



Kurri Kurri Bowling Club Limited

ABN 32 000 796 501

Annual Financial Report for the year ended 31 May 2025

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Annual financial report for the year ended 31 May 2025

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

The financial statements were authorised for issue by the Directors on 25 September 2025. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors' present their report on Kurri Kurri Bowling Club Limited (the Company) for the year ended 31 May 2025.

Directors details

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

Phillip Shaw

President
Director since 2013
Retired, Plant Operator

Kevin Fenwick

Treasurer
Director since 2018
Retired, School Teacher

Raymond Mulcahy

Vice President
Director since 2018
Retired, Company Manager

Marianne Curtis

Director
Director since 2022
School Teacher

Peter Sumner

Director
Director since 2022
Electrician

Ian Mann

Director
Director since 2018
Retired, Fitter

Rossalyn Manners

Director
Director since 2018
Retired, Registered Nurse

David Johns

Director
Director since 2018
Retired, Accountant

Maurice Anlezark

Junior Vice President
Director since 2022
Retired, Club Manager

Company secretary

Peter Fairbairn was the Company Secretary from the start of the financial year and held the position of Secretary Manager until his resignation. Following his resignation, Tahlae Ball (Gaming Manager) has been appointed as Interim CEO and held the position of Company Secretary since 1 August 2025.

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
Phillip Shaw	11	9
Ian Mann	11	9
Kevin Fenwick	11	11
Rossalyn Manners	11	9
Raymond Mulcahy	11	10
David Johns	11	11
Marianne Curtis	11	10
Maurice Anlezark	11	11
Peter Sumner	11	8

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 31 May 2025, the following land and buildings are considered to be core property:

- Core**
- 3 - 7 Tarro Street, Kurri Kurri
 - 66 Clift Street, Heddons Greta
- Non-Core**
- 1/5 & 2/5 Elford Avenue, Weston

Principal activities

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

Significant changes in state of affairs

No significant changes in the Club's state of affairs occurred during the financial year other than the amalgamation with Kurri Golf Club Limited on 11 November 2024.

Events since the end of the financial year

No other 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 Club in future financial years.

Short and long-term objectives

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

- provide the best facilities available to members and their guests, including the promotion of the game of bowls and golf.

Strategy for achieving short and long-term objectives

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

- (a) 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 Company measures its performance through both financial and non financial key performance indicators that have been developed relevant to the club industry.

Contribution in winding up

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At balance date the total amount that members of the Company are liable to contribute if the Company wound up is \$95,540 (2024: \$30,240).

Rounding of amounts

The Company 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.



Phillip Shaw - Director



Kevin Fenwick - Director

Dated: 25 September 2025

Auditor's independence declaration

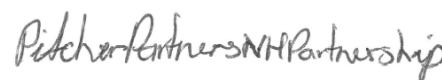
To the Directors of Kurri Kurri Bowling Club Limited

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Kurri Kurri Bowling Club Limited for the year ended 31 May 2025, there have been:

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



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 25 September 2025
Newcastle West, NSW

Statement of profit or loss and other comprehensive income

For the year ended 31 May 2025

		2025	2024
	Notes	\$	\$
Revenue from continuing operations	2	10,250,019	8,495,974
Other income	3	88,301	98,946
Bar cost of goods sold		(676,608)	(519,174)
Bar direct expenses		(479,205)	(368,023)
Bistro cost of goods sold		(500,447)	(523,988)
Bistro direct expenses		(655,063)	(640,968)
Coffee shop cost of goods sold		(69,340)	(57,421)
Coffee shop direct expenses		(65,156)	(69,208)
Gaming direct expenses		(2,151,746)	(1,930,489)
Rental operations		(19,094)	(7,982)
Bowls direct expenses		(486,435)	(399,962)
Golf direct expense		(497,575)	-
Administration and clubhouse expenses		(3,987,528)	(3,382,106)
Finance costs		(77,047)	(133,400)
		(9,665,244)	(8,032,721)
Profit / (loss) before income tax		673,076	562,199
Income tax expense	1 (e)	-	-
Profit / (loss) for the year		673,076	562,199
Other comprehensive income			-
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Gain on amalgamation	20	3,470,907	
Other comprehensive income for the year, net of tax		3,470,907	-
Total comprehensive income / (loss) for the year		4,143,983	562,199

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

Statement of financial position

For the year ended 31 May 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	3,304,239	2,846,450
Trade receivables	5	1,243	3,781
Inventories	6	165,536	132,243
Financial assets at amortised cost	7	9,065	19,968
Other assets	8	41,444	23,282
Total current assets		3,521,527	3,025,724
Non-current assets			
Property, plant and equipment	9	10,928,441	7,182,828
Investment properties	10	1,100,000	1,070,000
Intangible assets	11	201,758	126,000
Lease asset	12 (a)	158,824	39,058
Total non-current assets		12,389,023	8,417,886
Total assets		15,910,550	11,443,610
LIABILITIES			
Current liabilities			
Trade and other payables	13	1,134,222	804,856
Financial liabilities	14	287,436	291,266
Provisions	15	554,540	513,205
Other liabilities	16	38,239	13,372
Lease liabilities	12 (b)	61,839	7,088
Total current liabilities		2,076,276	1,629,787
Non-current liabilities			
Financial liabilities	14	959,056	1,281,561
Provisions	15	123,787	16,770
Lease liabilities	12 (b)	91,956	-
Total non-current liabilities		1,174,799	1,298,331
Total liabilities		3,251,075	2,928,118
Net assets		12,659,475	8,515,492
MEMBERS FUNDS			
Retained profits		12,659,475	8,515,492
Total members funds		12,659,475	8,515,492

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

Statement of changes in equity

For the year ended 31 May 2025

	Retained Profits \$	Total \$
Balance at 1 June 2023	7,953,293	7,953,293
Profit for the year	562,199	562,199
Total comprehensive income for the year	562,199	562,199
Balance at 31 May 2024	8,515,492	8,515,492
Profit for the year	673,076	673,076
Other comprehensive income	3,470,907	3,470,907
Total comprehensive income for the year	4,143,983	4,143,983
Balance at 31 May 2025	12,659,475	12,659,475

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

Statement of cash flows

For the year ended 31 May 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from members and customers		11,218,257	9,400,340
Payments to suppliers and employees		(9,516,869)	(7,981,070)
Interest received		2,851	12
Interest paid		(77,047)	(133,400)
Net cash inflow (outflow) from operating activities		1,627,192	1,285,883
Cash flows from investing activities			
Payments for property, plant and equipment		(1,191,414)	(880,865)
Proceeds from sale of property, plant and equipment		44,146	92,203
Cash acquired through amalgamation		341,629	-
Net cash inflow (outflow) from investing activities		(805,639)	(788,662)
Cash flows from financing activities			
Repayment of borrowings		(326,335)	(301,029)
Repayment of lease liabilities		(37,429)	(27,956)
Net cash inflow (outflow) from financing activities		(363,764)	(328,985)
Net increase in cash and cash equivalents		457,789	168,236
Cash and cash equivalents at the beginning of the financial year		2,846,450	2,678,214
Cash and cash equivalents at the end of the financial year	4	3,304,239	2,846,450

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

Notes to the financial statements

For the year ended 31 May 2025

1 Summary of material accounting policies

(a) Information about the entity

- Kurri Kurri Bowling Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Kurri Kurri Bowling Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is Tarro Street, Kurri Kurri NSW 2327.
- The principal place of business of the Club is Tarro Street, Kurri Kurri NSW 2327.

(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 Company 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 Company 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.

(i) Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of assets transferred to the Company and liabilities incurred by the Company to the former entity of the acquiree. Acquisition related costs are recognised in the statement of profit or loss and other comprehensive Income as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value. Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognised immediately in the statement of profit or loss and other comprehensive Income as a gain on bargain purchase. Gain on amalgamation arises when the fair value of net assets acquired in an amalgamation exceeds the consideration paid, and is recognised as other comprehensive income in the period in which the amalgamation occurs.

Notes to the financial statements

For the year ended 31 May 2025

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

The Company 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	Gaming revenue	Membership revenue	Raffle and bingo revenue	Golf revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2025							
Revenue from contracts with customers	3,059,120	5,961,900	255,560	385,815	423,225	146,938	10,232,558
Other revenue (not covered by AASB15)		17,461					17,461
	3,059,120	5,979,361	255,560	385,815	423,225	146,938	10,250,019

Timing of revenue recognition

At a point in time	3,059,120	5,961,900	-	385,815	423,225	146,938	9,976,998
Over time	-	17,461	255,560	-	-	-	273,021
	3,059,120	5,979,361	255,560	385,815	423,225	146,938	10,250,019

	Food and beverage revenue	Gaming revenue	Membership revenue	Raffle and bingo revenue	Golf revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2024							
Revenue from contracts with customers	2,702,843	5,205,207	34,830	395,678	-	140,236	8,478,794
Other revenue (not covered by AASB15)	-	17,180	-	-	-	-	17,180
	2,702,843	5,222,387	34,830	395,678	-	140,236	8,495,974

Timing of revenue recognition

At a point in time	2,702,843	5,205,207	-	395,678	-	140,236	8,443,964
Over time	-	17,180	34,830	-	-	-	52,010
	2,702,843	5,222,387	34,830	395,678	-	140,236	8,495,974

(b) Accounting policies and significant judgements

The Company 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 Company is or expects to be entitled in exchange for those goods or services.

The Company 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 Company 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 goods passes to the customer.

(ii) Provision of services - gaming revenue

Revenue from rendering services from gaming facilities to members and other patrons of the Company 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 income where the Company 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.

Notes to the financial statements

For the year ended 31 May 2025

(b) Accounting policies and significant judgements (continued)*(iii) Provision of services - membership revenue*

The Company generates revenue from membership fees where customers purchase a membership subscription at the Company, with fees payable in advance. The period of membership is usually 1 June to 31 May for Kurri Kurri Bowling Club. The period of membership for Kurri Golf Club was 1 July to 30 June. However, the membership period has been restructured to align with the membership period of Kurri Kurri Bowling Club Limited. Only those member fee receipts that are attributable to the current financial year are recognised as revenue.

Fee receipts for periods beyond the current financial year are shown in the Statement of Financial Position under the heading of Current Liabilities as Other liabilities.

(iv) Provision of services - raffle and bingo revenue

Raffle and bingo income is recognised at a point in time when the customer takes possession of the ticket and the raffle or bingo game has been conducted as at this point the performance obligations have been satisfied.

(v) Provision of services - golf revenue

Golf revenue comprises greens fees and competition fees and is recognised at a point in time when the game of golf has been completed as at this point the performance obligations have been satisfied.

3 Other income and expense items

	2025	2024
	\$	\$
(a) Other income		
Insurance recoveries	-	7,342
Interest income	2,851	12
Rental income	46,050	35,299
Wage subsidy	7,326	-
Diesel Fuel Rebate	1,833	-
Gain on disposal of property, plant and equipment	241	56,293
Change in fair value of investment properties	30,000	-
	<u>88,301</u>	<u>98,946</u>
(b) Other expenses		
Employee benefits expense	2,972,865	2,568,260
Interest costs	77,047	133,400
Depreciation and amortisation	950,206	798,534
Loss on disposal of property, plant and equipment	3,384	-

Notes to the financial statements

For the year ended 31 May 2025

4 Cash and cash equivalents

	2025	2024
	\$	\$
Current		
Cash and cash equivalents	3,304,239	2,846,450
	<u>3,304,239</u>	<u>2,846,450</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).

5 Trade receivables

Current		
Trade receivables	1,243	3,781
	<u>1,243</u>	<u>3,781</u>

6 Inventories

Current		
Stock on hand	165,536	132,243
	<u>165,536</u>	<u>132,243</u>

Accounting policy

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

7 Financial assets at amortised cost

Current		
Other receivables	9,065	19,968
	<u>9,065</u>	<u>19,968</u>

8 Other assets

Current		
Prepayments	41,444	23,282
	<u>41,444</u>	<u>23,282</u>

Notes to the financial statements

For the year ended 31 May 2025

9 Property, plant and equipment

	Land and buildings \$	Plant and equipment \$	Poker machines \$	Capital WIP \$	Total \$
Non-current assets					
At 1 June 2024					
Cost	8,460,611	3,671,184	2,498,871	127,260	14,757,926
Accumulated depreciation	(3,407,803)	(2,626,726)	(1,540,569)	-	(7,575,098)
Net book amount	5,052,808	1,044,458	958,302	127,260	7,182,828
Year ended 31 May 2025					
Opening net book amount	5,052,808	1,044,458	958,302	127,260	7,182,828
Acquisition of business	3,250,000	123,467	61,232	-	3,434,699
Additions	276,794	173,488	180,948	604,875	1,236,105
Disposals	-	(44,377)	(52)	(2,860)	(47,289)
Transfers	59,900	69,052	-	(128,952)	-
Transfers from ROU asset	-	-	31,086	-	31,086
Depreciation charge	(268,783)	(259,475)	(380,730)	-	(908,988)
Closing net book amount	8,370,719	1,106,613	850,786	600,323	10,928,441
Year ended 31 May 2025					
Cost	12,047,306	3,968,292	2,683,436	600,323	19,299,357
Accumulated depreciation	(3,676,587)	(2,861,679)	(1,832,650)	-	(8,370,916)
Net book amount	8,370,719	1,106,613	850,786	600,323	10,928,441

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

Each class of land and buildings is carried at cost less any accumulated depreciation and any impairment in value.

(b) Plant and equipment, poker machines

Each class of plant and equipment and poker machines 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:

Buildings	5 - 40 years
Plant & equipment	4 - 40 years
Poker machines	4 - 5 years

Significant accounting estimates and judgements

The useful life of property, plant and equipment, intangible assets and lease assets (where useful life is greater than the lease term) 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 property, plant and equipment and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Notes to the financial statements

For the year ended 31 May 2025

10 Investment properties

	2025	2024
	\$	\$
Non-current assets - at fair value		
Opening balance at 1 June	1,070,000	1,070,000
Net gain / (loss) from fair value adjustment	30,000	-
Closing balance at 31 May	<u>1,100,000</u>	<u>1,070,000</u>

Accounting policy

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. To obtain the fair value, a market appraisal is obtained by the Company from external valuers each year. A market appraisal was performed by Stone Real Estate as at 31 May 2025. The real estate agent frequently assesses the market values for properties similar to those held by the Company in the same areas, having regard to past sales prices of other properties and current market conditions. 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.

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.

11 Intangible assets

	Poker machine entitlements	2025	2024
	\$	\$	\$
Non-current assets			
Cost	201,758	201,758	126,000
Accumulated amortisation	-	-	-
Net book amount	<u>201,758</u>	<u>201,758</u>	<u>126,000</u>
Reconciliation			
Opening net book amount	126,000	126,000	126,000
Poker machine entitlements arisen from business acquisition	75,758	75,758	-
Closing net book amount	<u>201,758</u>	<u>201,758</u>	<u>126,000</u>

Accounting policy

Poker machine entitlements are intangible assets acquired separately and are capitalised at cost, the useful lives of these intangible assets are assessed to be indefinite. These are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired.

The value shown for the poker machine entitlements, being their cost plus transaction costs, were tested for impairment having regard to the market value of such entitlements and the cash flow generated from holding these assets, with no impairment loss adjustment required.

Notes to the financial statements

For the year ended 31 May 2025

12 Lease assets and lease liabilities

2025	2024
\$	\$

The Company leases various poker machines.

a) Lease assets**Non-current**

Carrying amount of lease assets, by class of underlying asset:

Plant and Equipment and Poker Machines	158,824	39,058
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Reconciliation of lease assets

	Plant and Equipment \$	Poker machines \$	Total \$	Total \$
Carrying amount at the beginning of the year	-	39,058	39,058	87,686
Lease asset on amalgamation	106,523	-	106,523	-
Additions	2,460	83,087	85,547	-
Transfers	-	(31,086)	(31,086)	-
Amortisation	(21,789)	(19,429)	(41,218)	(48,628)
Carrying amount at the end of the year	87,194	71,630	158,824	39,058

b) Lease liabilities**Current**

Lease liabilities	35,250	26,589	61,839	7,088
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Non-current

Lease liabilities	46,019	45,937	91,956	-
Total	81,269	72,526	153,795	7,088

Reconciliation of lease liabilities

Carrying amount at the beginning of the year	-	7,088	7,088	35,044
Lease liability on amalgamation	98,589	-	98,589	-
Additions	2,460	83,087	85,547	-
Interest expense	3,721	2,246	5,967	508
Lease payments	(23,500)	(19,896)	(43,396)	(28,464)
Carrying amount at the end of the year	81,270	72,525	153,795	7,088

Maturity analysis of future lease payments

Not later than 1 year	35,250	30,672	65,922	28,464
Later than 1 year and not later than 5 years	54,147	48,564	102,711	7,116
Lease payments	89,397	79,236	168,633	35,580

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 Company's incremental borrowing rate. The weighted average incremental borrowing rate is 6.75%.

Notes to the financial statements

For the year ended 31 May 2025

13 Trade and other payables

	2025	2024
	\$	\$
Current		
Trade creditors	432,951	373,746
Other payables	637,306	395,147
GST payable	63,965	35,963
	<u>1,134,222</u>	<u>804,856</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*

Bank loans (i)	287,436	248,807
Gaming system loan (ii)	-	42,459
Total secured financial liabilities	<u>287,436</u>	<u>291,266</u>

Non-current*Secured*

Bank loans (i)	959,056	1,281,561
Total secured financial liabilities	<u>959,056</u>	<u>1,281,561</u>

(i) Bank loans

The Company has a Business Loan with a \$780,000 facility as at 31 May 2025. The loan will expire in July 2028. At 31 May 2025, the Company has available committed capacity (undrawn) of \$76,526 under this facility. The Company has provided the following as security:

Registered mortgage over property situated at 'Kurri Kurri Bowling Club' 3-7 Tarro Street Pelaw Main NSW more particularly described in Certificates of Title Folio Identifiers 1/1161097 and 2/1161097

General security agreement over all of the present and future rights, property and undertaking of Kurri Kurri Bowling Club ACN 000 796 501.

The Company has a Rental Loan with a \$542,780 facility as at 31 May 2025. The term of the loan is 30 years expiring in June 2051. The Company has provided the following as security:

Registered mortgage over property situated at 1 & 2/5 Elford Avenue Weston NSW more particularly described in Certificates of Title Folio Identifiers 1/1245679 and 2/1245679.

General Security Agreement over all of the present and future rights, property and undertakings of Kurri Kurri Bowling Club ACN 000 796 501.

Notes to the financial statements

For the year ended 31 May 2025

14 Financial liabilities (continued)**Accounting policy**

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

15 Provisions

	2025	2024
	\$	\$
Current		
Employee entitlements (i) & (ii)	479,875	444,933
Club grants	60,049	60,538
Jackpots	14,616	7,734
	<u>554,540</u>	<u>513,205</u>
Non-current		
Employee entitlements (ii)	123,787	16,770
	<u>123,787</u>	<u>16,770</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.

16 Other liabilities**Current**

Contract liabilities - membership income	38,239	13,372
	<u>38,239</u>	<u>13,372</u>

17 Contingent liabilities

Bank guarantee substituting for a security deposit for TAB facilities	<u>5,000</u>	<u>5,000</u>
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Notes to the financial statements

For the year ended 31 May 2025

18 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) <i>Key management personnel compensation</i>	2025 \$	2024 \$
Total key management personnel benefits	215,360	214,514

(b) *Transactions with other related parties*

Director Peter Sumner's wife (i.e. Sharon Sumner) is employed by the Club on an arms length basis.

19 Remuneration of auditors*Auditor of the company*

Audit of the financial statements	31,000	22,100
Other services - taxation compliance services	380	360
Other services - consulting services	18,540	17,670
	<u>49,920</u>	<u>40,130</u>

20 Business Acquisition

On 11 November 2024 the Club amalgamated with Kurri Golf Club Limited. The Company has continued trading from the Kurri Kurri Bowling Club Limited's premises and the Kurri Golf Club's premises since the date of amalgamation.

	Total \$
Property, plant and equipment	3,434,699
Identifiable intangible assets acquired	75,758
Right of use assets	106,523
Inventory	47,939
Other assets	81,944
Cash and cash equivalents	341,629
Trade and other payables	(136,763)
Employee Entitlements	(254,324)
Lease liability	(98,589)
Other liabilities	(127,909)
Gain on amalgamation	<u>3,470,907</u>

Since acquisition the revenue and profit of Kurri Golf Club Limited is as follows:-

Revenue	990,200
Expenses	<u>(937,890)</u>
Net Profit	<u>52,310</u>

The amalgamation process outlined in the Memorandum of Understanding has been substantially completed with the following steps still to be finalised:

- Transfer of land title from Kurri Golf Club Limited to Kurri Kurri Bowling Club.
- Discharge of the mortgage held by the bank over the land owned by Kurri Golf Club Limited.
- Voluntary liquidation or deregistration of Kurri Golf Club Limited.

Kurri Kurri Bowling Club Limited

Consolidated entity disclosure statement

For the year ended 31 May 2025

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

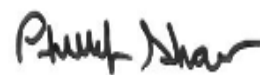
Accordingly, in accordance with subsection 295 (3A) of the Corporations Act 2001, no further information is required to be disclosed in this consolidated entity disclosure statement.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements, notes and consolidated entity disclosure statement set out on pages 6 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*, and
 - (ii) giving a true and fair view of the Company's financial position as at 31 May 2025 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Company 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.



Phillip Shaw - Director



Kevin Fenwick - Director

**Kurri Kurri, NSW
25 September 2025**

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

Opinion

We have audited the financial report of Kurri Kurri Bowling Club Limited (the Company) which comprises the statement of financial position as at 31 May 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, and notes to the financial statements, including a summary of material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 May 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional 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 Company's Director's report for the year ended 31 May 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.

Responsibilities of the Directors for the financial report

The directors of the Company 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 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.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Company for the year ended included on the Company's web site. The Company's Directors are responsible for the integrity of the '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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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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.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

25 September 2025
Newcastle West, NSW

Pitcher Partners Newcastle & Hunter Pty Ltd

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