>			
Bar		1,973,088	1,785,424
Functions & Marketing		119,758	91,579
Gaming		677,103	726,833
Golf Course		1,831,083	1,528,075
Other Income		1,120,453	1,074,842
<b>Total Revenue</b>	<b>1</b>	<b><u>5,721,485</u></b>	<b><u>5,206,753</u></b>
<b>Cost Of Goods Sold</b>			
Bar		(722,508)	(661,485)
Gaming		(29,748)	(36,884)
Golf		(214,388)	(187,149)
<b>Total Cost of Goods Sold</b>		<b><u>(966,644)</u></b>	<b><u>(885,518)</u></b>
<b>Gross Profit</b>		<b><u>4,754,841</u></b>	<b><u>4,321,235</u></b>
<b>Expenses</b>			
Employee benefits		(2,412,255)	(2,094,977)
Depreciation and amortisation		(747,892)	(763,683)
Finance costs	<b>2</b>	(21,207)	(22,061)
Other	<b>3</b>	(1,498,666)	(1,380,469)
<b>Total Expenses</b>		<b><u>(4,680,020)</u></b>	<b><u>(4,261,189)</u></b>
<b>Profit (loss) before income tax</b>		<b><u>74,821</u></b>	<b><u>60,046</u></b>
Income tax expense	<b>4</b>	-	-
<b>Profit (loss) for the year</b>		<b><u>74,821</u></b>	<b><u>60,046</u></b>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

# Nelson Bay Golf Club Limited

## Statement of Financial Position as at 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,458,664	1,121,466
Trade and other receivables	6	293,613	217,829
Inventories	7	127,099	144,301
<b>TOTAL CURRENT ASSETS</b>		<u>1,879,376</u>	<u>1,483,596</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	12,277,793	12,727,669
<b>TOTAL NON-CURRENT ASSETS</b>		<u>12,277,793</u>	<u>12,727,669</u>
<b>TOTAL ASSETS</b>		<u>14,157,169</u>	<u>14,211,265</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	397,928	388,002
Borrowings	10	131,208	215,985
Provisions	11	217,416	191,568
Other Liabilities	12	809,795	787,315
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,556,347</u>	<u>1,582,870</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	59,487	47,722
Borrowings	10	-	128,384
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>59,487</u>	<u>176,106</u>
<b>TOTAL LIABILITIES</b>		<u>1,615,834</u>	<u>1,758,976</u>
<b>NET ASSETS</b>		<u>12,541,335</u>	<u>12,452,289</u>
<b>EQUITY</b>			
Retained earnings	14	12,541,335	12,452,289
<b>TOTAL EQUITY</b>		<u>12,541,335</u>	<u>12,452,289</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes



# Nelson Bay Golf Club Limited

## Statement of Changes in Members' Funds for the Year Ended 30 June 2024

	Retained Earnings \$
<b>Balance at 1 July 2022</b>	12,392,243
Profit for the year	60,046
<b>Balance at 30 June 2023</b>	<u>12,452,289</u>
<b>Balance at 1 July 2023</b>	12,452,289
Profit for the year	74,821
NBGC Ladies Fund	14,225
<b>Balance at 30 June 2024</b>	<u>12,541,335</u>

The Statement of Changes in Members Funds should be read in conjunction with the accompanying notes

## Nelson Bay Golf Club Limited

### Statement of Cash Flows for the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		5,455,143	5,238,461
Payments to suppliers and employees		(4,606,769)	(4,761,466)
<b>Net cash provided by operating activities</b>	<b>15</b>	<u>848,374</u>	<u>476,995</u>
<b>Cash flows from investing activities</b>			
Payment for property, plant and equipment		(298,015)	(462,532)
<b>Net cash provided by investing activities</b>		<u>(298,015)</u>	<u>(462,532)</u>
<b>Cash flows from financing activities</b>			
Borrowings		(213,161)	(132,760)
<b>Net cash provided by financing activities</b>		<u>(213,161)</u>	<u>(132,760)</u>
Net increase / (decrease) in cash held		337,198	(118,297)
Cash and cash equivalents at beginning of financial year		<u>1,121,466</u>	<u>1,239,763</u>
Cash and cash equivalents at end of financial year	<b>15</b>	<u>1,458,664</u>	<u>1,121,466</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes

# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **About This Report**

Nelson Bay Golf Club Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a not-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Nelson Bay Golf Club Limited as a standalone legal entity.

The financial statements are general purpose financial statements which:

- This financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.
- This financial report complies with AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities as issued by the Australian Accounting Standards Board (AASB).
- The financial report has been prepared on an accruals basis and is based on historical costs, except for assets held for sale which have been measured at fair value. The financial report is presented in Australian Dollars.
- Where necessary comparative information has been restated to conform with changes in presentation in the current year.
- Adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Company and effective for reporting periods beginning on or after 1 July 2023; and
- Have been prepared on a going concern basis.

#### **The notes to the financial statements**

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the company. Information is considered material and relevant if, for example:

- The amount in question is significant because of its size or nature;
- It is important for understanding the results of the company;
- It helps to explain the impact of significant changes in the company's business – for example, acquisitions and impairment write downs; and
- It relates to an aspect of the Company's operations that is important to its future performance.

#### **New or amended Accounting Standards and Interpretations adopted**

The Club has adopted all 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.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 1. Revenue and Other Income

	2024	2023
	\$	\$
<b>Revenue</b>		
<b>Operating</b>		
Sale of Goods	1,973,088	1,785,424
Services	2,627,944	2,346,487
	<u>4,601,032</u>	<u>4,131,911</u>
<b>Non Operating</b>		
Other Income	186,294	184,831
Subscriptions	934,159	890,011
	<u>1,120,453</u>	<u>1,074,842</u>
<b>Total Revenue</b>	<u>5,721,485</u>	<u>5,206,753</u>

### Revenue Recognition

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

#### Sale of Goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) on the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

#### Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised when the services are provided.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for the Year Ended 30 June 2024

### 1. Revenue and Other Income (continued)

#### 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.

#### Other Income

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental cost) and is recognised as other income at the date control of the asset passes to the buyer.

### 2. Finance Costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically, for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 3. Other Expenses

Other Expenses for the Year Ended 30 June 2024 includes all operating expenses with the exception of Cost of Goods Sold, Employee Benefits, Finance Costs and Depreciation.

### 4. Income Tax

(a) Income Tax Expense

The club is exempt from income tax under Division 50-45 of the Income Tax Assessment Act 1997.

- i. The club did not carry on for purposes of profit or gain for individual members.
- ii. The club engaged in encouragement of game/sport and
- iii. The main purpose of the club was encouragement of a game/sport.

### 5. Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash At Bank	1,268,755	964,657
Cash Balance	128,951	128,959
EFT Balance	32,708	-
Floats	28,250	27,850
<b>Total Cash and Cash Equivalents</b>	<b><u>1,458,664</u></b>	<b><u>1,121,466</u></b>

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 6. Trade and Other Receivables

	2024	2023
	\$	\$
Trade & Other Receivables	293,613	217,829
	<u>293,613</u>	<u>217,829</u>

#### Recognition and Measurement

Trade and other receivables represent the receivables outstanding at the end of the reporting period for goods and services received provided by the company during the reporting period, which remain unpaid. The balance is recognised as a current asset.

### 7. Inventories

	2024	2023
	\$	\$
<b>At cost:</b>		
Stock On Hand	127,099	144,301
	<u>127,099</u>	<u>144,301</u>

#### Recognition and Measurement

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

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 8. Property, Plant and Equipment

	2024	2023
	\$	\$
Clubhouse Land at Cost	<u>202,566</u>	<u>202,566</u>
Clubhouse Building at Cost	8,240,716	8,240,716
Less Accumulated Depreciation	<u>(1,416,950)</u>	<u>(1,210,933)</u>
	<u>6,823,766</u>	<u>7,029,783</u>
Course Plant & Fixtures	4,574,153	4,471,698
Less Accumulated Depreciation	<u>(1,572,102)</u>	<u>(1,247,951)</u>
	<u>3,002,051</u>	<u>3,223,747</u>
Car Park & Clubhouse Surrounds	281,141	281,141
Accumulated Depreciation	<u>(89,913)</u>	<u>(76,126)</u>
	<u>191,228</u>	<u>205,015</u>
Course Building	322,934	322,934
Less Accumulated Depreciation	<u>(235,408)</u>	<u>(231,034)</u>
	<u>87,526</u>	<u>91,900</u>
Lease In Perpetuity No 1958/55	<u>30,000</u>	<u>30,000</u>
Greens & Tees	212,181	177,959
Less Accumulated Depreciation	<u>(21,264)</u>	<u>(16,462)</u>
	<u>190,917</u>	<u>161,497</u>
Motor Vehicle	78,155	78,155
Less Accumulated Depreciation	<u>(67,332)</u>	<u>(62,449)</u>
	<u>10,823</u>	<u>15,706</u>
Plant Fixture & Fittings	1,426,041	1,349,405
Less Accumulated Depreciation	<u>(890,967)</u>	<u>(795,939)</u>
	<u>535,074</u>	<u>553,466</u>
Poker Machines	875,381	852,609
Less Accumulated Depreciation	<u>(612,459)</u>	<u>(606,521)</u>
	<u>262,922</u>	<u>246,088</u>
Course Extensions	<u>940,921</u>	<u>940,921</u>
Work In Progress	<u>-</u>	<u>26,980</u>
<b>Total property, plant and equipment</b>	<u><u>12,277,793</u></u>	<u><u>12,727,669</u></u>



# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 8. Property, Plant and Equipment (continued)

	Land \$	Building & Improvements \$	Plant & Equipment \$	Total \$
<b>2023</b>				
<b>Carrying amount at 01 July 2022</b>	202,566	8,713,963	4,112,288	13,028,818
Additions	-	38,325	467,251	505,576
Disposals	-	-	(71,567)	(71,567)
Depreciation Write Back	-	-	28,525	28,525
Depreciation Expense	-	(227,315)	(536,368)	(763,683)
<b>Carrying amount at 30 June 2023</b>	<b>202,566</b>	<b>8,524,973</b>	<b>4,000,129</b>	<b>12,727,669</b>
<b>2024</b>				
Additions	-	-	307,556	307,556
Disposals	-	-	(98,451)	(98,451)
Depreciation Write Back	-	-	88,911	88,911
Depreciation Expense	-	(228,981)	(518,911)	(747,892)
<b>Carrying amount at 30 June 2024</b>	<b>202,566</b>	<b>8,295,992</b>	<b>3,779,234</b>	<b>12,277,793</b>

# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **Property, Plant and Equipment**

#### **Recognition and Measurement**

All property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Work in progress is stated at historical cost. No depreciation is applied until the asset is brought into use and is transferred from work in progress to the other plant, property and equipment categories.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated using the straight line/ diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings 40 years  
Plant Fixtures & Fittings 5 to 20 years  
Poker machines 4-5 years  
Plant and equipment 5 to 20 years  
Motor Vehicles 6 to 10 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

#### **Freehold Property**

Freehold land and buildings are shown at costs less where applicable accumulated depreciation and any impairment losses.

# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **Property, Plant and Equipment (continued)**

#### **Significant Judgements**

##### **(i) Impairment of Assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

##### **(ii) 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 and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 9. Trade and Other Payables

	2024	2023
	\$	\$
Trade & Other Payables	397,928	388,002
	<u>397,928</u>	<u>388,002</u>

#### Recognition and Measurement

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

### 10. Borrowings

CURRENT	2024	2023
	\$	\$
Toro Lease liability	126,226	149,313
Hire Purchase Liability	-	-
Irrigation Project Retention	-	58,942
Credit Card	4,982	7,730
	<u>131,208</u>	<u>215,985</u>
NON CURRENT	2024	2023
	\$	\$
Toro Lease liability	-	128,384
Irrigation Project Retention	-	-
	<u>-</u>	<u>128,384</u>
<b>Total Borrowings</b>	<u>131,208</u>	<u>344,369</u>

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 11. Provisions and Employment Benefits

	2024	2023
	\$	\$
<b>CURRENT</b>		
Provision For Long Service	50,665	32,761
Provision For Annual Leave	166,751	158,807
	<u>217,416</u>	<u>191,568</u>
	<b>2024</b>	<b>2023</b>
	\$	\$
<b>NON CURRENT</b>		
Provision For Long Service	<u>59,487</u>	<u>47,722</u>
	<u>276,903</u>	<u>239,290</u>

### Recognition and Measurement

#### *Wages and Salaries, and Annual Leave*

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

#### *Long Service Leave*

The provision for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date. The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

#### *Provisions*

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 12. Other current Liabilities

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Members Subscriptions in Advance	809,795	787,315
	<u>809,795</u>	<u>787,315</u>

### 13. Financial Risk Management

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Financial Assets		
Cash on Hand and at Bank	1,458,664	1,121,466
Accounts Receivable and Other Debtors	293,613	217,829
Total Financial Assets	<u>1,752,277</u>	<u>1,339,295</u>
Financial Liabilities		
Financial Liabilities at Amortised Cost	131,208	215,985
Accounts Payable and Other Payables	1,207,723	1,175,317
Total Financial Liabilities	<u>1,338,931</u>	<u>1,391,302</u>

#### Recognition and Measurement

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables. Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised immediately as expenses in profit or loss

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024.

### Financial Risk Management ( continued)

#### Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

#### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at cost using the effective interest rate method.

#### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### (iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

## 14. Retained Earnings

	2024	2023
	\$	\$
Retained earnings at beginning of the financial year	12,452,289	12,392,243
Net Profit	74,821	60,046
NBGC Ladies Fund	14,225	-
Retained earnings at the end of the financial year	<u>12,541,335</u>	<u>12,452,289</u>

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 15. Cash Flow Information

#### Reconciliation of Cash

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Cash At Bank	1,268,755	964,657
Cash Balance	128,951	128,959
Eft Balance	32,708	-
Floats	28,250	27,850
	<u>1,458,664</u>	<u>1,121,466</u>

#### Reconciliation of cash flow from operations with Profit

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Net Profit/(Loss)	74,821	60,046
Depreciation	747,892	763,683
Funds Contributed by NBGC Ladies	14,225	-
Changes in assets and liabilities:		
(Increase) decrease in trade and other receivables	(75,784)	34,922
(Increase) decrease in inventory	17,202	(25,713)
Increase (decrease) trade and other payables	9,925	(388,736)
Increase (decrease) in subscriptions in advance	22,480	45,004
Increase (decrease) in provisions	37,613	(12,210)
	<u>848,374</u>	<u>476,995</u>

### 16. Capital and Leasing Commitments

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Not Longer than 1 Year	131,208	215,985
Longer than 1 year but not longer than 5 years	-	128,384
Longer than 5 years	-	-
	<u>131,208</u>	<u>344,369</u>



# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **17. Disclosure of Core and Non-Core Club Property as Required by the Registered Clubs ACT (1976)**

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30 June 2024

a) the following properties are core property of the Club;

The land on which the club premises, car park, carts sheds, green keepers' sheds, golf course and surrounds are situated.

b) the following properties are non-core property of the Club;

The land if any that is owned or occupied by the club that is not core property.

#### **Notes to members:**

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
  - a) the defined premises of the Club; or
  - b) any facility provided by the Club for use of its members and their guests; or
  - c) any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.
3. Non-core property is any 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:
  - a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
  - b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval and appointment of an independent real estate agent or auctioneer.
5. The 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 and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to:
  - a) 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 if any sale is by way of public auction or open tender conducted by a valuer;
  - b) core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunications tower.

# Nelson Bay Golf Club Limited

## Notes to the Financial Statements for Year Ended 30 June 2024

### 18. Key Management Personnel Details

#### Key Management Personnel Compensation

Benefits and payments made to the Directors and Other Key Management Personnel.

Any persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any directors (whether executive or otherwise) is considered to be key management personnel.

#### Key management personnel compensation

	2024	2023
	\$	\$
Salary-including Superannuation	<u>194,884</u>	<u>173,082</u>

### 19. Related Parties

Disclosures relating to key management personnel are set out in Note 18.

#### Directors' Transactions with the Company

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **20. Company Details**

The Club is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the company every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At 30 June 2024 there were 7,491 members.

The registered office of the company is 57 Dowling Street, Nelson Bay, NSW 2315.

### **21. Events Subsequent to Reporting Date**

There are no matters or circumstances that have arisen since the end of the financial year that have 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.

### **22. Summary of Other Significant Accounting Policies**

#### **(a) Goods and Services Tax**

Revenues, 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

#### **(b) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

# **Nelson Bay Golf Club Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2024**

### **22. Summary of Other Significant Accounting Policies (continued)**

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, With external sources of data.

#### **(C) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

## COMPILATION REPORT

We have compiled the accompanying financial data for Nelson Bay Golf Club Limited, which comprise the Profit and Loss statement for the year ended 30 June 2024.

### **The Responsibility of the Directors**

The directors are solely responsible for the information contained in the general-purpose financial report appropriate to meet their needs and for the purpose that the financial statements were prepared.

### **Our Responsibility**

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the director provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

### **Kelly Partners Hunter Region Partnership**

**Brad Crooks**  
**Senior Partner**

**Dated:23/09/2024**

**Kelly Partners Hunter Region Partnership** ABN 64 934 535 226

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# Nelson Bay Golf Club Limited

## PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
<b>Income</b>		
<b>Bar</b>		
Draught Beer	1,005,079	914,186
Packaged Beer	118,068	101,961
Soft Drink	170,182	152,061
Spirits	131,977	125,021
Wine	438,601	388,381
Other	109,181	103,814
<b>Total Bar</b>	<u>1,973,088</u>	<u>1,785,424</u>
<b>Functions and Marketing</b>		
Conferences	21,141	12,084
Corporate Sponsorship	8,367	27,313
Functions	61,417	46,863
Kangaroo Tours	17,543	9,382
Weddings	32,292	18,936
Other	(21,002)	(23,001)
<b>Total Functions and Marketing</b>	<u>119,758</u>	<u>91,579</u>
<b>Gaming</b>		
Poker Machine Income	656,358	702,815
Keno Income	17,505	21,556
Tab Income	3,240	2,462
<b>Total Gaming</b>	<u>677,103</u>	<u>726,833</u>
<b>Golf Course</b>		
Golf Carts	186,795	145,895
Green Fees Members	695,159	625,802
Green Fees Visitors	939,475	753,645
Net Trophy Income	9,654	2,733
<b>Total Golf Course</b>	<u>1,831,083</u>	<u>1,528,075</u>
<b>Other Income</b>		
Subscriptions and Memberships	934,159	890,010
Insurance Proceeds	-	49,000
Interest	32,531	6,715
Joining Fees	26,517	14,091
Other Income	63,319	26,539
Profit On Sale of Assets	-	24,390
Rent	63,927	64,095
<b>Total Other Income</b>	<u>1,120,453</u>	<u>1,074,842</u>
<b>Total Trading Income</b>	<u><u>5,721,485</u></u>	<u><u>5,206,753</u></u>

These statements should be read in conjunction with attached compilation report

# Nelson Bay Golf Club Limited

## PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
<b>Less Cost of Sales</b>		
<b>Bar</b>		
Draught Beer	423,330	382,100
Packaged Beer	47,884	41,820
Soft Drink	53,983	49,798
Spirits	43,664	41,186
Wine	129,214	123,202
Other	24,433	23,379
<b>Total Bar</b>	<u>722,508</u>	<u>661,485</u>
<b>Gaming</b>		
Repairs and Maintenance Poker Machines	24,012	31,148
Sky Channel	5,736	5,736
<b>Total Gaming</b>	<u>29,748</u>	<u>36,884</u>
<b>Golf</b>		
Professional Commission Green Fees	162,388	135,149
Professional Retainer	52,000	52,000
<b>Total Golf</b>	<u>214,388</u>	<u>187,149</u>
<b>Total Cost of Sales</b>	<u>966,644</u>	<u>885,518</u>
<b>Total Trading Gross Profit</b>	<u>4,754,841</u>	<u>4,321,235</u>

These statements should be read in conjunction with attached compilation report

# Nelson Bay Golf Club Limited

## PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
<b>Less Operating Expenses</b>		
Accountancy	3,454	3,164
Advertising and Promotion	38,728	40,862
Affiliation and Golf Link Fees	62,463	66,408
Audit Fees	16,600	13,500
Bank Fees and Borrowing Costs	(816)	16,622
Chemicals	91,791	67,122
Cleaning	93,743	89,189
Computer Software and Subscriptions	81,563	67,600
Contractors and Consultants	68,641	23,021
Depreciation	747,892	763,683
Diesel and Petrol	39,237	36,723
Directors Expenses	6,090	6,577
Electricity and Gas	126,816	117,715
Entertainment	36,103	39,050
Equipment & Consumables	32,309	35,049
Equipment Hire	20,906	15,784
Fees and Permits	5,451	7,316
Fertiliser	89,323	79,193
General Expenses	51,967	31,358
Hire Purchase and Leasing	110,935	106,907
Irrigation	2,870	574
Insurance	133,034	103,864
Interest	21,207	22,061
Legal Costs	-	(6,707)
Loss on Disposal of Assets	9,542	43,042
Machinery Parts	44,367	35,147
Member Rewards	5,884	20,450
Motor Vehicles	4,441	4,967
Pennants	7,645	6,175
Printing, Postage and Stationery	16,115	16,234
Promotional Vouchers	9,473	9,216
Repairs and Maintenance Clubhouse	74,265	79,604
Repairs and Maintenance Course	70,916	66,300
Rates	34,324	39,829
Rent - Land	55,447	52,155
Security Costs	10,059	10,410
Telephone and Internet	15,131	15,810
Travel and Accommodation	7,713	1,403
Volunteers	7,435	3,464
Waste Disposal	14,703	15,375
<b>Total Operating Expenses</b>	<b>2,267,766</b>	<b>2,166,213</b>

These statements should be read in conjunction with attached compilation report



# Nelson Bay Golf Club Limited

## PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
<b>Staff Expenses</b>		
Wages and Salaries	1,990,263	1,713,318
Payroll Tax	46,147	34,960
Provision Annual Leave	23,741	51,550
Provision LSL	27,764	23,155
Superannuation	222,269	187,319
Staff Training, Uniforms etc	63,622	51,641
Workers Compensation	38,449	33,032
<b>Total Staff Expenses</b>	<u>2,412,255</u>	<u>2,094,975</u>
<b>Total Operating and Staff Expenses</b>	<u>4,680,020</u>	<u>4,261,189</u>
<b>Operating Profit/(Loss)</b>	<u>74,821</u>	<u>60,046</u>
<b>Non-Operating Items</b>	-	-
<b>Net Profit/(Loss)</b>	<u>74,821</u>	<u>60,046</u>

These statements should be read in conjunction with attached compilation report