



NELSON BAY GOLF CLUB LIMITED ABN 66 001 023 847

Annual Report & Financial Statements

Year Ended 30 June 2025

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

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President's Report

This report is presented at the 64th AGM of the Nelson Bay Golf Club on behalf of your Board of Directors.

The past year has brought unprecedented challenges, both financially and with extreme weather events. The flooding of the course has been the dominant issue, severely affecting staff and the playability of the course for members. By the time of this AGM, we will have a clearer picture of both the playing capacity of the course and the progress of our insurance claim.

The Financial Report provides a full review of the year's trading. In summary, the Club recorded a modest operating profit of \$50K, a dangerously small margin on a turnover of approximately \$7 million. With the ongoing flood-affected trading in both the clubhouse and on the course, this year's budget is under significant pressure. To keep members fully informed, our General Manager, David Lulham, has been holding member information sessions in the lead-up to the AGM. Attendance has already exceeded 120 members, with feedback confirming the sessions have been both thorough and informative. I encourage all voting members to take part in these one-hour sessions to gain a clear understanding of our financial position and the future direction of our club.

The transition of the Pro Shop from Moses Golf to a club-operated facility was another major undertaking during the year. This involved not only a change of management but also a physical enlargement, complete fit-out, and restocking. Our new Director of Golf, Duard Nel, quickly adjusted to his role and, together with his team, ensured a smooth transition with minimal disruption to members. This move has already proven successful, generating an additional \$200,000 income for the Club.

Further investment has also been made in our operations. A new fleet of 55 carts has been leased, and our course maintenance equipment has been fully upgraded. Unfortunately, inflation has had a major impact, with these necessary purchases costing more than 40% above the prices of previous equipment packages.

I again extend the Board's appreciation to our many volunteers. The contribution of members in areas such as course support, committees, junior development, and countless other roles cannot be overstated. The Club simply could not function at its current level without this dedication.

Thanks, are also due to our staff, whose efforts throughout a difficult year have been outstanding. In particular, I acknowledge Greg Stynes and his greens team for maintaining high-quality playing surfaces under difficult conditions.

Our General Manager, David Lulham, has been an outstanding leader throughout the year. His consistent innovation, tireless work ethic, and unwavering dedication have been central to the progress of our Club. David has not only guided us through challenges with professionalism and foresight but has also introduced new ideas and improvements that continue to strengthen the Club's future. His commitment to both members and staff is deeply valued and has been instrumental in keeping the Club moving forward with confidence.

The Bluewater Grill continues to be a great asset, attracting both visitors and locals with its consistently high standard of meals. With Will and Tanya's contract due to expire later this year, we are hopeful they will choose to continue for another term.

Finally, I would like to acknowledge the work of my fellow Board members. Their commitment and contributions over the year have been significant, and I believe the Board has acted effectively and in the best interests of the Club.

Peter Fagan
President

Director of Finance Report

The profit for the financial year ending 30 June 2025 was \$220K.

Key insights

It is important to note—

1. There were two significant Non-Operating Items:
 - In the 2nd quarter we received income of \$82K from the disposal of the joint venture golf carts; &
 - in the 4th quarter, we received proceeds from the January insurance claim of \$89K.
2. The new Golf Shop made a strong contribution to the club's financial performance. In the period since it was brought "in-house" on 1 November, more than \$200K extra profit has been generated for the Club.

Both (1) & (2) were "lifelines" that enabled us to declare the reported profit.

Weather impacts

Similar to FY2024, our day-to-day operations were adversely affected by weather. July/August 2024 and April/May/June 2025 were very wet months; you no doubt remember. And, there was the storm and black-out in mid-January.

An Insurance claim was lodged for the January storm. Accordingly, we anticipate our insurance premiums will keep increasing.

The rain in April/May/June continued into the 2026 Financial Year, this will have a detrimental impact on future trading. The impacts were covered thoroughly in the newsletters and correspondence with members as well as the local press. Our management deserves a lot of credit for the way they communicated with us.

Not only did we not play golf but there was a loss of trade across all facets of the business and we encountered significant damage on the course.

The success of the latest insurance claim for the July/August event is critically important to our financial position in 2025/26. Management and the Board will be watching this very closely. Without these funds we will be struggling to make a profit in FY2026 and reinvestment and improvement of our facilities will have to be halted.

It will take years to recover fully from what we experienced and, looking ahead, prudent belt tightening will be required. Many of our plans to re-invest in the course and the clubhouse will need to be postponed until the outlook is brighter.

Our Strategic Challenges

Last year we reported that it has become more apparent that there are challenges confronting NBGC finances. Put simply, our expenses are increasing and revenues are just no longer keeping pace with rising costs and expenses are rising significantly more than domestic CPI.

We are confronted with the constraint that subscription increases are capped at domestic CPI. This makes it extremely difficult to meet those costs and expenses.

The situation is becoming more urgent now than it was last year, particularly with the fiscal and reputational damage caused by the flood and storms. This is not sustainable.

Our General Manager has given a series of “open book” presentations so that everyone has a clear picture of the situation. Every member should take the opportunity to participate in these presentations and share their thoughts and opinions. We plan to conduct more sessions.

Given the weather events coupled with depleting available funds, the Board has no other choice other than to raise subscription and fee revenues. Visitor and member playing fees will increase in November 2025. Visitor fees are now in line with other top-level courses in our region (*we previously undersold ourselves given the standard of facilities we have at NBGC*). Importantly, at the Annual General Meeting the Board will be seeking member approval for an increase in subscriptions.

This is not what we like doing; there is clearly no choice. Realistically, other than subscriptions and fees, we have no other major channels of covering our business costs and expenses. To coin a phrase, “that is the nature of the beast”.

Social green fees will have also been identified as a key revenue driver. To this point the Board has approved increasing social green fees by 30%.

Additionally, we are also actively investigating new revenue streams such a mini-golf and a modern driving range that will attract new funds from outside of our core business streams. Diversification is essential for the club’s future.

FY2025 in Review

In the Profit and Loss Statement for the year on pages 44 to 47 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:

	YE 2025	YE 2024	Commentary
Bar Income	\$1,934K	\$1,973K	Apart from poor trade due to weather, beverage sales are declining which is an industry wide trend. It is noted that consumption of wine is growing currently while beer sales slide.
Functions & Marketing Income (<i>Members should note that beverage revenue from functions is included in the Bar Income item</i>)	\$142K	\$120K	The performance of the function activities in the Club continue to increase pleasingly.
Gaming	\$618K	\$677K	Gaming can fluctuate month to month and year to year. There has been a small decline in activity with gaming. Nevertheless, gaming is a handy earner for the Club.
Golf Operations	\$3,721K	\$2,765K	There was a restructure of the business effective 1 November 2024. A new division

			called Golf Operations was created. The new structure has been valuable to the Club as noted above.
Other Income	\$212K	\$186K	This year's result was enhanced by a profit on disposal of poker machines.
Bar Gross Profit	\$63.7%	63.4%	Consistent with our targets and industry standards.
Course (repairs & maintenance; chemicals; fertiliser).	\$235K	\$252K	Slight reduction from last year – mostly due to the inclement weather in the final quarter making it impossible to undertake planned programs.
Affiliation Fees/Golf Link	\$68K	\$62K	Increase in obligatory fees imposed by the governing bodies.
Computer Software and Subscriptions	\$114K	\$81K	We replaced our out-of-date functions and events software and instituted new golf shop software.
Depreciation	\$834K	\$748K	This increase over last year is mostly due to the acquisition of the new golf cart fleet.
Entertainment	\$43K	\$36K	We experimented with more live music in summer. No decision yet on whether or not this will be continued.
Equipment and Consumables	\$39K	\$32K	Most of this item is incurred on the course. The cost of keeping our equipment and the course itself in good shape.
Equipment Hire	\$26K	\$21K	Several of our staff were trained in arborist maintenance and we hired cherry pickers to undertake tree work. This is the main increase from last year.
General expenses	\$66K	\$52K	This item covers a myriad of items incurred throughout the club over the year. There were no stand-outs.
Insurance	\$150K	\$133K	Premiums increased industry wide as a result of various natural disasters.
Interest Carts & Course Equipment	\$54k	\$32k	The increase here is mostly due to the acquisition of the new golf cart fleet in November.
Legal costs	\$10K		Costs incurred this year were related to employment issues.
Machinery Parts	\$38K	\$44K	A slight reduction this year with the old Toro fleet lease coming to an end and the new fleet incurring few costs so far.
Rates	\$40K	\$34K	Council and water rates increased this year.

Rent – Crown land	\$81k	\$55k	From January 2025, our rent has effectively doubled. The increase shown is for the final 5 months of the year.
Repairs and Maintenance Clubhouse	\$90K	\$74K	Yes, our beautiful building is ageing. Nine years old now and necessary repairs to equipment and the structure itself are necessary. Our focus is on preventive maintenance and this is expensive. However, no matter what measures are taken, there are always break-downs and unscheduled events to deal with.
Staff Expenses	\$2,976K	\$2,412K	The major reason for the increase here is the take-over of the Golf Shop in November. In addition, CPI increases to wage rates come through like clockwork.
Waste Disposal	\$21K	\$15K	Increase due to supplier price rises.

Capital Expenditure

We made two major purchases during the financial year, financed through leases –

Golf Carts - Finance Lease	\$865K
Greenkeepers Machinery (Toro machines) – Operating Lease	\$1,188K

Total spend over the year on capital items was \$718.6K against our original budget of \$790K. Key spend on capital items comprised –

Excavator	\$96.7K
Tractor/trailer/tipper	\$19.1K
Renovations - 4 th tee	\$12.5K
Renovations - 9 th tee	\$12.5K
Cart Paths	\$64K
Gas grill (kitchen)	\$26.9K
Gaming machine upgrades	\$105.5K
Golf shop renovations	\$301.5K
Hot water system replacement	\$20.5K

Our net cash from operating activities was \$1.325K. Please refer to the Statement of Cash Flows on page 28 of this Report. This allowed us to increase our cash and equivalents by \$337K to \$1.69M.

Acknowledgements

Congratulations to the Management of the Club, our General Manager and our Accountant in particular, as the budget planning process throughout the year was very strong in a very challenging environment.

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.

We must acknowledge the work of our volunteers who help the NBGC staff in various ways thus saving us money and helping raise money for the Club. Thank you!

John Elsworth
Director of Finance

Membership Report

The 2024–2025 year has been a strong one for membership at Nelson Bay Golf Club, with stable numbers across all categories and continued interest from new members which has seen the Club operating not only a Provisional Membership but also a waiting list. Member engagement remained high throughout the year, with strong participation in competitions and social play.

Our Club continues to provide a welcoming and inclusive environment, offering value and a strong sense of community to members of all ages and playing abilities.

As at 30 June 2025, total golfing membership stood at 1,194 (2024: 1,226) and overall membership 7,498 (2024: 7,491).

In the past year, Nelson Bay Golf Club has seen exciting developments in our community engagement and junior development programs. We were very proud to have our Bay Buddies program named a finalist in the Clubs NSW Clubs and Community Awards, recognising its positive impact in promoting inclusivity and support within the club. Additionally, our junior clinics have experienced significant growth, both on the course and through expanded outreach in local schools. These initiatives are not only introducing more people to the game but also fostering the next generation of golfers in a fun, supportive environment.

Our focus in the coming year will be on improving member satisfaction and engagement. Key goals include continuing to build clear pathways for junior and intermediate membership, establishing a Membership Recognition Program to acknowledge the contributions of longstanding members, and commencing a review of membership categories to ensure they remain relevant and inclusive.

Thank you to all members—longstanding and new—for your continued support and contribution to the club. Special thanks to the Administration Team for their efforts in managing the membership processes, and to all staff and volunteers who enhance the member experience every day.

Nathan Lilly
Director - Membership

Golf Course Management Report

The year began with great promise, as the new nano-bubble irrigation system began delivering noticeable improvements to both the fairways and greens. Unfortunately, this momentum was interrupted by an extended period of extreme wet weather. While frustrating at the time, the course has since bounced back tremendously, with excellent groundwork achieved, highlighting the tenacity and determination of Greg Stynes and his team. I'm sure nobody thought we would be creating a babbling brook and building bridges this year.

As we entered winter, the course was in some of the best condition it has ever been at that time of year. However, back-to-back weather events delivered rainfall not seen since the late 1940s. Over a two-and-a-half-month period, the course received an extraordinary 1,400mm of rain.

This presented significant challenges, but with the renewal of the Club's machinery fleet, we were well-positioned to respond. The upgraded equipment has been critical in enabling us to work towards the course standards Greg has long aimed to achieve.

While the weather has created many setbacks, several positives emerged during this period. We gained a much deeper understanding of the property and its requirements, and we were able to address and improve a number of areas that had long-needed attention. The volunteer group has again made an outstanding contribution, and their work is clearly visible throughout the course. Their efforts have also been redirected to assist with flood recovery, which has been a vital support.

Tree management continues to be a critical and costly element of course operations. Encouragingly, we are beginning to get on top of this important area, particularly in relation to encroachment into ball-flight corridors. This progress will continue to benefit playability and presentation.

A highlight of the year was the visit from Craig Parry, who commenced development of a long-overdue course master plan. His expertise and knowledge have been invaluable during this challenging period, providing guidance and reassurance as we navigate recovery. Importantly, the new master plan has factored in the realities of water management, ensuring that future design decisions reflect the challenges we now know the course can face. Having such an experienced professional developing a master plan gives the Club a strong and trusted reference point for years to come.

With the continual upgrading of the course comes expenses. Again, the volunteers have come to the rescue by stretching our dollar value and providing you with a range of improvements we couldn't afford without them. The club spent over \$64K on cart paths, which has justified the purchase of the excavator, \$97K, and the tipper, \$19K which made up a large part of the overall spend for the year of \$194K. These acquisitions will enable us to continue

the course works that would be too expensive to do as individual capital works over the next few years. The establishment of a nursery green, \$5K, along with new tees on 4 and 9 - \$25K, also shows the Board and Managements' intent to improve our asset. The nursery green in particular, has come at the right time with the damage to the 16th.

I'd like to thank the members for their support and understanding whilst we try to firstly reinstate our course, and then as we continue our improvement program that was rudely interrupted by mother nature.

Gavin Rocher
Director – Golf Course

Match Committee Report

Leadership Changes

Mark Barden resigned from the Match Committee due to health reasons. We extend our sincere thanks to Mark for his hard work and dedication. David Warder has accepted the role, and we also thank David for stepping in and contributing to the committee.

Golf Shop Transition

The transition of the Golf Shop has been very successful with Moses Golf retiring in November 2024. Duard Nel, as Director of Golf, along with the Club Staff, is now administering golf competitions, programs, and overall golf operations. This transition has been extremely successful for our Club, both financially and operationally.

Coaching Success

Coaching programs have been successful across various groups including Juniors, Ladies, and Bay Buddies. Individual lessons have also been well received. Participation in all our coaching clinics is up on previous years and we continue to welcome new golfers to the sport. Special thanks to Warren Moses and Duard Nel for their efforts in coaching.

Junior Representation

Our club's participation in DGA Junior Events has been an excellent initiative. We consistently have 12-15 players in each event, making us by far the most successful junior club in the region. We now look forward to the future years in developing our junior golfers of the Nelson Bay area.

Acknowledgments

We extend our gratitude to the Match Committee and our Ladies Committee for their hard work and dedication throughout the year. Whether it be in attending meetings, managing events, rescheduling programs and tournaments - the amount of work that our committees contribute is significant and our membership should be very appreciative.

Achievements

Congratulations to all our winners during the year. We also thank our members for participating and supporting our key events during the year. The Winners of our major events are noted below:

Men's Club Champion – Shaun O'Malley

Ladies Club Champion – Jenny Frost

Junior Club Champion – Lachlan Lawson

Men's A Grade Nett – Ben George

Men's B Grade Scratch – Yashwant Pillay

Men's B Grade Nett – Paul Wheatley

Men's C Grade Scratch – John Skeoch

Men's C Grade Nett – Rob Connor

Ladies C Grade Nett – Fran Guides

Ladies B Grade Scratch – Jeannie Punshon

Ladies B Grade Nett – Dianne Johnson

Ladies C Grade Scratch – Stephanie
Mckay
Ladies C Grade Nett – Doreen Sutcliffe
Junior Nett – Nikhill Pillay
Senior Club Champion – Cliff Fallan
Seniors Nett – Michael Trigas
Super Senior Champion – David Warder
Super Senior Nett – Ross Lalor
Mixed Foursomes Champion – Will Semmens & Jenny Frost
Mens Foursome Champion – Peter Gibson & Lachlan Lawson

Scratch Match Play
A Grade – Lachlan Lawson
B Grade – Robert Castle
C Grade – Kevin Humphries

Handicap Match Play
A Grade – Chris Mawson
B Grade – Len Wood
C Grade – David Hurley

L&Z Winner – Danny Marmo & Josephine Rickart
Medal of Medals – Yuri Suska

David Lulham
General Manager (On behalf of the Match Committee)

Hospitality & In-House Services Report

Overview

In 2024/5, Nelson Bay Golf Club continued to strengthen its reputation as not only a premier golfing destination but also a leading hospitality venue in the region being a finalist in the Regional Clubs Awards 2024. The Club's in-house operations – including the restaurant, bar, function spaces, and gaming facilities – delivered a consistently high standard of service and experience for members, guests, and visitors.

Restaurant & Dining (Blue Water Grill)

The Club's restaurant maintained strong patronage throughout the year, with positive feedback on both menu variety and food quality. Will and Tanya Semmens have been facilitating the restaurant for over 10 years now. Their seasonal menu updates ensured a balance between classic favourites and modern dining options. Portion sizes and value for money remained competitive within the local hospitality market, and service standards were consistently attentive. Family-friendly dining, along with function catering, contributed to strong overall performance.

Bar & Beverage Service

The bar continued to perform as a social hub, with steady demand from both golfers and the wider community. A wide range of beers, wines, and cocktails was available, with emphasis on local and regional selections. This has helped keep profits consistent with the previous year. Thanks to Terry Hall and his staff for providing a well maintained and efficient service, even during peak periods, and promotions (happy hours, member specials) has helped encourage repeat visitation.

Gaming Facilities

Gaming remained a steady contributor to Club revenue. Machine upgrades and compliance with regulatory requirements ensured a modern, responsible, and welcoming environment for patrons. Staff training on responsible conduct of gaming was well-managed, helping maintain the Club's strong reputation for safe and enjoyable entertainment.

Events & Functions

The Club's facilities were again a popular choice for weddings, corporate functions, and community gatherings. The growth of functions and weddings has increased considerably, on previous years, with a special thank you to Seva Kiprioti and the events team that have provided tailored packages and flexible service, strengthening the Club's profile as a multipurpose venue.

Member & Visitor Experience

Feedback from both members and casual visitors indicated high satisfaction with hospitality services. Customer service training and a focus on welcoming interactions were evident across all in-house operations.

Stuart Phegan

Director – Clubhouse Operations

Governance Report

Nelson Bay Golf Club continues to demonstrate a strong commitment to governance excellence, underpinned by robust processes, legislative alignment, and strategic execution. Our governance framework is not only compliant with relevant legislation but also closely aligned with the Club's Strategic Plan, ensuring that our operations reflect both regulatory expectations and our long-term vision.

Governance Structure and Board Portfolios

In the past year, the Club has successfully implemented a structured allocation of Board Member Portfolios across six key areas:

Finance – John Elsworth

Course – Gavin Rocher

Match – David Warder/Mark Barden

Governance – Peter Fagan & Nathan Lilly

Membership – Nathan Lilly

Hospitality – Stuart Phegan

This transition has significantly enhanced our operational clarity and accountability. Each portfolio has enabled Directors to focus on specific areas of Club management, fostering deeper engagement and more informed decision-making.

The success of this structure is evident in the quality and consistency of board reporting from both Directors and key Managers within the business. These reports reflect active oversight and strategic alignment across all portfolios, with Directors contributing meaningfully to both operational and strategic discussions. Thank you to the above noted Directors for their efforts.

Strategic Plan Implementation

The Club's Strategic Plan is being actively actioned and implemented by our management team. This includes initiatives across financial management, course development, membership engagement, and hospitality services. The Board acknowledges and appreciates the dedication of our management team in driving these initiatives forward. Their efforts have ensured that strategic goals are not only documented but are being translated into tangible outcomes.

Governance Culture and Compliance

Our governance culture remains strong, with Directors consistently upholding a high level of professionalism within our board room. Our Board continues to be updated on many legislative amendments whilst continuing to adhere and adopt existing procedures. Our Board remains focused reinforcing our commitment to continuous improvement through training, education and attending industry events.

Annual Reporting and Transparency

Preparation for the Annual Report in conjunction with our Auditor, has been thorough, with templates and guidance provided to Directors to ensure consistency and relevance. These reports will reflect the Club's performance across all portfolios and will be anchored in both financial outcomes and strategic progress.

Nathan Lilly & Peter Fagan

Director & President – Governance

Lady President's Report

The last 6 months of 2024 saw the playing and culmination of a number of events, including the 24th edition of the Nelson Bay Ladies Classic held in September and sponsored for the 4th year by First National Real Estate. The weather was wonderful, the course was beautiful and we had full fields on all 3 days of competition. \$1,388.00 was raised for the Nelson Bay Cancer Transport Group through raffles and several representatives from the NBCTG raised funds on the 5th hole during the team event on Thursday, encouraging the women to hit the target and win a fortune! Needless to say, all winnings were re-donated to the NBCTG.

The following events were held or finalised during the last few months of 2024:

Club Championships

A Grade – Gross Winner Jenny Frost, runner up Barb Frost

A Grade – Nett Winner Fran Guides, runner up Rita Fitzgerald

B Grade – Gross Winner Jeannie Punshon, runner up Mary Conway

B Grade – Nett Winner Di Johnson, runner up Tina Jeggo

C Grade – Gross Winner Stephanie Mckay, runner up Heather Crutch

C Grade – Nett Winner Heather Crutch

Singles Knockout

Div 1 – 1st Arja Levonpera, 2nd Robyn Rocher

Div 2 – 1st Barbara Clark, 2nd Julie Partridge

Div 3 – 1st Gwenda Bates, 2nd Norma Hocking

4BBB Knockout

Div 1 – 1st Peri Kennedy and Mary Conway, 2nd Julie Newsham and Linda Drake

Div 2 – 1st Gwenda Bates and Chris Ledingham, 2nd Norma Hocking and Janice Ingleton

Foursomes Championship

Gross Winner – Barbara Frost and Rita Fitzgerald

Gross runner up – Jenny Frost and Robyn Rocher

Nett Winner – Heather Atkins and Di Johnson

Nett runner up – Linda Drake and Julie Newsham

Presidents Trophy

Heather Atkins

Captains Trophy

Carmel Parry

Patroness Trophy

Jenny Hazer

Club Medal of Medal
Chris Wright

District Medal
Div 1 – Robyn Rocher
Div 2 – Di McClean
Div 3 – Carmel Parry

District Medal
Div 1 – Sharon Dunn
Div 2 – Chris Wright
Div 3 – Doreen Sutcliffe

In December, our annual Christmas Golf & Lunch saw innovative and imaginative dress-ups in the Christmas Theme. The event was fully subscribed, and it was a festive and fun way to end the year.

Since November 2024, the advent of the Pro Shop being brought in-house has had an impact on the duties of the Ladies Committee. All match desk duties have gradually been appropriated by Duard Nel and his team, and we are grateful for their willingness to work with the challenges presented by the weather conditions and the events that we have been able to hold.

Our first event for 2025 was Aspect Real Estate Gala Day in early February, where the dress-up theme was the Wild West. It never ceases to amaze witnessing the imagination and creativity of the women with their outfits, and it's always a fun way to start the year. Many thanks to Ben George of Aspect Real Estate for his generosity and \$800 was raised for the Nelson Bay Cancer Transport Group.

March is the month when we hold the Tomaree Breast Cancer Charity Day and this was again very generously sponsored by Delta Airlines. Many thanks to Mary Conway for coordinating with Delta Airlines for the 2 return tickets to the USA which raised \$14,717. Surrounding clubs – Pacific Dunes, Hawks Nest, Tanilba Bay and Newcastle – were all represented and dressed up in the spirit of the day.

Pennants

Again Nelson Bay rose to the occasion, fielding 4 teams in the Newcastle Hunter District Ladies Golf Association during April and May, being the only club to do so. Many thanks to Anita Hutchinson as the overall Pennant Captain, for all the organisation and administration required on a weekly basis. Port Stephens Homemaker sponsored our shirts, and looking across the fairways, the pink shirts were immediately distinctive. It was unfortunate that a number of Pennant games were a washout, however we were still able to calculate the Most Valuable Players in each category. They were:

- Weekend - Julie Newsham
- Div 1 - Rita Fitzgerald on a count back from Colleen Beattie and Robyn Rocher
- Div 2 - Wendy Heapy on a count back from Jeannie Punshon and Arja Levonpera
- Bronze - Ruth Buchanan on a count back from Tina Jeggo and Gwenda Bates

Bay Buddies

The Bay Buddies is a nine-hole program for women run by Nelson Bay Golf Club Ladies' Committee as an introduction to the game of golf. The program is designed to promote women's perception, participation and commitment to golf through the development of skills, confidence and knowledge of the sport in a friendly, social environment. The objectives of the program are to make the journey fun and ensure perseverance while increasing women's membership of Nelson Bay Golf Club.

The program, which began in July 2021, is conducted each Wednesday and Saturday afternoons during school terms. In this its fifth year, the Bay Buddies was honoured to be nominated by the NBGC as a participant in the Fostering Grassroots Sport category of 2025 Clubs NSW Awards. The program was named as a finalist.

Since its inception in 2021, 87 Bay Buddies have taken up membership of the club. This represents a 70% retention rate, and our thanks go to Warren Moses and Duard Nel for supporting and endorsing the program.

Financial snapshot for 2024-2025:

- Amounts raised for charities
Tomaree Breast Cancer Group - \$14,717
Nelson Bay Cancer Patient Transport Group - \$2,450
- Year end profit 2024-2025 - \$227

Now to acknowledge the people who make this all possible:

Our sponsors – First National Real Estate, Aspect Real Estate, Delta Airlines and Port Stephens Homemaker. Without them our events would not be the success that they are, attracting full fields utilising the course, the bar and the restaurant facilities.

Greens staff – Greg Stynes and his team have had a particularly challenging year due to the wet weather, that is ongoing. So many thanks to them working in impossible conditions that has enabled us to play throughout the year. Also, to the volunteers without whom we would have lost many more days of play.

Blue Water Grill – unfailingly professional and serving delicious food, Tanya, Will and their team enable us to put on events with confidence and panache.

Pro Shop – such a year of change that has moved the club into an elevated position as a popular destination. It's been wonderful to witness the transformation and many thanks to Duard Nel and all the staff for assisting the women with their different events.

Also, the unfailingly friendly assistance from the bar, events, office and reception staff have ensured that the events we organise have been seamless in their presentation. This has been the cause of much positive comment by visiting players!

Finally, and by no means least, I'd like to thank the Ladies Committee for making my job easier by always being proactive, cheerful and willing to think of new ways to present our events. Our duties have changed considerably this year with the advent of bringing the Pro Shop in-house and in a way, has allowed us to concentrate more fully on the events themselves. My wholehearted thanks to each member, and particularly to Gail Murray, who will be stepping down as Captain. Our best wishes go with you.

Nicky Bethwaite
Lady President

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Financial Report

For the Year Ended 30 June 2025

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Directors' Report 30 June 2025

The directors present their report on Nelson Bay Golf Club Limited for the financial year ended 30 June 2025.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Occupation	Experience as a Director	Appointed	Resigned
Peter Fagan	Director - President	Project Manager	24 Years	30/11/2020	-
Mark Barden	Director - Captain	Tourism / Construction	6 Years	30/11/2020	14/03/2025
John Elsworth	Director of Finance	Finance/ Accountant	2 Years	27/11/2023	-
David Warder	Director - Vice Captain	Textile Chemist	21 Years	25/11/2024	03/09/2025
Peri Kennedy	Director	Image Consultant	4 Years	29/11/2021	25/11/2024
Nathan Lilly	Director	Finance	2 Years	25/11/2025	-
Graeme Luke	Director	Sales	1 Year	08/01/2023	25/07/2024
Stuart Phegan	Director	WH & S Consultant	5 Years	03/09/2020	-
William Rarity	Director	Builder	-	09/09/2025	-
Gavin Rocher	Director	Builder	25 Years	25/11/2024	-
Joanne White	Director	Retail & Sales	6 Years	24/08/2018	25/11/2024

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

Company secretary

The following person held the position of Company Secretary at the end of the financial year:

David Lulham (PGA, Hotels, CEO) has been the Company secretary since 2022. He has over 8 years' experience as company secretary.

Principal activities

The principal activity of Nelson Bay Golf Club Limited during the financial year has continued to be promotion of the game of golf and provision of golfing facilities for members and their guests.

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

Objectives

The Company's objectives are to:

- Provide a high-quality golf course which will challenge and reward golfers of all standards.
- Be a vibrant and welcoming golf and hospitality hub for members and visitors to Nelson Bay.
- Generate sufficient Cashflows to finance current and future capital expenditure.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Directors' Report

30 June 2025

Membership

The company is a company limited by guarantee and is without share capital.

The number of members as at 30 June 2025 and the comparison with last year is as follows:

	2025	2024
Life Members	4	4
Golf Members	1,135	1,163
Non-Golf Members	6,304	6,265
Junior Golf Members	55	59
Total	7,498	7,491

Members' guarantee

Nelson Bay Golf Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2 for members that are corporations and \$ 2 for all other members, subject to the provisions of the company's constitution.

At 30 June 2025 the collective liability of members was \$ 14,996(2024: \$ 14,982).

Operating results and review of operations for the year

Operating result

The profit of the Company for the financial year after providing for income tax amounted to \$ 220,223(2024: \$ 74,821). This result was after charging \$833,512 (2024: 747,892) for depreciation and an insurance claim of \$88,562 received in respect of damage to the front entrance post, which has been recognised as other income.

The table below shows the reconciliation of the Club's earnings before interest, income tax, depreciation and amortisation:

	2025	2024
	\$	\$
Operating Profit	220,223	74,821
Income Tax	-	-
Net profit/(Loss) after income tax attributable to members	220,223	74,821
Add Back:		
Finance Costs	53,600	21,207
Depreciation	833,512	747,892
EBITA	1,107,335	843,920
Total revenue and Other Income	6,798,620	5,721,485
EBITA % of total revenue	16%	15%

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Directors' Report

30 June 2025

2. Other items

Events after the reporting date

In early July 2025, severe rain events in the Nelson Bay area, on top of previous sustained periods of heavy rainfall, led to substantial flooding of large areas of the golf course. This has caused significant damage to the golf course, and due to having to close off large areas, the Club has suffered a loss of revenue in the first quarter of the next financial year. As a result, the Club lodged an insurance claim to cover the cost of repairs to the course and for business interruption. The claim has initially been rejected by the insurer however the Club has appealed this decision and is awaiting a response. As a result, the amount recoverable is not yet confirmed.

This event occurred after the reporting date of 30 June 2025 and does not provide evidence of conditions that existed at that date. Accordingly, no adjustment has been made to the financial statements for the year ended 30 June 2025.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Rounding of amounts

Nelson Bay Golf Club Limited has applied the relief available to it in ASIC Corporations Instrument 2016/191 and accordingly certain amounts in the financial report have been rounded off to the nearest dollar.

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Peter Fagan	12	11
Mark Barden	8	8
John Elsworth	12	12
David Warder	7	7
Gavin Rocher	7	7
Graham Luke	0	0
Joanne White	5	5
Nathan Lilly	7	6
Peri Kennedy	5	5
Stuart Phegan	12	10

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

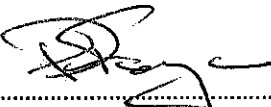
Directors' Report

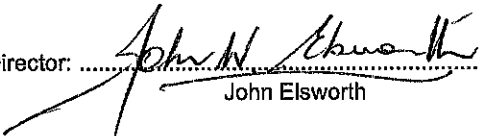
30 June 2025

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2025 has been received and can be found on page 24 of the financial report.

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

Director:

Peter Fagan

Director:

John Elsworth

Dated this 25th day of September 2025

Auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2025

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

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

Kelly Partners Hunter Region Partnership



Brad Crooks
Senior Partner

Dated: 25th September 2025

Singleton

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2025

		2025	2024
	Note	\$	\$
Revenue from members and other golf activities		3,245,380	2,791,759
Functions and marketing income		142,466	119,758
Bar Sales		1,933,821	1,973,088
Pro Shop sales		514,406	-
Other Income		344,132	159,777
Gaming income		618,416	677,103
Bar cost of sales		(701,682)	(722,508)
Gaming expenses		(22,682)	(29,748)
Golf expenses		(67,984)	(214,388)
Golf shop cost of goods sold		(305,854)	-
Depreciation and amortisation expense		(833,512)	(747,892)
Employment expenses		(2,976,937)	(2,412,255)
Operating expenses		(1,616,145)	(1,498,667)
Finance expenses	5	(53,600)	(21,207)
Profit before income taxes		220,223	74,821
Income tax expense		-	-
Profit for the year		220,223	74,821
Other comprehensive income for the year		-	-
Total comprehensive income for the year		220,223	74,821

The accompanying notes form part of these financial statements.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Statement of Financial Position

As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,690,514	1,458,664
Trade and other receivables	7	252,546	293,613
Inventories	8	315,772	127,099
TOTAL CURRENT ASSETS		2,258,832	1,879,376
NON-CURRENT ASSETS			
Property, plant and equipment	9	12,313,830	12,277,793
Right-of-use assets	9	1,901,488	-
TOTAL NON-CURRENT ASSETS		14,215,318	12,277,793
TOTAL ASSETS		16,474,150	14,157,169
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	684,709	397,928
Lease liabilities	10	387,988	131,208
Employee benefits	12	251,716	217,416
Members Subscription in Advance		864,238	809,795
TOTAL CURRENT LIABILITIES		2,188,651	1,556,347
NON-CURRENT LIABILITIES			
Lease liabilities	10	1,463,266	-
Employee benefits	12	60,675	59,487
TOTAL NON-CURRENT LIABILITIES		1,523,941	59,487
TOTAL LIABILITIES		3,712,592	1,615,834
NET ASSETS		12,761,558	12,541,335
EQUITY			
Reserves		17,881	14,225
Retained earnings		12,743,677	12,527,110
TOTAL EQUITY		12,761,558	12,541,335

The accompanying notes form part of these financial statements.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Statement of Changes in Equity For the Year Ended 30 June 2025

2025

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2024		12,541,335	12,541,335
Profit for the year		220,223	220,223
Balance at 30 June 2025		<u>12,761,558</u>	<u>12,761,558</u>

2024

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2023		12,452,289	12,452,289
Profit for the year		74,821	74,821
NBGC Ladies Funds		14,225	14,225
Balance at 30 June 2024		<u>12,541,335</u>	<u>12,541,335</u>

The accompanying notes form part of these financial statements.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Statement of Cash Flows For the Year Ended 30 June 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		7,595,805	5,455,143
Payments to suppliers and employees		(6,271,242)	(4,606,769)
Net cash provided by/(used in) operating activities	19	<u>1,324,563</u>	<u>848,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(718,645)	(298,015)
Proceeds from sale of non-current assets		88,562	-
Net cash provided by/(used in) investing activities		<u>(630,083)</u>	<u>(298,015)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		(462,630)	(213,161)
Net cash provided by/(used in) financing activities		<u>(462,630)</u>	<u>(213,161)</u>
Net increase/(decrease) in cash and cash equivalents held		231,850	337,198
Cash and cash equivalents at beginning of year		1,458,664	1,121,466
Cash and cash equivalents at end of financial year	6	<u>1,690,514</u>	<u>1,458,664</u>

The accompanying notes form part of these financial statements.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Notes to the Financial Statements

For the Year Ended 30 June 2025

The financial report covers Nelson Bay Golf Club Limited as an individual entity. Nelson Bay Golf Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Nelson Bay Golf Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest dollar.

1 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*.

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.

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

2 Material Accounting Information

(a) Revenue and other income

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.

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.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Subscription Revenue

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.

Notes to the Financial Statements

For the Year Ended 30 June 2025

Gaming Income

Revenue from gaming activities is recognised net of payouts in accordance with the accrual basis of accounting. This means that only the portion of gaming proceeds retained by the entity after deducting player winnings (payouts) is recognised as revenue. Revenue is recognised when the gaming activity occurs, and the outcome is determined, provided it is probable that the economic benefits will flow to the entity and the amount can be reliably measured.

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.

Golf Shop Income

During the year, the entity obtained full control of the pro shop operations. Previously, the pro shop was operated under a joint venture arrangement with Moses Golf Pty Ltd, whereby the entity received 50% of the revenue from golf cart rentals after deducting direct expenses. On 1st November 2024, the entity assumed full control of the pro shop operations. For the year ended 30 June 2025, revenue of \$514,406 was recognised from these operations.

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.

Interest income

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.

(b) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(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).

Notes to the Financial Statements

For the Year Ended 30 June 2025

Receivables and payable are stated inclusive of GST.

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) Inventories

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

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

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

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

Fixed asset class	Useful life
Buildings	40 years
Plant and Equipment	5-20 years
Poker Machines	4-5 Years
Furniture, Fixtures and Fittings	5-20 years
Motor Vehicles	6-10 years

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.

Notes to the Financial Statements

For the Year Ended 30 June 2025

(f) Financial instruments

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

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

Financial assets

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

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

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, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2025

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

(g) Cash and cash equivalents

Cash and cash equivalents comprise 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(h) Leases

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

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

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

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

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.

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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of Cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2025

3 Critical Accounting Estimates and Judgments

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

These estimates and judgments 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 directors have not made any significant estimates and judgments that are likely to affect the future operations of the company.

4 Other Revenue and Income

Revenue from continuing operations

	2025	2024
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Revenue from members and other golf activities	3,245,380	2,791,759
	<u>3,245,380</u>	<u>2,791,759</u>
Revenue recognised on receipt		
- Functions and marketing income	142,466	119,758
- Gaming Income	618,416	677,103
- Bar Sales	1,933,821	1,973,088
- Golf Shop Sales	514,406	-
- Other Income	344,131	159,777
	<u>3,553,240</u>	<u>2,929,726</u>
Total Revenue	<u><u>6,798,620</u></u>	<u><u>5,721,485</u></u>

5 Finance Income and Expenses

Interest expense	53,600	21,207
------------------	--------	--------

6 Cash and Cash Equivalents

Cash at bank and in hand	1,690,514	1,458,664
	<u>1,690,514</u>	<u>1,458,664</u>

7 Trade and Other Receivables

CURRENT		
Trade receivables	28,350	81,177
Prepayments	224,196	212,436
Total current trade and other receivables	<u><u>252,546</u></u>	<u><u>293,613</u></u>

8 Inventories

At cost:		
Finished goods	315,772	127,099
Total Inventories	<u><u>315,772</u></u>	<u><u>127,099</u></u>

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Notes to the Financial Statements For the Year Ended 30 June 2025

9 Property, Plant and Equipment

LAND AND BUILDINGS

Land at cost	232,566	232,566
Total Land	232,566	232,566
Buildings		
At cost	9,788,095	9,785,712
Accumulated depreciation	(1,966,055)	(1,742,272)
Total buildings	7,822,040	8,043,440
Total land and buildings	8,054,606	8,276,006

PLANT AND EQUIPMENT

Plant and equipment		
At cost	6,964,711	7,087,757
Accumulated depreciation	(2,729,259)	(3,096,793)
Total plant and equipment	4,235,452	3,990,964
Motor vehicles		
At cost	97,256	78,155
Accumulated depreciation	(73,484)	(67,332)
Total motor vehicles	23,772	10,823
Total plant and equipment	4,259,224	4,001,787
Right-of-Use - Plant and Equipment		
At cost	2,052,392	-
Accumulated depreciation	(150,904)	-
Total Right-of-Use - Plant and Equipment	1,901,488	-
Total property, plant and equipment	14,215,318	12,277,793

(a) Movements in carrying amounts

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

	Land \$	Buildings \$	Plant and Equipment \$	Total \$
Year ended 30 June 2025				
Balance at the beginning of year	232,566	8,043,440	4,001,787	12,277,793
Additions		2,382	2,768,655	2,771,037
Disposals			(820,207)	(820,207)
Depreciation write-back			820,207	820,207
Depreciation expense		(223,783)	(609,729)	(833,512)
Balance at the end of the year	232,566	7,822,039	6,160,713	14,215,318

Notes to the Financial Statements

For the Year Ended 30 June 2025

10 Leases

Company as a lessee

The Company has leases over a range of assets- golf carts and other equipment.

Terms and conditions of leases

Golf Carts

The company leases golf carts with lease terms varying from 2-5 years, the lease terms are fixed during the lease term.

Lease liabilities

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

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
2025					
Lease liabilities	387,988	1,463,266	-	1,851,255	1,851,255
2024					
Lease liabilities	131,208	-	-	131,208	131,208

11 Trade and Other Payables

	2025 \$	2024 \$
CURRENT		
Trade payables	526,176	306,802
Deposits	32,907	50,415
Accrued expense	39,325	40,711
Other operating liabilities	86,301	-
	684,709	397,928

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.

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

Notes to the Financial Statements For the Year Ended 30 June 2025

12 Employee Benefits

	2025	2024
Current liabilities	\$	\$
Long service leave	76,656	50,665
Annual leave	175,060	166,751
	<u>251,716</u>	<u>217,416</u>
Non-current liabilities		
Long service leave	<u>60,675</u>	<u>59,487</u>

13 Financial Risk Management

Financial assets		
<i>Held at amortised cost</i>		
Cash and cash equivalents	1,690,514	1,483,126
Trade and other receivables	252,546	311,755
Total financial assets	<u>1,943,060</u>	<u>1,794,881</u>
Financial liabilities		
Financial liabilities measured at amortised cost	684,709	475,191
Total financial liabilities	<u>684,709</u>	<u>475,191</u>

14 Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 each towards meeting any outstanding obligations of the Company. At 30 June 2025 the number of members was 7,498 (2024: 7,491).

15 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 229,470 (2024: \$ 194,884).

16 Auditors' Remuneration

	2025	2024
	\$	\$
Remuneration of the auditor Kelly Partners Hunter Region Partnership, for:		
- preparation and auditing of the financial statements	17,400	16,600
Total	<u>17,400</u>	<u>16,600</u>

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2025 (30 June 2024: None).

Notes to the Financial Statements

For the Year Ended 30 June 2025

18 Related Parties

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

Key management personnel - refer to Note 15.

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

(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.

The following transactions occurred with a related party:

Rocher Builders was engaged by the Club to undertake two projects during the year as follows:

- (1) Repairs to the roofing of the course maintenance facility which had been damaged by a fallen tree during the January 2025 storm event. The Club incurred expenditure of \$9,700 with Rocher Builders in early July 2025, with this being funded by an insurance claim.
- (2) Part of the construction works for the Golf Shop refurbishment. During the year, the Club incurred expenditure of \$11,500 with Rocher Builders. The Club also incurred \$30,640 in July 2025 with Rocher Builders.

Mr. Gavin Rocher, a Director of the Club, is the Principal of Rocher Builders. The engagements were approved by the Board following appropriate due diligence.

19 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

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

	2025	2024
	\$	\$
Profit for the year	220,223	74,821
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	833,512	747,892
- funds contributed by NBGC Ladies	-	14,225
- net gain on disposal of property, plant and equipment	112,698	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	41,067	(75,784)
- (increase)/decrease in inventories	(188,673)	17,202
- increase/(decrease) in trade and other payables	286,781	9,925
- increase/(decrease) in subscription in advance	54,443	22,480
- increase/(decrease) in provisions	(35,488)	37,613
Cashflows from operations	<u>1,324,563</u>	<u>848,374</u>

Notes to the Financial Statements

For the Year Ended 30 June 2025

20 Events After the End of the Reporting Period

The financial report was authorised for issue on 25 September 2025 by the Board of Directors.

Insurance Claim

In early July 2025, severe rain events in the Nelson Bay area, on top of previous sustained periods of heavy rainfall, led to substantial flooding of large areas of the golf course. This has caused significant damage to the golf course, and due to having to close off large areas, the Club has suffered a loss of revenue in the first quarter of the next financial year.

As a result, the Club lodged an insurance claim to cover the cost of repairs to the course and for business interruption. The claim has initially been rejected by the insurer however the Club has appealed this decision and is awaiting a response. As a result, the amount recoverable is not yet confirmed.

This event occurred after the reporting date of 30 June 2025 and does not provide evidence of conditions that existed at that date. Accordingly, no adjustment has been made to the financial statements for the year ended 30 June 2025.

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

21 Statutory Information

The registered office and principal place of business of the company is:
Nelson Bay Golf Club Limited
57 Dowling St, Nelson Bay NSW 2315

Nelson Bay Golf Club Limited

ABN: 66 001 023 847

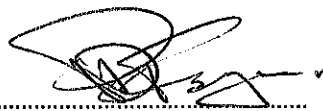
Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 19 to 39, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company.
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.

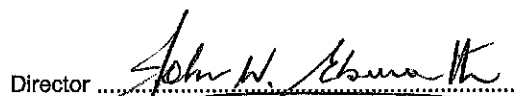
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Peter Fagan

Director



John Elsworth

Dated: 25th September 2025

Independent Audit 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 2025, 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 2025 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 2025, 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.

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: 25 September 2025

Kelly Partners Hunter Region Partnership ABN 64 934 535 226

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Compilation Report

30 June 2025

We have compiled the accompanying financial data for Nelson Bay Golf Club, which comprise the Profit and Loss statements for the year ended 30 June 2025.

The Responsibility of the Directors

The committee members are solely responsible for the information contained in the special-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
RCA 488544

Dated: 25th September 2025

Nelson Bay Golf Club Limited
Detailed Profit and Loss
for the Year ended 30 June 2025

	2025	2024
INCOME	\$	\$
Bar		
Draught Beer	989,016	1,005,079
Packaged Beer	97,130	118,068
Soft Drinks	160,569	170,182
Sprits	132,099	131,977
Wine	422,030	438,601
Other	132,977	109,181
	<u>1,933,821</u>	<u>1,973,088</u>
Functions and Marketing		
Conference Income	26,081	21,141
Corporate Sponsorship	15,505	8,367
Functions	71,853	61,417
Kangaroo Tours	17,159	17,543
Weddings	23,583	32,292
Other	(11,715)	(21,002)
Total Functions and Marketing	<u>142,466</u>	<u>119,758</u>
Gaming		
Poker Machine Income	599,684	656,358
Keno Income	13,999	17,505
Tab Income	4,733	3,240
Total Gaming	<u>618,416</u>	<u>677,103</u>
Golf Operations		
Golf Carts	468,331	186,795
Golf Shop Sales	514,406	-
Green fees Members	659,223	695,159
Green fees Visitors	1,090,462	939,475
Net Trophy Income	13,284	9,654
Subscription and Memberships	975,443	934,159
	<u>3,721,149</u>	<u>2,765,242</u>
Other Income		
Interest	44,336	32,531
Joining Fees	38,637	26,517
Other Income	32,575	63,319
Profit on Sale of Assets.	24,136	-
Rent	72,705	63,927
Total Other Income	<u>212,389</u>	<u>186,294</u>
Total Trading Income	<u>6,628,240</u>	<u>5,721,485</u>

Nelson Bay Golf Club Limited
Detailed Profit and Loss
for the Year ended 30 June 2025

	2025	2024
	\$	\$
Less: Cost of Sales		
Bar		
Draught Beer	418,482	423,330
Packaged Beer	42,047	47,884
Soft Drinks	49,515	53,983
Spirits	45,652	43,664
Wine	120,092	129,214
Other	25,894	24,433
	701,682	722,508
Gaming		
Repairs and Maintenance Poker Machines	16,492	24,012
Sky Channel	6,190	5,736
Total Gaming	22,682	29,748
Golf Operations		
Golf Shop Cost of Sales	305,854	-
Professional Commission Green Fees	50,984	162,388
Professional Retainer	17,000	52,000
Total Golf	373,838	214,388
Total Cost of sales	1,098,203	966,644
Total Trading Gross Profit.	5,530,038	4,754,841

Nelson Bay Golf Club Limited
Detailed Profit and Loss
for the Year ended 30 June 2025

Less Operating Expenses	2025	2024
	\$	\$
Accountancy	7,394	3,454
Advertising & Promotion	37,322	38,728
Affiliation Fees/Golf Link	68,439	62,463
Audit	17,400	16,600
Bank Fees	235	(816)
Chemicals	79,549	91,791
Cleaning	98,599	93,743
Computer Software	113,799	81,563
Contractors & Consultants	63,821	68,641
Depreciation	833,512	747,892
Diesel/Petrol	37,219	39,237
Directors Expenses	7,042	6,090
Electricity & Gas	132,866	126,816
Entertainment	42,595	36,103
Equipment & Consumables	38,718	32,309
Equipment Hire	25,863	20,906
Fees & Permits	8,146	5,451
Fertiliser	88,632	89,323
General Expenses	66,396	51,967
Hire Purchase & Leasing	89,746	110,935
Insurance	150,281	133,034
Interest Carts & Course Equipment	53,600	21,207
Irrigation	1,181	2,870
Legal Costs	10,374	-
Loss/Profit on Disposal of Assets	-	9,542
Machinery Parts	37,834	44,367
Member Rewards	14,083	5,884
Motor Vehicles	6,714	4,441
Pennant Expenses	5,941	7,645
Print/Post/Stat	14,490	16,115
Promotional Vouchers	12,297	9,473
Repairs & Maintenance	89,593	74,265
Repairs & Maintenance - Course	66,694	70,916
Rates	39,771	34,324
Rent - Land	80,799	55,447
Security Costs	12,408	10,059
Telephone & Internet	16,326	15,131
Travel & Accom	5,835	7,713
Volunteer Expenses	6,992	7,435
Waste Disposal	20,751	14,703
Total Operating Expenses	2,503,257	2,267,766

Nelson Bay Golf Club Limited
Detailed Profit and Loss
for the Year ended 30 June 2025

	2025	2024
	\$	\$
Staff Expenses		
Wages & Salaries	2,448,186	1,990,263
Payroll Tax	64,292	46,147
Provision Annual Leave	23,483	23,741
Provision LSL	29,870	27,764
Staff Training, Uniforms etc	70,726	63,622
Superannuation Payable	284,010	222,269
Workers Compensation	56,370	38,449
Total Staff Expenses	2,976,937	2,412,255
Total Operating & Staff Expenses	5,480,194	4,680,020
Operating Profit/(Loss)	49,843	74,821
Non-Operating Items		
Insurance Claim	88,562	-
Share of Joint Venture Carts Disposal	81,818	-
Total Non-Operating Items	170,380	-
Net Profit/(Loss)	220,223	74,821