

Kempsey Golf Club Limited

79000114643

Financial Statements

For the Year Ended 31 March 2025

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For the Year Ended 31 March 2025

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Directors' Report

31 March 2025

The directors present their report on Kempsey Golf Club Limited for the financial year ended 31 March 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	Appointed / Resigned
Andrew Evans	Director	11/4/2022
Peter Robert Townsend	Director	07/05/2013
Ross Leopold	Director	19/08/2012
Paul Sydenham	Director	26/11/2020
Malcolm Blanch	Director	24/7/2022
Luke Adamson	Director	19/2/2024 / 21/7/2024
Brad Dyet	Director	21/7/2024

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

Principal activities

The principal activity of Kempsey Golf Club Limited during the financial year was the provision of sporting facilities and social amenities for its members and guests.

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

Short term objectives

The Club's short term objectives are to:

- Maintain and improve the qualities of the club facilities
- Improve staff knowledge regarding appropriate customer contact
- Maintain a healthy working environment
- Provide and promote sports, recreation, leisure & learning facilities for the whole community

Long term objectives

The Club's long term objectives are to:

- Increase membership in the club
- Improve service and facilities

Directors' Report

31 March 2025

1. General information

Long term objectives

- Maintain cash reserves to an acceptable level

Strategy for achieving the objectives

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

- Increase advertising regarding the clubs activities
- Monitoring of cashflow and profit margins
- Ongoing training of employees and volunteers
- Improving Directors knowledge

Members' guarantee

Kempsey 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 31 March 2024 the collective liability of members was \$ 840 (2023: \$ 824).

2. Operating results and review of operations for the year

Operating result

The profit of the Club for the financial year after providing for income tax amounted to \$ 128,521 (2024: \$ 172,499).

Directors' Report
31 March 2025

3. Other items

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
Andrew Evans	12	9
Peter Robert Townsend	12	11
Ross Leopold	12	12
Paul Sydenham	12	11
Malcolm Blanch	12	10
Luke Adamson	2	1
Brad Dyet	10	10

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 March 2025 has been received and can be found on page 4 of the financial report.

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

Director:

Director:

Dated:

Kempsey Golf Club Limited

79000114643

Reviewer's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Kempsey Golf Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 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.

Dan Wade
Director
Wrights Chartered Accountants

Dated:

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 March 2025

		2025	2024
	Note	\$	\$
Revenue	18	532,578	514,097
Interest income		10,344	7,131
Other income		997,978	985,940
Raw materials and consumables used		(340,873)	(306,576)
Employee benefits expense		(528,420)	(465,772)
Depreciation and amortisation expense		(59,067)	(57,027)
Other operating expenses		(513,725)	(545,872)
Finance costs		(404)	(225)
Profit before income tax		98,411	131,696
Income tax expense		-	-
Profit from continuing operations		98,411	131,696
Profit for the year		98,411	131,696
Other comprehensive income, net of income tax			
Donations		30,110	40,803
Profit on sale of assets		-	-
Items that will not be reclassified subsequently to profit or loss			
Items that will be reclassified to profit or loss when specific conditions are met			
Total comprehensive income for the year		128,521	172,499

Statement of Financial Position
31 March 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	569,168	498,588
Inventories	5	94,852	63,222
Other assets	7	34,702	35,216
TOTAL CURRENT ASSETS		698,722	597,026
NON-CURRENT ASSETS			
Financial assets	6	10	10
Property, plant and equipment	8	2,102,527	2,102,399
Intangible assets	9	110,000	110,000
TOTAL NON-CURRENT ASSETS		2,212,537	2,212,409
TOTAL ASSETS		2,911,259	2,809,435
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	25,766	46,386
Current tax liabilities	15	10,309	18,550
Employee benefits	13	49,061	63,724
Other liabilities	12	73,911	56,779
TOTAL CURRENT LIABILITIES		159,047	185,439
NON-CURRENT LIABILITIES			
Borrowings	11	4,578	4,883
TOTAL NON-CURRENT LIABILITIES		4,578	4,883
TOTAL LIABILITIES		163,625	190,322
NET ASSETS		2,747,634	2,619,113
EQUITY			
Reserves		1,213,187	1,213,187
Retained earnings		1,534,447	1,405,926
TOTAL EQUITY		2,747,634	2,619,113

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 March 2025

2025

	Note	Retained Earnings	Asset Realisation Reserve	Total
		\$	\$	\$
Balance at 1 April 2024		1,405,926	1,213,187	2,619,113
Profit attributable to members of the parent entity		128,521	-	128,521
Balance at 31 March 2025		1,534,447	1,213,187	2,747,634

2024

	Note	Retained Earnings	Asset Realisation Reserve	Total
		\$	\$	\$
Balance at 1 April 2023		1,233,427	1,213,187	2,446,614
Profit attributable to members of the parent entity		172,499	-	172,499
Balance at 31 March 2024		1,405,926	1,213,187	2,619,113

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 March 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		1,572,810	1,505,087
Payments to suppliers and employees		(1,442,631)	(1,216,978)
Interest paid		(404)	(225)
Net cash provided by/(used in) operating activities		<u>129,775</u>	<u>287,884</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(59,195)	(162,984)
Net cash provided by/(used in) investing activities		<u>(59,195)</u>	<u>(162,984)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		70,580	124,900
Cash and cash equivalents at beginning of year		<u>498,588</u>	<u>373,688</u>
Cash and cash equivalents at end of financial year	4	<u><u>569,168</u></u>	<u><u>498,588</u></u>

Notes to the Financial Statements

For the Year Ended 31 March 2025

The financial report covers Kempsey Golf Club Limited as an individual entity. Kempsey Golf Club Limited is a for profit Club limited by guarantee, incorporated and domiciled in Australia.

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

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board 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 disclosed.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Club and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Donations

Donations and bequests are recognised as revenue when received.

Other income

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

(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 31 March 2025

2 Summary of Significant Accounting Policies

(c) Goods and Services Tax (GST)

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of either receivables or payables in the statement of financial position.

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

(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.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Notes to the Financial Statements

For the Year Ended 31 March 2025

2 Summary of Significant Accounting Policies

(e) Property, Plant and Equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Club, commencing when the asset is ready for use. As in previous years the company has not depreciated buildings and is noted in the Independent Auditor's Review Report.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	0%
Course Machinery	10-25%
Furniture and Equipment	2.5-40%
Poker Machines	15-30%
Kitchen Plant	2.5-20%

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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

(f) Cash and cash equivalents

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

(g) Employee benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee 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 are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

3 Critical Accounting Estimates and Judgments

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

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Notes to the Financial Statements

For the Year Ended 31 March 2025

3 Critical Accounting Estimates and Judgments

Key estimates - impairment of property, plant and equipment

The Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

4 Cash and cash equivalents

	2025	2024
	\$	\$
Cash at bank in hand	532,291	459,003
Other cash and cash equivalents	36,877	39,585
Total cash and cash equivalents	569,168	498,588

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2025	2024
	\$	\$
Cash and cash equivalents	569,168	498,588
Balance as per statement of cash flows	569,168	498,588

5 Inventories

	2025	2024
	\$	\$
CURRENT		
At cost:		
Inventories	94,852	63,222
Total inventories	94,852	63,222

6 Other financial assets

	2025	2024
	\$	\$
NON-CURRENT		
Investment	10	10
Total non-current assets	10	10

Notes to the Financial Statements

For the Year Ended 31 March 2025

7 Other non-financial assets

	2025	2024
	\$	\$
CURRENT		
Prepayments	34,702	33,416
Accrued income	-	1,800
Total other non-financial assets	34,702	35,216

8 Property, plant and equipment

	2025	2024
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At fair value	767,884	767,884
Total freehold land	767,884	767,884
Total Land	767,884	767,884
Buildings		
At fair value	852,160	852,160
Total buildings	852,160	852,160
Total land and buildings	1,620,044	1,620,044
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	614,755	614,755
Accumulated depreciation	(508,703)	(468,609)
Total plant and equipment	106,052	146,146
Furniture, fixtures and fittings		
At cost	203,492	189,955
Accumulated depreciation	(160,645)	(156,727)
Total furniture, fixtures and fittings	42,846	33,228
Fairway Watering		
At cost	3,000	3,000
Accumulated depreciation	(3,000)	(3,000)
Total fairway watering	-	-
Improvements		
At cost	194,815	149,157
Accumulated depreciation	(6,319)	(2,004)
Total leasehold improvements	188,496	147,153

Notes to the Financial Statements

For the Year Ended 31 March 2025

8 Property, plant and equipment

Poker Machines		
At cost	87,871	87,871
Accumulated depreciation	(65,907)	(59,908)
Total poker machines	21,964	27,963
Car Park Improvements		
At cost	128,442	128,442
Accumulated depreciation	(10,900)	(7,689)
Total Car Park Improvements	117,542	120,753
Kitchen Plant		
At cost	32,556	32,556
Accumulated depreciation	(26,974)	(25,444)
Total kitchen plant	5,582	7,112
Total plant and equipment	482,483	482,355
Total property, plant and equipment	2,102,527	2,102,399

(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	Course Machinery	Furniture and Equipment
	\$	\$	\$	\$
Year ended 31 March 2025				
Balance at the beginning of year	767,884	852,160	146,146	33,228
Additions	-	-	-	13,537
Depreciation expense	-	-	(40,094)	(3,918)
Balance at the end of the year	767,884	852,160	106,052	42,846
	Improvements	Poker Machines	Car Park Improvements	Kitchen Plant
	\$	\$	\$	\$
Year ended 31 March 2025				
Balance at the beginning of year	147,153	27,963	120,753	7,112
Additions	45,658	-	-	-
Depreciation expense	(4,315)	(5,999)	(3,211)	(1,530)
Balance at the end of the year	188,496	21,964	117,542	5,582

Notes to the Financial Statements

For the Year Ended 31 March 2025

8 Property, plant and equipment

(a) Movements in Carrying Amounts

	Total \$
Year ended 31 March 2025	
Balance at the beginning of year	2,102,399
Additions	59,195
Depreciation expense	(59,067)
Balance at the end of the year	<u>2,102,527</u>

9 Intangible Assets

	2025 \$	2024 \$
Poker Machine Entitlements Cost	110,000	110,000
Total Intangibles	<u>110,000</u>	<u>110,000</u>

10 Trade and other payables

	2025 \$	2024 \$
Current		
Trade payables	3,964	3,964
Accrued Expense	21,802	42,422
Total trade and other payables	<u>25,766</u>	<u>46,386</u>

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.

11 Borrowings

	2025 \$	2024 \$
NON-CURRENT		
Unsecured liabilities:		
Members loans	4,578	4,883
Total non-current borrowings	<u>4,578</u>	<u>4,883</u>

Notes to the Financial Statements

For the Year Ended 31 March 2025

11 Borrowings

- (a) Loan Break Up

The Club has Members Loans of \$4,578 which is currently an interest only loan with the principal to be repaid at an undisclosed date.

12 Other liabilities

	2025	2024
	\$	\$
CURRENT		
Superannuation Payable	5,785	5,215
PAYG Payable	4,673	5,492
Electricity	6,853	6,567
Subscriptions Received in Advance	56,600	39,505
Total current other liabilities	73,911	56,779

13 Employee Benefits

	2025	2024
	\$	\$
Current liabilities		
Annual Leave	22,580	29,968
Long service leave	8,046	11,188
Other employee benefits	18,435	22,568
Total employee benefits	49,061	63,724

14 Members' Guarantee

The Club is incorporated under the *Corporations Act 2001* and is a Club limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the Club. At 31 March 2025 the number of members was 420 (2024: 412).

15 Tax

	2025	2024
	\$	\$
GST payable	10,309	18,550
Current tax liabilities	10,309	18,550

16 Contingencies

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

Notes to the Financial Statements**For the Year Ended 31 March 2025****17 Related Parties**

(a) The Club had the following related party transactions during the year:

Nil

18 Revenue and Other Income

Sales revenue	532,578	514,097
Finance income	10,344	7,131
Other revenue		
- Rental income	55,232	53,068
- Golf hire / Sales	308,399	333,882
- Recycling	4,156	5,055
- Other income	597,506	569,959
- Government grants / subsidies	32,685	23,976
Total other revenue	997,978	985,940
Total revenue and other income	1,540,900	1,507,168

19 Events Occurring After the Reporting Date

The financial report was authorised for issue on 30th June 2025 by the Board of Directors.

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

20 Statutory Information

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

Kempsey Golf Club Limited
330 Macleay Valley Way
Kempsey NSW 2440

Directors' Declaration

The directors of the Club declare that:

- 1. The financial statements and notes, as set out on pages 6 to 17, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 March 2025 and of the performance for the year ended on that date of the Club.
- 2. In the directors' opinion, there are reasonable grounds to believe that the Club 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

Director

Dated this day of 2025

Kempsey Golf Club Limited

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Independent Auditor's Review Report to the members of Kempsey Golf Club Limited

Report on the Annual Financial Report

Qualified Conclusion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial report of Kempsey 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 31 March 2025 and its performance for the period ended;

b) complying with Australian Accounting Standards and *Corporations Regulations 2001*.

Basis for Qualified Conclusion

Depreciation

As in previous years the company has not depreciated buildings. This is a departure from Australian Accounting Standard AASB 116. Notwithstanding our recommendation to the Board, depreciation for the of \$21,250 (2025 \$21,250) has not been provided for in this report.

We have reviewed the accompanying annual financial report of Kempsey Golf Club Limited, which comprises the statement of financial position as at 31 March 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 ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Annual Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the annual financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 March 2024 and its performance for the year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and*

Kempsey Golf Club Limited

79000114643

Independent Auditor's Review Report to the members of Kempsey Golf Club Limited

the Corporations Regulations 2001. As the auditor of Kempsey Golf Club Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a annual financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Kempsey Golf Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Dan Wade
Director
Wrights Chartered Accountants

59 Smith Street, Kempsey

Dated:

Dated this.....day of.....2025