

2023-2024 Annual Report





Chairman's Report

MICHAEL RYAN

The past year your Board has been focussed on reducing costs whilst working with our General Manager to increase revenue. As a brand new board, it has taken some time to develop our objectives, understand the current trading position and establish consistency. There has also been numerous challenges that we needed to overcome, some that needed to be rectified, and some that we were faced with in the last 12 months.

We have seen a fantastic increase to bowling membership numbers as well as the overall social membership numbers which is flowing through to our trading performance. It is great to see the support for our club from the community. At this point the second six months bar trading of the financial year resulted in a 22% increase on the first six months and there was a slight increase in poker machine turnover in the last two months following the purchase of the four new machines.

Unfortunately the club's full year trading performance was again disappointing, mainly due to the substantial decrease in poker machine revenue and increase in wages stemming from the first full years employment of our General Manager and Bowls Co-ordinator.

However your Board has taken steps to address these issues with the recent purchase of four new poker machines and the bowls co-ordinator position being made redundant. However we did not wish to lose our bowls co-ordinator, Steve Martin and he agreed to take a part time position with the club

During this financial year your club wishes to upgrade facilities to cater for wheelchair access to rest rooms and carry out urgent maintenance to existing premises. To this end we are applying for a grant of \$200,000 and will continue to apply for any additional grants that become available. However we also need to carry out urgent renovations to the poker machine area and these funds have to come from trading profits. I would therefore ask all of you to support your club with your attendance and bring your friends and family along for a meal at our fabulous restaurant and a drink and attend the wonderful entertainment events that your General Manager arranges throughout the year.



Even though every effort is being made by your Board to turn the finances around we feel there is a need to again seek amalgamation with a stronger club who are able to inject the capital to ensure that your club continues to provide first class facilities for its members and the wider community. We are therefore seeking expressions of interest through Clubs NSW and any proposals will be carefully assessed and your Board will ensure that they meet conditions favourable to our club. Of course the final approval has to come from the members at a special general meeting in due course.

In conclusion I would like to thank the many volunteers who have given up their time to maintain the shades on the greens, assist with raffles, and help run social activities. I would also like to thank all our sponsors:

- Beachscape Property & Holiday Rentals
- Hastings Solar & Electrical
- Lake Cathie Manor Aged Care
- Port Macquarie Caravans & Cars
- Rita's Bistro
- Dan Norris Concreting
- Oxley Insurance Brokers
- Altitude Cloud Solutions



I would also like to acknowledge the efforts of your Board members on their first year in which we have had to make some hard decisions in an effort to turn the finances around and also thank our sub clubs for their support during the year. However this could not happen without the dedication and hard work of our General Manager Lauren who has worked tirelessly to provide the entertainment and facilities for our members to enjoy.

Remember that your Board and General Manager are committed to our members and the rest of our community and will take every action to ensure the future financial viability of your club.

Mike Ryan

General Manager's Report



It is hard to believe that 12 months has passed since our last AGM, and yet when I review the year, so much has happened and been achieved. A highlight for everyone has been our partnership with Rita's Bistro for the restaurant, commencing in November 2023. Their delicious, high quality offering is expanding their reputation across the region, attracting new members and many who have not "been to the club in years."



Combining with the excellent catering, we have been able to host many fun events throughout the year, including our Melbourne Cup Luncheon, 2 Wine Degustation Dinners with Vintage House, and some dinner shows. It was wonderful to have the club full again for New Years Eve, ANZAC Day, Australia Day and the celebration of 50 years since the official opening of the clubhouse (we love an excuse for a party!)

The fun continued with our sub-clubs throughout the year. There were plenty of well supported Bowls Days & tournaments including the monthly Classic Pairs, Big Bowl Tournament, Christmas Ham Day & social bowls 5 days a week.

The Social Golf Club's Thursday raffles have been a great addition. It is great to see their club each week, as well as for the fortnightly lunches after their golf days. I encourage anyone looking for a fun social group to join the golfers.

The Fishing Club held their annual Fish Auction in June and even with unfavourable weather conditions, they raised \$6800 for the Camden Haven Marine Rescue and Lake Cathie Rural Fire Brigade. This event is a highlight on the calendar every year! The hard working committee go to great lengths to ensure wonderful prizes and a great day. The Fishing Club is fantastic for families, as well as those wanting to make fishing a little more competitive.



We continued our sponsorship of the Bonny Hills Lake Cathie Cricket Club this year. It is great to see their club growing and we look forward to the upcoming season. Our community is at the heart of everything we do. Being able to provide a space for fundraisers, like the Lions Club Halloween trivia night, or the barefoot bowls day for Lake Cathie public school supported learning class, will be an important role we continue to play this year.

General Manager's Report



The installation of the lights of the bowling green was scheduled to be completed in May 2023. Due to an error from the contractor, the retaining wall between the bowling greens collapsed. This has resulted in a delay while we waited for their insurance to assess the damages. We have sought reports from a structural engineer and have been advised that the wall will need to be re-built. This will be completed at the expense of the insurance of the contractor. We will also continue to with the other works for installation of the lights in the meantime.

Our financial results were not as positive as we would have hoped for, however we were realistic in understanding that investment needed to be made into the club for us to continue to be attractive for members and guests to come to the venue. We had substantial cost increases across nearly every aspect of the club, which is a burden that is continuing across majority of industries in the current economic climate. We were able to negotiate some major cost savings throughout the year, including a new soft drink contract with Saxbys and a \$20,000 insurance premium reduction. We also made the decision to remove Foxtel and increase membership & green fees slightly. Our more recent focus has been on increasing revenue and the improving the offering within the club to cater for a larger demographic.

The decision to seek amalgamation is necessary for us to continue to grow as a club and continue providing for the community for many years to come. The legislative requirements for our industry continue to increase, as well as the costs. The resources of our small venue mean it will be difficult to withstand these pressures on our own. The board is committed to finding the right partner and ensuring an agreement is put in place to future protect the club and member's interests.

I look forward to seeing the club continue to grow and prosper for the Lake Cathie community.

Lauren Charlton



Financial Statements

Director's Report

Your Directors present their report on the Company for the financial year ended 31 May 2024.

Directors

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

Michael RYAN	Appointed 17 September 2023
Ingo MODEL	Appointed 17 September 2023
Warren HENDERSON	Appointed 17 September 2023
Stephen WEBSTER	Appointed 17 September 2023
Ross THOMPSON	Appointed 17 September 2023
Peter WILLIAMS	Appointed 17 September 2023, Resigned 8 April 2024
Steven ANDERSON	Appointed 17 September 2023, Resigned 18 March 2024
Eunice ROBERTS	Resigned 17 September 2023
Edward JOBSON	Resigned 17 September 2023
Brian PEARCE	Resigned 17 September 2023
Robert YOUNG	Resigned 17 September 2023
Chrystine BOUFFLER	Resigned 17 September 2023

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

Short-Term Objectives


The short-term objectives of the Company are to:

- Service all debts as and when they fall due.
- Provide benefits to members in a financially viable manner.
- Operate bar, gaming and catering operations for the benefit of our members and their guests.
- Service the needs of our affiliated sub clubs of lawn bowls, fishing and golf.
- Provide entertainment for the benefit of our members and their guests.
- Utilise funds derived from the Club's operations for the support and development of our community.
- Provide a high standard of customer service when dealing with members and their guests.
- Ensure the Board is educated and informed appropriately in order to be able to provide the Club with the necessary guidance to achieve its objectives.

Long-Term Objectives

The long-term objectives of the Company are to:

- Provide, maintain or change goods and services in order to continually meet the needs of our members and their guests.
- Create sustainable financial viability while maintaining our position as the focus of social and community activities.
- Provide and maintain Club facilities at a high level to meet the needs of members and their guests.
- Purchase additional property as it becomes available for the growth of the Club in the future.



Strategies Adopted for Achieving Objectives

To achieve the objectives of the Company the following strategies have been adopted:

Planning

- The Club's business plan is reviewed by the Board on an annual basis to ensure that the strategies implemented to meet the Club's objectives are appropriate.
- The Club has developed a growth plan which details renovations to be completed over a period of at least 5 years.

Marketing

- The Club researches the community through surveys to assist in satisfying their needs and wants. Through this research the Club aims to improve its food, beverage, gaming and bowls activities for its members and their guests.
- The Club trains and monitors staff with a view to providing acceptable experiences for its members and their guests.

Principal Activities

The principal activity of the Company during the financial year was the conduct of a Licensed Bowling and Recreation Club.

No significant change in the nature of this principal activity occurred during the financial year.

Means by which Principal Activities Assisted in Achieving the Company's Objectives

The income and cash flows generated from the Company's principal activities were utilised in achieving the Company's objectives.

Key Performance Measures

The Company measures and monitors performance by comparing actual results to past performance. The Company reviews key performance indicators such as gross profit margins, net returns from trading and poker machine returns.

Members' Guarantee

Lake Cathie Bowling and Recreation Club Limited 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 \$5 towards meeting any outstanding obligations of the Company. At 31 May 2024 the collective liability of members was \$7,915 (2023: \$4,815).



Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Company during the financial year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and is included in this financial report.

Core and Non-Core Property

Core property is defined as any real property owned by the Club that comprises the defined premises of the Club or any facility provided by the Club for the use of its members and their guests. Core property of the Club consists of land occupied by the Clubhouse and bowling greens at 45 Evans Street and the carpark at 56 Evans Street, Lake Cathie, New South Wales.

Non-core property of the Club means any real property owned by the Club that is not core property. The Club does not currently hold any non-core property.

Meetings of Directors

During the financial year 13 meetings of Directors were held. Attendances by each Director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Michael RYAN	9
Ingo MODEL	8
Warren HENDERSON	8
Stephen WEBSTER	7
Ross THOMPSON	10
Peter WILLIAMS	8
Steven ANDERSON	4
Eunice ROBERTS	3
Edward JOBSON	3
Brian PEARCE	3
Robert YOUNG	3
Chrystine BOUFFLER	3

Auditor's Independence Declaration

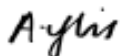
Under Section 307C of the *Corporations Act 2001*

To the Directors of Lake Cathie Bowling and Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2024 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

NorthCorp Accountants



Alaine Ylias
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

Dated: 29 July 2024



Statement of Comprehensive Income

For the Year Ended 31 May 2024

	Note	2024 \$	2023 \$
Revenue	2	1,892,653	1,975,885
Other income	2(c)	72,339	-
		1,964,992	1,975,885
Advertising and promotion		(165,247)	(39,066)
Amalgamation costs		(310)	(16,386)
Auditor remuneration		(25,500)	(25,500)
Cleaning costs		(63,792)	(60,790)
Changes in inventories	3	500	6,021
Consultancy fees		(15,282)	(40,184)
Inventories purchased	3	(356,408)	(418,519)
Depreciation and amortisation expense	3	(125,770)	(111,279)
Electricity and gas		(68,239)	(62,708)
Employee benefits expense		(711,579)	(704,586)
Entertainment		(68,268)	(43,785)
Finance costs	3	(7,279)	(5,376)
Insurance		(99,202)	(76,982)
Net loss on disposal of property, plant and equipment	3	-	(3,204)
Printing, postage and stationery		(16,653)	(17,418)
Poker machine supplementary tax		9,010	(9,010)
Raffle and bingo expenses		(33,648)	(80,667)
Rates and taxes		(17,329)	(15,216)
Repairs and maintenance		(164,021)	(193,169)
Subscriptions and licenses		(64,194)	(60,223)
Waste disposal		(13,597)	(19,807)
Other expenses		(63,105)	(109,628)
		(2,069,913)	(2,107,482)
Profit / (loss) before income tax		(104,921)	(131,597)
Income tax expense	1(b)	-	-
Profit / (loss) for the year		(104,921)	(131,597)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(104,921)	(131,597)
Profit / (loss) attributable to members of the Company		(104,921)	(131,597)
Total comprehensive income attributable to members of the Company		(104,921)	(131,597)

Statement of Financial Position

As at 31 May 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	303,867	478,882
Trade and other receivables	5	30,171	3,140
Inventories	6	20,678	20,178
Financial assets	7	5,000	5,000
Other assets	8	10,265	8,269
Total current assets		369,981	515,469
Non-current assets			
Property, plant and equipment	9	770,942	483,322
Intangible assets	10	185,095	185,095
Total non-current assets		956,037	668,417
TOTAL ASSETS		1,326,018	1,183,886
LIABILITIES			
Current liabilities			
Trade and other payables	11	92,214	65,825
Borrowings	12	73,102	-
Provisions	13	86,607	62,719
Other liabilities	14	30,795	25,207
Total current liabilities		282,718	153,751
Non-current liabilities			
Borrowings	12	118,086	-
Total non-current liabilities		118,086	-
TOTAL LIABILITIES		400,804	153,751
NET ASSETS		925,214	1,030,135
EQUITY			
Retained earnings		925,214	1,030,135
TOTAL EQUITY		925,214	1,030,135

Statement of Changes in Equity

For the Year Ended 31 May 2024

2024

	Retained Earnings \$	Total \$
Balance at 1 June 2023	1,030,135	1,030,135
Profit / (loss) attributable to members of the Company	(104,921)	(104,921)
Other comprehensive income	-	-
Total comprehensive income for the year	(104,921)	(104,921)
Balance at 31 May 2024	925,214	925,214

2023

	Retained Earnings \$	Total \$
Balance at 1 June 2022	1,161,732	1,161,732
Profit / (loss) attributable to members of the Company	(131,597)	(131,597)
Other comprehensive income	-	-
Total comprehensive income for the year	(131,597)	(131,597)
Balance at 31 May 2023	1,030,135	1,030,135

Statement of Cash Flows

For the Year Ended 31 May 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,985,316	2,184,230
Payments to suppliers and employees	(2,065,495)	(2,197,429)
Interest received	4,286	3,926
Grants received	58,020	-
Interest paid	(7,279)	(5,376)
Net cash provided by (used in) operating activities	(25,152)	(14,649)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	78,236	182
Acquisition of property, plant and equipment	(419,287)	(34,309)
Redemption of investments	-	205,876
Net cash provided by (used in) investing activities	(341,051)	171,749
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	269,914	-
Repayment of borrowings	(78,726)	-
Net cash provided by (used in) financing activities	191,188	-
Net increase (decrease) in cash and cash equivalents held	(175,015)	157,100
Cash and cash equivalents at beginning of financial year	478,882	321,782
Cash and cash equivalents at end of financial year	303,867	478,882



Note 9 Property Plant and Equipment

	2024 \$	2023 \$
Land and Buildings		
Freehold Land		
Land at cost	86,944	86,944
Buildings		
Buildings at cost	1,842,179	1,842,179
Less: accumulated depreciation	(1,710,274)	(1,674,377)
Total buildings	131,905	167,802
Total land and buildings	218,849	254,746
Plant and Equipment		
Plant and equipment at cost	2,011,170	1,902,117
Less: accumulated depreciation	(1,459,077)	(1,673,541)
Total plant and equipment	552,093	228,576
Motor Vehicles		
Motor vehicles at cost	38,010	38,010
Less: accumulated depreciation	(38,010)	(38,010)
Total motor vehicles	-	-
Total property, plant and equipment	770,942	483,322

(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 \$
2024				
Balance at the beginning of year	86,944	167,802	228,576	483,322
Additions	-	-	419,287	419,287
Disposals - written down value	-	-	(5,897)	(5,897)
Depreciation expense	-	(35,897)	(89,873)	(125,770)
Balance at 31 May 2024	86,944	131,905	552,093	770,942



Note 11 Trade and Other Payables

	2024	2023
	\$	\$
Current		
Unsecured liabilities		
Trade payables	65,300	42,656
Accrued expenses	17,000	17,000
Other payables	9,914	6,169
	<u>92,214</u>	<u>65,825</u>

Note 12 Borrowings

Current		
Secured liabilities		
Other loans	12(b) <u>73,102</u>	<u>-</u>
Total current borrowings	<u>73,102</u>	<u>-</u>
Non-current		
Secured liabilities		
Other loans	12(b) <u>118,086</u>	<u>-</u>
Total non-current borrowings	<u>118,086</u>	<u>-</u>
Total Borrowings	<u>191,188</u>	<u>-</u>

(a) Bank overdrafts

The Club maintains bank overdraft facilities totalling \$50,000 with its banker. The facilities were unutilised as at 31 May 2024. The bank overdrafts are secured by a first mortgage over freehold properties owned by the Club.

(b) Other loans

Other loans consists of finance contracts for the purchase of poker machines. The borrowings are secured by the underlying assets acquired. The contracts for the facilities typically last between 1 and 3 years.



Note 13 Provisions

	2024	2023
	\$	\$
Analysis of Total Provisions		
Employee benefits		
Current	86,607	62,719
Non-current	-	-
	<u>86,607</u>	<u>62,719</u>
	Employee Benefits	Total
	\$	\$
Opening balance at 1 June 2023	62,719	62,719
Additional provisions	42,750	42,750
Provisions utilised	<u>(18,862)</u>	<u>(18,862)</u>
Balance at 31 May 2024	<u><u>86,607</u></u>	<u><u>86,607</u></u>

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for wages, annual leave and long service leave.

The current portion for this provision includes the total amount accrued for wages and annual leave entitlements, and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

These amounts are classified as current liabilities since the Company does not have an unconditional right to defer settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of the provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 14 Other Liabilities

Current

	2024	2023
	\$	\$
Income received in advance	<u>30,795</u>	<u>25,207</u>

Note 15 Capital and Leasing Commitments

(a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

- Poker machines	-	67,478
- Outdoor signage	-	20,853
	<u>-</u>	<u>88,331</u>

Payable:

- not later than 12 months	<u>-</u>	<u>88,331</u>
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Note 16 Contingent Liabilities

Bank Guarantee

TAB Limited	<u>5,000</u>	<u>5,000</u>
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The Company has a banker's guarantee in favour of TAB Limited for \$5,000. The guarantee is secured by mortgage over the Company's premises. The guarantee is only payable in the event of economic loss to the TAB caused by the Company's staff. To date there has been no event or events that would require the guarantee to be called upon.

Note 17 Members' Guarantee

The Lake Cathie Bowling and Recreation Club Limited is a Company limited by guarantee with liability of members limited to the amount of \$5 as set out in the Company's constitution. The number of members at the end of the financial year was 1,583 (2023: 963).

Note 18 Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The aggregate compensation of key management personnel during the year comprising amounts paid or payable or provided for was \$118,609 (2023: \$21,759).

Note 19 Other Related Party Transactions

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

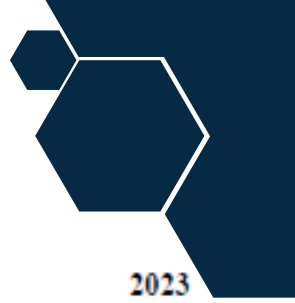
Note 20 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, cash on hand, accounts receivable and payable, and borrowings.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
Financial Assets			
Financial Assets at Amortised Cost:			
Cash and cash equivalents	4	303,867	478,882
Trade and other receivables	5	30,171	3,140
Interest bearing deposits	7	5,000	5,000
Total Financial Assets		339,038	487,022
Financial Liabilities			
Financial Liabilities at Amortised Cost:			
Trade and other payables	11	92,214	65,825
Borrowings	12	191,188	-
Total Financial Liabilities		283,402	65,825
Net Fair Values			

The net fair values of financial assets and financial liabilities approximates their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.



Note 21 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor for:		
- Auditing the financial statements	22,800	22,800
- Other non-assurance services	2,700	2,700
	25,500	25,500
	25,500	25,500

Note 22 Events after the end of the Reporting Period

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

Note 23 Company Details

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

Lake Cathie Bowling and Recreation Club Limited
45 Evans Street
Lake Cathie NSW 2445

Directors' Declaration

In accordance with a resolution of the Directors of Lake Cathie Bowling and Recreation Club Limited, the Directors of the Company declare that:

- The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, are in accordance with the *Corporations Act 2001* and:
 - comply with Australian Accounting Standards - Simplified Disclosures; and
 - give a true and fair view of the financial position of the Company as at 31 May 2024 and of its performance for the year ended on that date.
- 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.

Director

Michael RYAN

PARTNERS

Paul Fahey B Bus CA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the Members of Lake Cathie Bowling and Recreation Club Limited

Opinion

We have audited the financial report of Lake Cathie Bowling and Recreation Club Limited, which comprises the Statement of Financial Position as at 31 May 2024, the Statement of Comprehensive Income, the Statement of Changes in Equity and the 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 Lake Cathie Bowling and Recreation 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 31 May 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) in the financial report, which indicates that the Company incurred a loss of \$104,921 and negative operating cashflows of \$25,152 during the year ended 31 May 2024. As stated in Note 1(a), these events or conditions, along with other matters as set forth in Note 1(a), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PARTNERS

Paul Fahey B Bus CA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

**Independent Auditor's Report
To the members of Lake Cathie Bowling and Recreation Club Limited**

Responsibilities of Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

Independent Auditor's Report
To the members of Lake Cathie Bowling and Recreation Club Limited

- 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.

NorthCorp Accountants



Alaine Ylias
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

Dated: 29 July 2024

