

The Pitt Town & District Sports Club Ltd

ABN 36 002 503 540

Annual Report - 30 June 2024

The Pitt Town & District Sports Club Ltd

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30 June 2024

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The Pitt Town & District Sports Club Ltd
Directors' report
30 June 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Bradley Cairns
Brad Race
Vaughan Profilio
Melissa Crane
Scott Sheridan
Jan Johnston (Resigned August 2024)
Grant Batist (Appointed October 2023, Resigned January 2024)
Wayne Harris (Resigned October 2023)

Operating results

The operating deficit of the company for the financial year after providing for income tax amounted to \$190,764 (2023: deficit of \$25,088).

Objectives

The company's objective is to provide excellence in service and amenities for all members and guests and to foster, encourage, promote and control the development of sports within the local community through the sustainable management of a Registered Club business.

Short term objectives

- To manage the Company's revenue to ensure the ongoing financial viability of the Company for the benefit of all members and community stakeholders;
- To maintain modern facilities, services and amenities for the benefit of the local community; and
- To ensure ongoing legislated compliance and best practice principles.

Long term objectives

- To continue the promotion and support of sporting clubs and other community groups in the local are;
- To continue to improve the range and quality of services to our members and guests; and
- To reduce borrowings as soon as financially responsible.

Strategy for achieving the objectives

- To provide regular entertainment, increase promotions, restructure of employee duties and work hours;
- The company measures of performance are based on financial and non-financial factors;
- The company measures and compares key financial performance indicators and expectations on a monthly basis to core business activities being gaming, beverage, community support and promotion;
- There is constant monitoring of cost control, debt levels, cash flows and capital expenditure;
- On a non-financial, to continually monitor satisfaction levels of facilities, entertainment, services and support to members and their guests; and
- To assist funding and provide facilities for sporting and community welfare groups where financially responsible.

Principal activities

The principal activity of the company is the conduct of a licensed social, sporting and recreation club at Pitt Town and surrounding district.

Information on directors

Name:	Bradley Cairns
Title:	Vice President 1 Year, Director for 3 Years
Experience and expertise:	Sales Manager Md Brick for 10 Years ,Sydney Operations and Sales Manager Namoi Valley Bricks 9 Years ,Self Employed Bricklayer for 10 Years.
Special responsibilities:	Strata Committee Chairman of Riverview Hill Cattai Estate for 4 Years, Senior Team Manager Penrith Brothers Rugby League Club 2 Years, Coach North West Magpies for 2 Years,Coach at Riverstone Rugby League Club for 6 Years.

The Pitt Town & District Sports Club Ltd
Directors' report
30 June 2024

Name: Brad Race
Title: Director
Experience and expertise: CEO, Board Member and Chair of Race Dental Group for over 26 years. Board Member Smilogy Dental Group 6 years. Board Member Core3dCentres International NV Amsterdam 12 Years. Board Member Woodstock Soldiers Memorial Trust 11 years. Chair ADIA specialist Industry committee 7 years. Board Member Logic Appeal Technology Group 8 years. Owner Manager Belubula Park Pastoral Company 16 Years. Co-Owner Royal Hotel Woodstock 15 years. Board member Just4dental technology Company 9 years. Pitt Town resident for over 22 years.

Name: Vaughan Profilio
Title: Director
Experience and expertise: Head Teacher Administration (Employee Services and Variation). Acting Deputy Principal Hawkesbury High School 2013-2014. AFC/FFA 'C' Senior/ Junior Licence. Assistant coach at National Premier League level (NPL Marconi Stallions- First Grade/Under 20's, Blacktown City FC- Under 18's). Current senior coach at Kenthurst and District Football Club. Day to day management of 120 + Staff (corporate governance of workplace compliance, leave entitlements, timesheets and temporary contracts, etc). Management staff/ student wellbeing systems, work health and safety compliance, facility and property management, professional development, NESAs compliance and corporate governance. Development of training schedules of elite footballers, financial management including budgeting and player contracts, reporting to board on progression to set targets, understanding of sports administration at elite level. Pitt Town resident for 14 years, member of Pitt Town Sport Club for 11+years, member of Pitt Town Progress Association.

Name: Melissa Crane
Title: Director
Experience and expertise: Health, Safety & Environment Manager
Special responsibilities: Committee member of the Pitt Town Football Club since 2013, Treasurer since 2019. Holds qualifications in Project Management, Training and Assessment and Workplace Health & Safety. Member of the Pitt Town Progress Association; Lived in Pitt Town for 22 years.

Name: Scott Sheridan
Title: Director
Experience and expertise: Business Owner
Special responsibilities: Owned and Operated a few businesses in the local community for over 20 years and I am an active community member.

Name: Jan Johnston (Resigned August 2024)
Title: President for 5 years, Director for 7 years
Experience and expertise: Office Manager for Optometrist
Special responsibilities: Former Treasurer on Board of Major Mail Users of Australia working with Australia Post; Senior Manager at NRMA 1981 to 2004; Member of the Pitt Town & District Sports Club for 18 years

Name: Grant Batist (Appointed October 2023, Resigned January 2024)
Title: Director
Experience and expertise: Director

Name: Wayne Harris (Resigned October 2023)
Title: Director for 11 years
Experience and expertise: Carpenter
Special responsibilities: Member of Pitt Town & District Sports Club since 2001; Member of Pitt Town Golf Club for 18 years; Vice President for Pitt Town Bowling Club for the last 8 years; Lived in Pitt Town for 29 years.

The Pitt Town & District Sports Club Ltd
Directors' report
30 June 2024

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Meetings Attended	Eligible Meetings
Bradley Cairns	7	7
Brad Race	5	7
Vaughan Profilio	7	7
Melissa Crane	6	7
Scott Sheridan	4	7
Jan Johnston (Resigned August 2024)	7	7
Grant Batiste (Appointed October 2023, Resigned January 2024)	1	2
Wayne Harris (Resigned October 2023)	1	2

Events after the reporting period

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

Environmental issues

The Directors believe the company has complied with all significant environmental regulations under a law of Commonwealth or of a state or territory.

Indemnifying officer or auditor

During the year, the Company effected a Directors and Officer's liability policy. The insurance policy provides cover for the Directors named in this report, the company secretary, officers and former Directors and Officers of the Company.

The policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

Contributions on winding up

The company has ordinary members and life members. The total number of members of the company including life members is 3,289 (2023: 2,588). Should the company be wound up, the members of the company are liable to contribute no more than five dollars. The collective liability of members is \$16,445 (2023: \$12,940).

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 immediately after this directors' report.

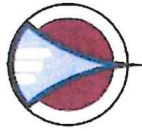
This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Bradley Cairns
Director

11 October 2024



HEAD OFFICE
Suite 6, 6 Reliance Avenue
Tuggerah NSW 2259

ALL CORRESPONDENCE
PO Box 3686
Tuggerah NSW 2259

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**INDEPENDENT AUDITOR'S DECLARATION
TO THE MEMBERS OF
THE PITT TOWN & DISTRICT SPORTS CLUB LIMITED**

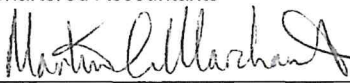
We hereby declare that to the best of our knowledge and belief during the year ended 30 June 2024, there have been:

- (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.

Name of Firm

Bishop Collins Audit Pty Ltd
Chartered Accountants

Name of Registered Company Auditor


Martin Le Marchant

Auditor's Registration No.

431227

Address

Suite 6, 6 Reliance Drive, Tuggerah NSW 2259

Dated

11 October 2024



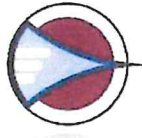
CHARTERED ACCOUNTANTS
CORPORATE & FINANCIAL SERVICES

LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Directors: Martin Le Marchant CA,
Johan Van Der Westhuizen CA

Associate Directors: Cecille Capucuo CA



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE PITT TOWN & DISTRICT SPORTS CLUB LIMITED**

Auditor's Opinion

We have audited the accompanying financial report of The Pitt Town & District Sports Club Limited ('the Company') which comprises the statement of financial position as at 30 June 2024, statement of profit or loss and other comprehensive income and 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.

In our opinion, the financial report of The Pitt Town & District Sports 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 30 June 2024 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulation 2001*.

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 Statements* section of our report. We are independent of the Company in accordance with 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 (the Code) that are relevant to our audit of the financial report in Australia; and we have 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 of our opinion.

Emphasis of Matter

We draw attention to Note 2 "Going Concern" in the financial report, which describes uncertainty related to the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.



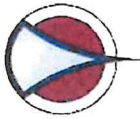
CHARTERED ACCOUNTANTS
AUSTRALIAN ASSOCIATION

LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Directors: Martin Le Marchant CA,
Johan Van Der Westhuizen CA

Associate Directors: Cecille Capucuo CA



Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

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

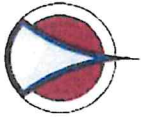
In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, 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 disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Name of Firm

Bishop Collins Audit Pty Ltd
Chartered Accountants

Name of Registered Company Auditor


Martin Le Marchant

Auditor's Registration No.

431227

Address

Suite 6, 6 Reliance, Tuggerah NSW 2259

Dated

11 October 2024

The Pitt Town & District Sports Club Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	4	2,002,759	1,996,997
Other income	5	-	55,000
Total revenue		<u>2,002,759</u>	<u>2,051,997</u>
Expenses			
Cost of sales		(390,710)	(391,607)
Gaming expenses		(22,072)	(18,458)
Employee benefits expense		(636,786)	(635,145)
Depreciation and amortisation expense	10	(276,329)	(230,887)
Keno expenses		(5,144)	(3,812)
TAB expenses		(20,487)	(21,371)
Utilities expenses		(131,661)	(108,823)
Auditors remuneration		(17,000)	(19,000)
Insurance expenses		(63,866)	(61,819)
Promotions expenses		(100,574)	(81,178)
Entertainment expenses		(72,725)	(74,263)
Cleaning expenses		(70,442)	(71,349)
Consultancy expenses		(50,824)	(28,850)
Repairs and maintenance expenses		(98,278)	(89,247)
Rates and taxes		(8,592)	(11,500)
Members expenses		(9,354)	(28,114)
Administration expenses		(58,218)	(53,609)
Motor vehicle expenses		(8,384)	(11,761)
Other expenses		(103,415)	(84,989)
Finance costs		(48,662)	(51,303)
Total expenses		<u>(2,193,523)</u>	<u>(2,077,085)</u>
Deficit for the year	17	(190,764)	(25,088)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(190,764)</u>	<u>(25,088)</u>

The Pitt Town & District Sports Club Ltd
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	342,771	428,458
Trade and other receivables	7	33,139	21,903
Inventories	8	18,759	21,330
Other	9	34,324	30,241
Total current assets		<u>428,993</u>	<u>501,932</u>
Non-current assets			
Property, plant and equipment	10	3,650,574	3,615,746
Total non-current assets		<u>3,650,574</u>	<u>3,615,746</u>
Total assets		<u>4,079,567</u>	<u>4,117,678</u>
Liabilities			
Current liabilities			
Trade and other payables	11	126,587	115,424
Borrowings	13	131,020	90,206
Employee benefits	14	48,540	40,503
Other liabilities	12	24,506	24,010
Total current liabilities		<u>330,653</u>	<u>270,143</u>
Non-current liabilities			
Borrowings	15	1,005,615	908,630
Employee benefits	16	5,103	9,945
Total non-current liabilities		<u>1,010,718</u>	<u>918,575</u>
Total liabilities		<u>1,341,371</u>	<u>1,188,718</u>
Net assets		<u>2,738,196</u>	<u>2,928,960</u>
Equity			
Retained surpluses	17	<u>2,738,196</u>	<u>2,928,960</u>
Total equity		<u>2,738,196</u>	<u>2,928,960</u>

The Pitt Town & District Sports Club Ltd
Statement of changes in equity
For the year ended 30 June 2024

	Retained surpluses \$	Total equity \$
Balance at 1 July 2022	2,954,048	2,954,048
Deficit for the year	(25,088)	(25,088)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(25,088)</u>	<u>(25,088)</u>
Balance at 30 June 2023	<u>2,928,960</u>	<u>2,928,960</u>
	Retained surpluses \$	Total equity \$
Balance at 1 July 2023	2,928,960	2,928,960
Deficit for the year	(190,764)	(190,764)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(190,764)</u>	<u>(190,764)</u>
Balance at 30 June 2024	<u>2,738,196</u>	<u>2,738,196</u>

The Pitt Town & District Sports Club Ltd
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,183,137	2,206,617
Payments to suppliers (inclusive of GST)		<u>(2,046,804)</u>	<u>(1,953,605)</u>
		136,333	253,012
Finance costs		<u>(48,662)</u>	<u>(51,303)</u>
Net cash from operating activities	23	<u>87,671</u>	<u>201,709</u>
Cash flows from investing activities			
Payments for property, plant and equipment	10	(311,157)	(144,655)
Proceeds from disposal of intangibles		<u>-</u>	<u>55,000</u>
Net cash used in investing activities		<u>(311,157)</u>	<u>(89,655)</u>
Cash flows from financing activities			
Proceeds from borrowings		316,985	59,148
Repayment of borrowings		<u>(179,186)</u>	<u>(161,955)</u>
Net cash from/(used in) financing activities		<u>137,799</u>	<u>(102,807)</u>
Net increase/(decrease) in cash and cash equivalents		(85,687)	9,247
Cash and cash equivalents at the beginning of the financial year		<u>428,458</u>	<u>419,211</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>342,771</u></u>	<u><u>428,458</u></u>

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 1. General information

The financial statements cover The Pitt Town & District Sports Club Ltd as an individual entity. The financial statements are presented in Australian dollars, which is The Pitt Town & District Sports Club Ltd's functional and presentation currency.

The Pitt Town & District Sports Club Ltd is an unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

139 Old Pitt Town Rd, Pitt Town NSW 2756

Principal place of business

139 Old Pitt Town Rd, Pitt Town NSW 2756

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 October 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparatives

Certain comparative figures have been reclassified to conform to the current year's presentation.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

Going concern

The Club has reported a deficit for the financial year of \$190,764, further to deficits in 2023 (\$25,008) and 2022 (\$100,346).

Notwithstanding these continuing deficits, the Board considers the going concern assumption appropriate with consideration of the following factors:

- Expenditure has and will continue to be rationalised as and when required;
- Key performance and trading markers are continually reviewed to ensure are in line with best practice and to ensure operational efficiency whilst not compromising service standards; and
- The loan facility of \$900,000 is on interest free terms until March 2027.

It is with full consideration of the factors noted above that the financial statements have been prepared on a going concern basis.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Poker machines revenue

Poker machine revenue is stated net of payouts.

Membership fees

Membership revenue is recognised in the period the membership relates to.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Land and buildings, and Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. The depreciation rates used for each class of asset are:

Buildings and improvements	2.5%
Plant and equipment	2.5% - 40%
Gaming machines	20% - 25%
Motor vehicles	15%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Capital work-in-progress

Research and feasibility costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the company is able to use or sell the asset; the company has sufficient resources and intent to complete the development; and its costs can be measured reliably.

Capital works in progress are transferred to property, plant and equipment and depreciated when completed and ready for use.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Impairment of property, plant and equipment

The company assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Leases

The Club has applied the practical expedients for all leases held in accordance with Australian Accounting Standard AASB 116 Leases for the 2024 financial year.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 4. Revenue

	2024	2023
	\$	\$
<i>Revenue</i>		
Bar revenue	1,052,270	924,591
Gaming revenue	725,379	866,909
Government GST rebate	19,108	17,200
Members subscriptions	15,322	16,280
Events and promotions revenue	67,218	57,283
Keno commission	16,155	18,908
TAB commission	13,642	12,424
Commissions received	27,246	25,410
Sponsorships, advertising and donations	1,909	5,909
	<u>1,938,249</u>	<u>1,944,914</u>
Rent and outgoings recovered	22,195	18,627
Other revenue	42,315	33,456
	<u>64,510</u>	<u>52,083</u>
Revenue	<u><u>2,002,759</u></u>	<u><u>1,996,997</u></u>

Note 5. Other income

	2024	2023
	\$	\$
Sale of gaming machine entitlements	-	55,000
	<u><u>-</u></u>	<u><u>55,000</u></u>

Note 6. Current assets - cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank and cash on hand	342,771	428,458
	<u><u>342,771</u></u>	<u><u>428,458</u></u>

Note 7. Current assets - trade and other receivables

	2024	2023
	\$	\$
Trade receivables	9,331	4,878
Other receivables	23,808	17,025
	<u>33,139</u>	<u>21,903</u>
	<u><u>33,139</u></u>	<u><u>21,903</u></u>

Note 8. Current assets - inventories

	2024	2023
	\$	\$
Stock on hand	18,759	21,330
	<u>18,759</u>	<u>21,330</u>
	<u><u>18,759</u></u>	<u><u>21,330</u></u>

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 9. Current assets - other

	2024	2023
	\$	\$
Prepayments	<u>34,324</u>	<u>30,241</u>

Note 10. Non-current assets - property, plant and equipment

	2024	2023
	\$	\$
Land - at cost	<u>368,868</u>	<u>368,868</u>
Buildings and improvements - at cost	5,253,218	5,253,218
Less: Accumulated depreciation	(2,386,662)	(2,268,340)
Less: Accumulated impairment	<u>(146,159)</u>	<u>(146,159)</u>
	<u>2,720,397</u>	<u>2,838,719</u>
Plant and equipment - at cost	879,907	853,426
Less: Accumulated depreciation	<u>(682,063)</u>	<u>(630,612)</u>
	<u>197,844</u>	<u>222,814</u>
Gaming machines - at cost	1,074,386	789,710
Less: Accumulated depreciation	<u>(710,921)</u>	<u>(604,365)</u>
	<u>363,465</u>	<u>185,345</u>
Motor vehicles - at cost	43,774	43,774
Less: Accumulated depreciation	<u>(43,774)</u>	<u>(43,774)</u>
	<u>-</u>	<u>-</u>
	<u><u>3,650,574</u></u>	<u><u>3,615,746</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land	Buildings and improvements	Plant and equipment	Gaming machines	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	368,868	2,838,719	222,814	185,345	3,615,746
Additions	-	-	27,699	283,458	311,157
Depreciation expense	<u>-</u>	<u>(118,322)</u>	<u>(52,669)</u>	<u>(105,338)</u>	<u>(276,329)</u>
Balance at 30 June 2024	<u><u>368,868</u></u>	<u><u>2,720,397</u></u>	<u><u>197,844</u></u>	<u><u>363,465</u></u>	<u><u>3,650,574</u></u>

Core and Non-core Property

The core property at the end of the financial year is 139 Old Pitt Town Road, Pitt Town NSW.

There is no non-core property.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 11. Current liabilities - trade and other payables

	2024	2023
	\$	\$
Trade payables	60,718	17,885
Other payables	65,869	97,539
	<u>126,587</u>	<u>115,424</u>

Note 12. Current liabilities - other liabilities

	2024	2023
	\$	\$
Security bond	2,000	2,000
Subscriptions in advance	22,506	22,010
	<u>24,506</u>	<u>24,010</u>

Note 13. Current liabilities - borrowings

	2024	2023
	\$	\$
Insurance premium funding	32,147	23,635
Hire purchase liability	100,546	68,963
Less: unexpired charges	(1,673)	(2,392)
	<u>131,020</u>	<u>90,206</u>

Note 14. Current liabilities - employee benefits

	2024	2023
	\$	\$
Annual leave	29,136	28,683
Long service leave	19,404	11,820
	<u>48,540</u>	<u>40,503</u>

Note 15. Non-current liabilities - borrowings

	2024	2023
	\$	\$
Secured Loan - Bank (expiry June 2037)*	898,875	903,536
Hire purchase liability	106,740	5,192
Less: unexpired charges	-	(98)
	<u>1,005,615</u>	<u>908,630</u>

*The Club refinanced its borrowings in 2022 for a 15 year-term expiring in June 2037. The loan is interest only for the initial 5 years.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 15. Non-current liabilities - borrowings (continued)

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2024	2023
	\$	\$
Hire purchase liability	<u>207,286</u>	<u>74,155</u>

Note 16. Non-current liabilities - employee benefits

	2024	2023
	\$	\$
Long service leave	<u>5,103</u>	<u>9,945</u>

Note 17. Equity - retained surpluses

	2024	2023
	\$	\$
Retained surpluses at the beginning of the financial year	2,928,960	2,954,048
Deficit for the year	<u>(190,764)</u>	<u>(25,088)</u>
Retained surpluses at the end of the financial year	<u>2,738,196</u>	<u>2,928,960</u>

Note 18. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2024	2023
	\$	\$
Aggregate compensation	<u>145,925</u>	<u>114,123</u>

Note 19. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 18.

Transactions with related parties

The company had the loans during the financial year, unsecured and secured loans.

Details are as below:

	2024	2023
	\$	\$
Directors meetings refreshments	5,663	4,804

Directors did not receive any remuneration. No director has entered into a material contract with the company during the financial year other than the loans outlined above.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 19. Related party transactions (continued)

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates unless otherwise stated.

Note 20. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Bishop Collins Audit Pty Ltd, the auditor of the company, and its network firms:

	2024 \$	2023 \$
<i>Fees to Bishop Collins Audit Pty Ltd</i>		
Assurance services	14,500	15,000
Preparation of financial statements	2,500	2,500
	<u>17,000</u>	<u>17,500</u>
<i>Other services - network firms</i>		
Tax and financial records assistance	-	7,940
	<u>-</u>	<u>7,940</u>

Note 21. Members' Limited Liability

The company has ordinary members and life members. The total number of members of the company including life members is 3,289 (2023: 2,588). Should the company be wound up, the members of the company are liable to contribute no more than five dollars. The collective liability of members is \$16,445 (2023: \$12,940).

Note 22. Contingent liabilities

The Club is currently re-establishing and negotiating its rights to access and use property owned by National Parks and Wildlife Services and its relationship to any future developments and construction. At the date of this report, the negotiation is ongoing and the directors are unable to reliably quantify any potential liability or impairment of assets in connection with this negotiation.

Note 23. Reconciliation of deficit to net cash from operating activities

	2024 \$	2023 \$
Deficit for the year	(190,764)	(25,088)
Adjustments for:		
Depreciation and amortisation	276,329	230,887
Write off of non-current assets	-	11,686
Net gain on disposal of intangibles	-	(55,000)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(11,236)	5,973
Decrease in inventories	2,571	2,542
Increase in other operating assets	(4,082)	(1,432)
Increase in trade and other payables	11,162	9,752
Increase in employee benefits	3,195	20,214
Increase in other operating liabilities	496	2,175
Net cash from operating activities	<u>87,671</u>	<u>201,709</u>

The Pitt Town & District Sports Club Ltd
Notes to the financial statements
30 June 2024

Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

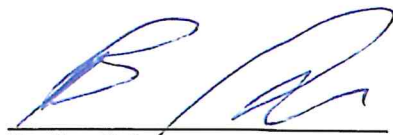
The Pitt Town & District Sports Club Ltd
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Bradley Cairns
Director

11 October 2024