



ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025



Munmorah United Bowling Club Limited
(A Company Limited by Guarantee and having No Share Capital)
A.B.N. 24 000 639 314

PRESIDENT'S REPORT 2025

Dear Members

It gives me great pleasure to present the Company's 2025 annual report.

Our club had an extremely successful year where we achieved a nett trading profit of \$628,885. Our operating cashflow for the year was \$1,061,667. This represents an outstanding result in difficult times with operational costs rising considerably over the past year. The cost of living has also affected our local community and to deliver such a result on the back of that is outstanding.

Our club this year donated more than \$65,000 through Club Grants. The money went to charities, not for profit organisations and to local sporting clubs. We're very proud of that and will continue to give support to our community in the future.

None of this could have happened without the efforts of our Club CEO Alex Moore and his staff. Alex is in his 12th year with the Club and has consistently achieved positive growth and has moved us forward to be the community hub that we are. Alex is capably backed up by our Operations Manager Cathy Watson who keeps the club running like the well-oiled machine that it is. I would like to acknowledge our Head Chef, Michael Egan for the consistent compliments that we get from patrons who dine in the Brasserie. We are celebrating a couple of staff milestones this year and I'd like to congratulate Deb Lehmann on 25 years of loyal service to our club and Cathy Watson on reaching the 20 years of service milestone.

The new bowls office and locker rooms have been completed. This has given us necessary space for our plans in the refurbishment of the main building. We now have a new roof, and the retaining wall has been DA approved, so work will commence on that shortly. The DA for the refurbishment of the clubhouse is before council and we are anticipating approval on that in the next month.

Both the Men's and Women's Bowling Sub-Clubs continue to operate independently, but this June saw the return of Paul Wesche as the Men's Bowls Manager. Paul needs no introduction to the bowlers and has already increased the numbers, particularly getting Saturday social bowls up to healthy numbers again.

Our Bowlers have once again been at the forefront at region and state level in both individual and team events. Our Ladies Grade 1 side once again are the Region Pennant champions. Earlier this year our Open Gender Grade 3 Side won the Region Pennant. Both teams distinguished themselves representing our club at the State Titles.

I'd like to take the opportunity to thank my fellow board members Colin, Sonia, John, Rosemary, Daniel, and Ross for their support and for their efforts throughout what has been a busy, but very satisfying year.

Finally, a huge thank you to our members for your loyalty and patronage. We now have over 6900 members and with increased patronage of our bar, gaming, and food offerings this great result is possible. On behalf of the board of directors I extend best wishes to you all.

W J Ralley

Bill Ralley
President.

CHIEF EXECUTIVE OFFICER'S REPORT 2025

Dear Members

On behalf of the Board of Directors, it is my privilege to present the CEO report to our loyal members for the financial year ended 30 June 2025.

Trading trends over the past year have softened particularly in gaming which I believe is a direct result of our determined policy in delivering a responsible designated service offering. Businesses have also noticed the cost-of-living crisis and increased interest rates affecting discretionary spend. While labour costs remain a significant focus for our company, inflation and increased operating costs are a leading negative influence on our business. Therefore, we need to remain focused on building a leaner, sharper and more resilient business.

To our members, the loyalty and support demonstrated throughout the past year has been immeasurable and has enabled Club Munmorah to perform particularly well throughout an evolving and testing environment. Below is a snapshot of the Clubs performance:

The financial performance of Club Munmorah delivered the following results:

- Revenue increased by 5.4% to \$6,826,377 in 2025 compared to \$6,479,223 in 2024.
- Nett profit of \$628,885. Up from \$343,908 on 2024.
- Growth in nett assets to \$6,986,859 which was up 9.9% on 2024.
- The Club produced a positive operating cashflow of \$1,061,667, up 13.6% on 2024.
- Working capital remained solid at \$2,110,672, down 19.4% on 2024. The drop in working capital was due to the costs associated with the roof replacement and the bowls modular.

As the Board and I continue to shape our strategic plan, we're pleased to share exciting developments that reflect our commitment to reinvesting in Club Munmorah for the benefit of all members.

Recent Improvements include:

Bowls Modular Addition: This new facility has been warmly received and significantly enhances our bowls offering, providing a modern and flexible space for both casual and competitive play.

Roof Replacement: The existing roof, which had suffered from persistent leaks during rain, has now been replaced. This upgrade ensures a safer and more comfortable environment, especially as we prepare for the next phase of our transformation.

Refurbishment Plans

A development application for the club's refurbishment is currently before Central Coast Council, with a positive resolution expected in the coming months. The refurbishment will include:

Modernised Interiors: A fresh new look with updated architectural and interior design to create a more welcoming and functional space.

Upgraded Amenities: Improvements to mechanical, fire, hydraulic, and electrical systems for enhanced safety, comfort, and energy efficiency.

Accessibility Enhancements: Inclusive design features to ensure all members can enjoy the club with ease.

New Furniture: Stylish and comfortable furnishings to suit both casual and formal settings.

These upgrades will deliver a more vibrant and relaxing environment for dining, entertainment, and socialising—making every visit more enjoyable and secure. This project reflects our long-term vision to build a resilient, member-focused club that continues to serve our community with excellence.

At Club Munmorah, we believe that a strong community is built through meaningful support, shared values, and active engagement. In 2025, our commitment to giving back has remained steadfast, with over \$65,000 issued in cash and in-kind donations to a wide range of local organisations and initiatives.

We proudly contributed to the wellbeing and development of our region through partnerships with:

- Next Sense – formerly The Royal Institute for Deaf and Blind Children.
- The Bikers Hand – Feeding the Needy.
- Guardian Angels.

- The Lakes Surf Life Saving Club.
- Parktrees Village, Ingenia Lifestyle Village, and Valhalla Village.
- Northern Lakes JRLFC and RLFC.
- Local Probus groups, ARPRA, and Lions Clubs.
- Munmorah United Fishing Club.
- Lake Munmorah Netball Club.
- Men's and Ladies Bowling Clubs.
- Lake Munmorah High and Public Schools.

These contributions have supported programs in education, sport, health, safety, and social inclusion.

Congratulations to all our bowlers for another successful year. A special congratulations to our Grade 1 Ladies Pennant team and our Open Gender Grade 3 team on winning district flags. You all make Club Munmorah proud of your efforts.

On behalf of my team at Club Munmorah, I extend my sincere appreciation to our Club President Bill, Vice President Col, and Directors Sonia, John, Rosemary, Ross, and Daniel for their unwavering support and dedication throughout the year. The responsibilities of our directors continue to evolve, and I commend their commitment to best practice governance and professional conduct. This includes their active participation in Anti Money Laundering/Counter Terrorism Financing and Gaming Oversight training, which reinforces our club's integrity and compliance standards.

The Board's strategic focus and ability to fulfil its governance obligations are instrumental in ensuring the ongoing success and resilience of Club Munmorah. I am also grateful for the Board's continued support of my involvement in the Regional ClubsNSW committee, allowing me to attend meetings and events that contribute to broader industry collaboration and advocacy. Together, we remain committed to delivering excellence for our members and the wider community.

I would like to take this opportunity to extend my heartfelt thanks to every member of the Club Munmorah team for their dedication and contributions over the past 12 months. Your collective efforts have played a vital role in the Club's continued success and positive standing within the community. In particular, I wish to acknowledge our Operations Manager, Cathy Watson, for the incredible amount of behind-the-scenes work she has undertaken. Her determination, thoroughness, and commitment have been instrumental throughout the year.

Special thanks also go to Michael and his catering team, whose hard work and consistency have significantly contributed to returning patronage and delivering a very satisfactory catering result this year. To all staff—thank you. Your professionalism, teamwork, and dedication are deeply appreciated. Without you, the Club would not be in the strong and positive position it is today.

I respectfully extend my deepest condolences to the families within our Club Munmorah community who have lost loved ones during the past year. Our thoughts are with you during these difficult times, and we honour the memory of those who are no longer with us. Club Munmorah remains committed to supporting our members and their families, and we stand together in compassion and solidarity.

Without our loyal members, Club Munmorah simply would not exist. We are fortunate to have such an involved, diverse, and amicable membership base whose continued support and engagement are the foundation of our success. Your presence and participation enrich our club community, and it is always a pleasure for my team and me to welcome you each time you visit. Whether you're here to relax, connect, or celebrate, we remain committed to providing a safe, vibrant, and inclusive environment for all. Thank you for being part of the Club Munmorah family.

Alex Moore

Alex Moore

*Chief Executive Officer
Club Munmorah*



**Munmorah United Bowling
Club Limited**

ABN 24 000 639 314

**Annual Financial Report
for the year ended 30 June 2025**

Munmorah United Bowling Club Limited ABN 24 000 639 314
Annual financial report for the year ended 30 June 2025

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These financial statements are the financial statements of Munmorah United Bowling Club Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 15 August 2025. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors' present their report on Munmorah United Bowling Club Limited (the Club) for the year ended 30 June 2025.

Directors details

The following persons were Directors of Munmorah United Bowling Club Limited during the financial year, and up to the date of this report:

Mr William Ralley

President
Director since 2022
Retired, Logistics Manager

Mr John Heaton

Bowling Director
President 2015 to 2024
Vice President 2014 to 2015
Director 2008 to 2012
Retired, Mining Electrical Engineer
Life member of Munmorah United Bowling Club

Ms Rosemary Elliott

Bowling Director
Vice President - Ladies Bowling Club
Director since 2016
Retired, Events Manager

Mr Daniel Kovac

Non-Bowling Director
Director since 2024
Factory Manager

Mr Graham Brown

Bowling Director, Not re-elected August 2024
Director since 2018
Retired, Car Salesman

Mr Colin Beggs

Vice President
Director since 2024
Retired Department of Defence

Ms Sonia Geddes

Bowling Director
Director since 2010
Retired, Office Manager
Life member of Munmorah United Bowling Club

Mr Ross Churchland

Bowling Director

Director since 2024
Retired

Mr Raymond Bourke

Vice President, Not re-elected August 2024
Vice President since 2014
Director 2008 to 2014
Retired, Manager & Transport Officer

Ms Rhonda Preece

Bowling Director, Not re-elected August 2024
Director since 2020
Womens Bowls President 2022 to 2024
Womens Bowls Secretary 2020 to 2022
Retired, Company Secretary and Hairdresser

Company secretary

The Company Secretary is Mr Alex Moore. Mr Moore has been an employee of Munmorah United Bowling Club Limited since August 2014 and was appointed on 10 October 2014 to the position of Company Secretary. Prior to this, Mr Moore has held senior management positions in other larger registered clubs in Port Macquarie, Penrith and Blacktown.

Director's meetings

The number of meetings the directors held during the year and the number of meetings attended by each Director is as follows:

Board members		Board meetings	
		A	B
Mr William Ralley		12	12
Mr Colin Beggs	Appointed August 2024	9	8
Mr John Heaton		12	12
Ms Sonia Geddes		12	12
Ms Rosemary Elliott		12	10
Mr Ross Churchland	Appointed August 2024	9	8
Mr Daniel Kovac	Appointed August 2024	9	7
Mr Raymond Bourke	Not re-elected August 2024	3	3
Mr Graham Brown	Not re-elected August 2024	3	3
Ms Rhonda Preece	Not re-elected August 2024	3	3

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Directors' report (continued)

Core and non-core property

Pursuant to Section 41E(5) of the Registered Clubs Act 1976 (NSW) for the financial year ended 30 June 2025, the following land and buildings are considered to be core and non-core property:

Core	-	Leased club property - Acacia Avenue, Lake Munmorah, NSW 2254
Non-Core	-	600 Pacific Highway, Lake Munmorah, NSW 2254

Principal activities

During the year, the principal activities of the Club was the running of the Club in accordance with its objectives for the benefit of its members.

There have been no significant changes in the nature of these activities during the year.

Objectives of the Club

The Club's short and long-term objectives are to:

- Maintain the financial viability of the Club through routine monitoring and control by comparison and benchmarking within the Club industry and through Key Performance Indicators;
- Provide members with services and facilities that meet or exceed their expectation;
- Monitor staff development and provide training to enhance career advancement;
- Maintain or increase existing revenue levels and to control costs to return to profitability which will allow the Club's facilities to be continually improved; and
- To promote and maintain the foundation principles in accordance with the Club's Constitution.

To achieve these objectives the Club has adopted the following strategies:

- Maintain or increase existing revenue levels and control costs to return to profitability which will allow the Club's premises to be continually improved.

Performance measurement

The Club measures its performance against industry benchmarks, gross profit percentage and wages to sales percentages to measure the financial performance of trading areas such as food and beverage and gaming. The Club also uses EBITDA to measure the financial performance of the Club overall.

Contribution in winding up

The Club is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$5 each towards meeting any outstanding obligations of the Club. At 30 June 2025, the total amount that members of the Club are liable to contribute if the Club was wound up is \$34,625 (2024: \$31,760).

Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 and forms part of this Directors' report.

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

William Ralley - President

Sonia Geddes - Director

Dated: 15 August 2025
Lake Munmorah, NSW



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Auditor's independence declaration

To the Directors of Munmorah United Bowling Club Limited

In accordance with section 307C of the *Corporations Act 2001*, I declare that, to the best of my knowledge and belief in relation to the audit of the financial report of Munmorah United Bowling Club Limited for the year ended 30 June 2025, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

Kirsty Porteous - Partner

Pitcher Partners NH Partnership
Chartered Accountants

Dated: 15 August 2025
Newcastle West, NSW

Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney



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Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

		2025	2024
		\$	\$
Revenue from continuing operations	Notes 2	6,715,513	6,381,070
Other income	3	110,864	98,153
Bar cost of goods sold		(659,692)	(592,401)
Bar direct expenses		(536,014)	(557,756)
Bistro cost of goods sold		(568,330)	(556,280)
Bistro direct expenses		(784,352)	(698,023)
Gaming direct expenses		(1,242,670)	(1,171,189)
Promotions expenses		(692,993)	(656,335)
Greens expenses		(160,366)	(237,258)
Administration expenses		(1,467,653)	(1,575,217)
Finance costs		(85,422)	(90,856)
		(6,197,492)	(6,135,315)
Profit / (loss) before income tax		628,885	343,908
Income tax expense	1 (e)	-	-
Profit / (loss) for the year		628,885	343,908
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		628,885	343,908

The above *statement of profit or loss and other comprehensive income* should be read in conjunction with the accompanying notes

Munmorah United Bowling Club Limited
Statement of financial position
For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	907,915	1,539,573
Inventories	6	61,690	57,630
Financial assets at amortised cost	7	1,727,547	1,638,376
Other assets	9	62,173	38,643
Total current assets		2,759,325	3,274,222
Non-current assets			
Property, plant and equipment	10	4,374,250	3,278,711
Investment properties	11	550,000	550,000
Lease assets	12	1,235,340	1,094,566
Financial assets at fair value	8	1,086	1,086
Total non-current assets		6,160,676	4,924,363
Total assets		8,920,001	8,198,585
LIABILITIES			
Current liabilities			
Trade and other payables	13	358,857	343,068
Financial liabilities	14	26,169	78,231
Provisions	15	240,896	216,354
Other liabilities	16	22,731	18,504
Total current liabilities		648,653	656,157
Non-current liabilities			
Financial liabilities	14	23,733	37,525
Provisions	15	25,416	52,363
Lease liabilities	12	1,235,340	1,094,566
Total non-current liabilities		1,284,489	1,184,454
Total liabilities		1,933,142	1,840,611
Net assets		6,986,859	6,357,974
MEMBERS FUNDS			
Retained profits		6,986,859	6,357,974
Total members funds		6,986,859	6,357,974

The above *statement of financial position* should be read in conjunction with the accompanying notes

Munmorah United Bowling Club Limited
Statement of changes in equity
For the year ended 30 June 2025

	Retained Profits \$	Total \$
Balance at 1 July 2023	6,014,066	6,014,066
Profit for the year	343,908	343,908
Total comprehensive income for the year	343,908	343,908
Balance at 30 June 2024	6,357,974	6,357,974
Profit for the year	628,885	628,885
Total comprehensive income for the year	628,885	628,885
Balance at 30 June 2025	6,986,859	6,986,859

The above *statement of changes in equity* should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from members and customers		7,375,192	6,981,448
Payments to suppliers and employees		(6,340,477)	(6,028,372)
Interest received		112,374	72,680
Interest paid		(85,422)	(90,856)
Net cash inflow (outflow) from operating activities		1,061,667	934,900
Cash flows from investing activities			
Payments for property, plant and equipment		(1,552,185)	(325,765)
Transfer from / (to) term deposits		(75,286)	(1,575,790)
Net cash inflow (outflow) from investing activities		(1,627,471)	(1,901,555)
Cash flows from financing activities			
Proceeds from borrowings		118,794	115,778
Repayment of borrowings		(184,648)	(177,315)
Repayment of lease liabilities		-	(11,981)
Net cash inflow (outflow) from financing activities		(65,854)	(73,518)
Net increase/(decrease) in cash and cash equivalents		(631,658)	(1,040,173)
Cash and cash equivalents at the beginning of the financial year		1,539,573	2,579,746
Cash and cash equivalents at the end of the financial year	5	907,915	1,539,573

The above *statement of cash flows* should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 30 June 2025

1 Summary of material accounting policies

(a) Information about the entity

- Munmorah United Bowling Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Munmorah United Bowling Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is 550 Pacific Highway, Lake Munmorah, NSW 2259.
- The principal place of business of the Club is 550 Pacific Highway, Lake Munmorah, NSW 2259.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

(c) Material accounting policy information

The material accounting policies applied in the preparation of this financial report are consistent with the previous period unless otherwise stated.

(d) Statement of compliance

This financial report complies with *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for Profit Tier 2 Entities* as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs, except for investment properties which have been measured at fair value. The financial report is presented in Australian Dollars.

(e) Income taxes

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

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

(g) Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

(h) Comparative information

Comparative information has been adjusted to reflect current year disclosures where applicable.

Notes to the financial statements

For the year ended 30 June 2025

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Club derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Food and Beverage Revenue	Bowling Revenue	Gaming Revenue	Promotions Revenue	Membership Revenue	Other Revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2025							
Revenue from contracts with customers	2,859,972	60,961	3,311,271	303,794	21,736	140,599	6,698,333
Other revenue (not covered by AASB15)	-	-	17,180	-	-	-	17,180
	<u>2,859,972</u>	<u>60,961</u>	<u>3,328,451</u>	<u>303,794</u>	<u>21,736</u>	<u>140,599</u>	<u>6,715,513</u>

Timing of revenue recognition

At a point in time	2,859,972	60,961	3,311,271	303,794	-	140,599	6,676,597
Over time	-	-	17,180	-	21,736	-	38,916
	<u>2,859,972</u>	<u>60,961</u>	<u>3,328,451</u>	<u>303,794</u>	<u>21,736</u>	<u>140,599</u>	<u>6,715,513</u>

	Food and Beverage Revenue	Bowling Revenue	Gaming Revenue	Promotions Revenue	Membership Revenue	Other Revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2024							
Revenue from contracts with customers	2,696,970	108,967	3,119,914	286,678	21,561	129,800	6,363,890
Other revenue (not covered by AASB15)	-	-	17,180	-	-	-	17,180
	<u>2,696,970</u>	<u>108,967</u>	<u>3,137,094</u>	<u>286,678</u>	<u>21,561</u>	<u>129,800</u>	<u>6,381,070</u>

Timing of revenue recognition

At a point in time	2,696,970	108,967	3,119,914	286,678	-	129,800	6,342,329
Over time	-	-	17,180	-	21,561	-	38,741
	<u>2,696,970</u>	<u>108,967</u>	<u>3,137,094</u>	<u>286,678</u>	<u>21,561</u>	<u>129,800</u>	<u>6,381,070</u>

b) Assets and liabilities related to contracts with customers

The Club has recognised the following assets and liabilities related to contracts with customers:

	2025	2024
	\$	\$
Contract liabilities (membership in advance)	7,589	6,002
Total contract liabilities	<u>7,589</u>	<u>6,002</u>

c) Accounting policies and significant judgements

The Club recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Club is or expects to be entitled in exchange for those goods or services.

The Club considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. Loyalty Points Program). In determining the transaction price for the sale of goods, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Sale of goods - food and beverage revenue

Revenue from the sale of food and beverages is recognised at a point in time when the physical control of the good passes to the customer.

(ii) Provision of services - gaming revenue

Revenue from rendering services from gaming facilities to members and other patrons of the Club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission revenue where the Club acts as an agent for third parties who provide wagering services to members and guests is recognised at a point in time when the wagering transaction has been completed.

(iii) Provision of services - promotion revenue

Raffle, bingo, housie and other promotion events revenue is recognised at a point in time when the customer takes possession of the ticket and the raffle, bingo, housie or other event has been conducted as at this point the performance obligations have been satisfied.

Notes to the financial statements

For the year ended 30 June 2025

3 Other income and expense items

	2025	2024
	\$	\$
(a) Other income		
Interest income	110,864	94,882
Other income	-	3,271
	<u>110,864</u>	<u>98,153</u>

(b) Other expenses

Employee benefits expense	1,875,907	1,783,735
Depreciation and amortisation	440,077	430,994
Capital WIP written off	-	127,204

5 Cash and cash equivalents**Current**

Cash and cash equivalents	907,915	1,539,573
	<u>907,915</u>	<u>1,539,573</u>

Accounting policy

Cash and short-term deposits in the Statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

6 Inventories**Current**

Stock on hand - bar	46,396	41,499
Stock on hand - bistro	15,294	16,131
	<u>61,690</u>	<u>57,630</u>

Accounting policy

Inventories are measured at the lower of cost and current replacement cost (net realisable value).

7 Financial assets at amortised cost**Current**

Term deposits	1,651,075	1,575,790
Other receivables	76,472	62,586
	<u>1,727,547</u>	<u>1,638,376</u>

Accounting policy

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

8 Financial assets at fair value through profit and loss**Non-current**

Shares	1,086	1,086
	<u>1,086</u>	<u>1,086</u>

Accounting policy

Equity instruments are measured at fair value with changes in fair value recognised through profit and loss. Dividends received on these investments are recognised in the statement of profit or loss and other comprehensive income unless the distribution clearly represents a recovery of part of the cost of the investment.

9 Other assets**Current**

Prepayments	62,173	38,643
	<u>62,173</u>	<u>38,643</u>

Notes to the financial statements

For the year ended 30 June 2025

10 Property, plant and equipment

	Land and buildings	Plant and equipment	Poker machines	Capital WIP	Total
	\$	\$	\$	\$	\$
Non-current assets					
At 1 July 2024					
Cost	4,366,899	1,991,439	2,136,679	100,260	8,595,277
Accumulated depreciation	(2,068,938)	(1,608,693)	(1,638,935)	-	(5,316,566)
Net book amount	2,297,961	382,746	497,744	100,260	3,278,711
Year ended 30 June 2025					
Opening net book amount	2,297,961	382,746	497,744	100,260	3,278,711
Additions	13,792	82,210	144,683	1,296,379	1,537,064
Disposals	-	(1,448)	-	-	(1,448)
Transfer	17,980	207,299	-	(225,279)	-
Depreciation charge	(135,052)	(92,501)	(212,524)	-	(440,077)
Closing net book amount	2,194,681	578,306	429,903	1,171,360	4,374,250
At 30 June 2025					
Cost	4,398,671	2,157,656	1,974,703	1,171,360	9,702,390
Accumulated depreciation	(2,203,990)	(1,579,350)	(1,544,800)	-	(5,328,140)
Net book amount	2,194,681	578,306	429,903	1,171,360	4,374,250

Accounting policy**(a) Land and buildings**

Freehold land and buildings is carried at cost less any accumulated depreciation and any impairment value.

(b) Plant and equipment and poker machines

Each class of plant and equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

(c) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Leasehold improvements	10 - 50 years
Plant & equipment	3 - 11 years
Poker machines	3 - 5 years

Significant accounting estimates and judgements

The useful life of property, plant and equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

11 Investment properties

	2025	2024
	\$	\$
Non-current assets - at fair value		
Opening balance at 1 July	550,000	550,000
Closing balance at 30 June	550,000	550,000

Accounting policy

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. Gains or losses arising from changes in the fair values of the investment properties are included in the statement of profit or loss and other comprehensive income in the year in which they arise.

Investment properties are no longer recognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognising of an investment property are recognised in the statement of profit or loss and other comprehensive income in that year.

Investment properties are stated at fair value, which has been determined by the Directors based on a market appraisal performed by Luke Thompson of Ray White Thompson Partners as at 30 June 2025. The real estate agent frequently assesses the market values for properties similar to those held by the Club in the same areas, having regard to past sales prices of other properties and current market conditions.

Notes to the financial statements

For the year ended 30 June 2025

11 Investment properties (continued)**Significant accounting estimates and judgements**

The fair value of investment properties is estimated at each reporting date, based on independent assessments of the market value of the properties and the best available knowledge of current market prices. Estimation uncertainty exists and is related to the various assumptions used in determining the fair value.

12 Lease assets and lease liabilities

The Club leases the Club Land where Club buildings and facilities are situated.

The lease over the Crown Land occupied by the Club is a lease in Perpetuity between the Club and Crown Lands NSW and commenced in 1974. The agreement provides the right of the Minister to terminate the lease on one years notice with all improvements reverting to the Landlord.

	2025 \$	2024 \$
a) Lease assets		
Non-current		
Land	1,235,340	1,049,380
	<u>1,235,340</u>	<u>1,094,566</u>

Reconciliation of lease assets	Land \$	Total \$	Total \$
Carrying amount at the beginning of the year	1,094,566	1,094,566	1,060,125
Additions	140,774	140,774	45,186
Depreciation	-	-	(10,745)
Carrying amount at the end of the year	<u>1,235,340</u>	<u>1,235,340</u>	<u>1,094,566</u>

b) Lease liabilities**Current**

Lease liabilities	-	-	-
Non-current			
Lease liabilities	1,235,340	1,235,340	1,094,566
Total	<u>1,235,340</u>	<u>1,235,340</u>	<u>1,094,566</u>

Reconciliation of lease liabilities	Land \$	Total \$	Total \$
Carrying amount at the beginning of the year	1,094,566	1,094,566	1,061,361
Additions	140,774	140,774	45,186
Interest expense	61,767	61,767	53,937
Lease payments	(61,767)	(61,767)	(65,918)
Carrying amount at the end of the year	<u>1,235,340</u>	<u>1,235,340</u>	<u>1,094,566</u>

The future lease commitment relating to the land lease in perpetuity has been recognised at the net present value of the current annual lease payment being \$61,767 and discounted using the incremental borrowing rate noted below.

Accounting policy

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Club's incremental borrowing rate. The weighted average incremental borrowing rate is 5%.

Notes to the financial statements

For the year ended 30 June 2025

12 Leases (continued)**Significant accounting estimates and judgements**

Accounting for Lease in Perpetuity with Crown Lands NSW - The accounting treatment of the Club's lease in perpetuity with Crown Lands NSW involves judgement and estimates in determining whether the contract grants rights that result in transfer of control of the asset to the Club and therefore results in the in-substance purchase of the Land. The Directors have determined that control of the asset does not transfer to the Club and as such the contract has been treated as a lease in accordance with AASB16 Lease.

13 Trade and other payables

	2025	2024
	\$	\$
Current		
Trade payables	217,015	204,603
Other payables and accruals	110,905	107,036
GST payable	30,937	31,429
	<u>358,857</u>	<u>343,068</u>

Accounting policy

Trade and other payables, including accruals, are non-interest bearing and are generally due for payment within 30 days of the invoice date.

14 Financial liabilities**Current***Secured*

Other loans (i)	26,169	78,231
Total secured financial liabilities	<u>26,169</u>	<u>78,231</u>

Non-current*Secured*

Other loans (i)	23,733	37,525
Total secured financial liabilities	<u>23,733</u>	<u>37,525</u>

(i) Other secured liabilities

The other loans are secured by a fixed charge over the specific assets that are financed.

15 Provisions**Current**

Employee entitlements (i) & (ii)	235,496	204,012
Jackpots	5,400	12,342
	<u>240,896</u>	<u>216,354</u>

Non-current

Employee entitlements (ii)	25,416	52,363
	<u>25,416</u>	<u>52,363</u>

Accounting policy*(i) Annual leave*

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

Notes to the financial statements

For the year ended 30 June 2025

16 Other liabilities

	2025	2024
	\$	\$
Current		
Contract liabilities - membership income	7,589	6,002
Other liabilities	15,142	12,502
	<u>22,731</u>	<u>18,504</u>

17 Commitments

There were no contractual commitments for expenditure at balance date.

18 Contingent liabilities

Bank guarantee substituting for a security deposit for TAB facilities	<u>5,000</u>	<u>5,000</u>
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The Club has an overdraft facility of \$100,000 with the Commonwealth Bank which is secured by:

- A First Registered Mortgage by Munmorah United Bowling Club Ltd ACN 000 639 314 over Residential Real Property located at 600 Pacific Highway, Lake Munmorah NSW 2259.
- A First Registered Equitable Mortgage by Munmorah United Bowling Club Ltd ACN 000 639 314 over whole of its asset(s) and undertaking(s) including uncalled capital.

19 Related parties

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

(a) Key management personnel compensation

Total key management personnel benefits	<u>301,992</u>	<u>290,526</u>
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20 Remuneration of auditors*Auditor of the club*

Audit of the financial statements	29,300	28,200
Other services - taxation compliance	440	840
Other services - consulting	12,860	8,450
	<u>42,600</u>	<u>37,490</u>

Munmorah United Bowling Club Limited

Consolidated entity disclosure statement

For the year ended 30 June 2025

Munmorah United Bowling Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

Accordingly, in accordance with subsection 295 (3A) of the Corporations Act 2001, no further information is required to be disclosed in this consolidated entity disclosure statement.

Directors' declaration

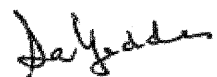
In the Directors' opinion:

- (a) The financial statements, notes and consolidated entity disclosure statement set out on pages 6 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards - Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Club's financial position as at 30 June 2025 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable; and
- (c) the consolidated entity disclosure statement required by subsection 295 (3A) of the *Corporations Act 2001* is true and correct.

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



William Ralley - President



Sonia Geddes - Director

Lake Munmorah, NSW
15 August 2025

Independent auditor's report to the members of Munmorah United Bowling Club Limited

Opinion

We have audited the financial report of Munmorah United Bowling Club Limited (the Club) which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the Directors' declaration.

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

- (a) giving a true and fair view of the Club'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 Club 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 audit opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Club's 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 further to report in this regard.

Independent auditor's report (cont.)

Responsibilities of the Directors for the financial report

The Directors of the Club are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the Directors determine is necessary to enable the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Club'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 Club or to cease operations, or have no realistic alternative but to do so.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Club for the year ended 30 June 2025 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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 Club'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 Club'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 Club to cease to continue as a going concern.

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Independent auditor's report (cont.)

Auditor's responsibilities for the audit of the financial report (continued)

- 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.



Kirsty Porteous - Partner



Pitcher Partners NH Partnership
Chartered Accountants

15 August 2025
Newcastle West, NSW

Pitcher Partners Newcastle & Hunter Pty Ltd

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