



2026

— POTTSVILLE BEACH SPORTS CLUB • EST. 1984

Annual Report

A year of record earnings, a renovated club and a balance sheet cleared of debt — the club's results, its people and the causes it stood behind.

• FOR THE YEAR ENDED 30 JUNE 2026

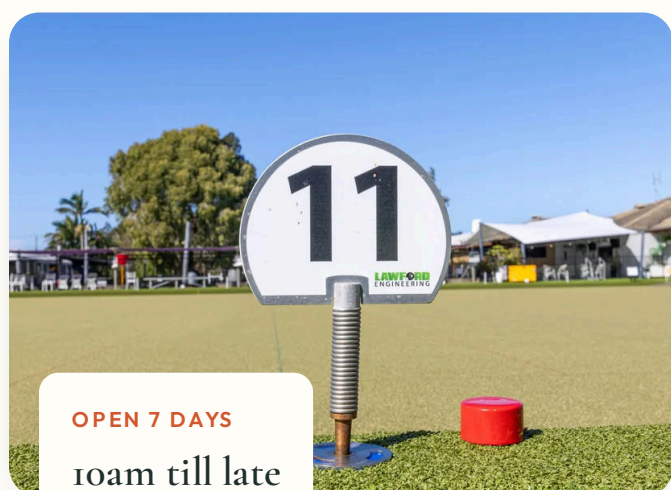
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— ABOUT THIS REPORT

The club's year, then
the numbers behind it.

Pages 3 to 7 are the club's own account of the year. From page 8 the audited financial statements are reproduced exactly as issued by our auditors, Kothes Accounting Group.

A snapshot of 2026.

Revenue, earnings and community support all grew again, and earnings passed a million dollars for the first time in the club's history.

\$5,653,772

REVENUE

Up \$717,720 on last year

\$1,028,940

EBITDA

4.0% result increase on last year

\$55,923

CLUBGRANTS SUPPORT

42.7% increase on last year

7,071

FINANCIAL MEMBERS

As at 30 June 2026



BAR

\$497,560

BISTRO

\$346,326

MEMBER DISCOUNTS

Bar up 52.9%, bistro up 15.2%

8,368

FRIDAY NIGHT STEAKS

Up 2,583 on last year — an increase of 44.6%

206,963

SCHOONERS, MIDDIES & PINTS

Poured across the bars over the year

ABN 65 001 888 151 · Pottsville District Bowls and Sports Club Limited

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CHAIRPERSON OF THE BOARD

Coral Nathan

— CHAIRPERSON'S REPORT

A result that goes against the trend.

It is very pleasing to say that the 2025/26 financial year at Pottsville Beach Sports Club has produced another very positive result, which will be covered in detail by our General Manager, Ryan Clarke, and our Auditor, Simon Byrne.

That is a statement I take great pleasure in opening my report with. It goes against the trend for the majority of clubs in the hospitality and bowling industries, and it has not happened by chance. At a time when the national trend for businesses like ours is to struggle or go backwards, our result comes down to hard work, foresight, a willingness to buck the system when it has been needed, and great faith in Ryan to keep our Club strengthening into the future rather than sitting back on its laurels.

Our people

Our staff on the floor are a solid team, and it is their passion for the job that keeps the Club moving in the right direction. I would like to thank all of our black shirt managers for their time and energy. Each of them has a specific role in keeping the show going, and many of those tasks are never seen by our customers, who at times I am sure wonder what their purpose is. Rosters, functions, training and compliance all sit quietly behind the scenes.

Compliance is becoming a bigger part of our industry every year, and our team take it on board without complaint. They also understand something that no regulation can teach. You cannot be any more compliant than a genuine smile, a warm welcome and a thank you for being part of our Club. When our staff get that right, I know we are meeting every expectation any government could have of us.

Our purple shirt staff are very valuable, and you will see different faces throughout the year as most have other pursuits including school, university and sporting commitments. Please take the time to say hello and thank you to our valued staff.

Our greens and surrounds have been looked after by Paul and his assistant Jamie-Lee, and I thank them both for their contribution to the success of the Club.

Matthew and Paul are once again keeping Wok Chop N Grill in fine form. Their team is small but turns out an enormous number of meals every week. Thank you to Matt for extending his Asian menu to seven days a week, which makes us the only venue in the area providing a full menu all week. Paul Collier, our Chef, consistently delivers value for money with his specials and function menus. Congratulations Paul on your contribution to the Club's food success.

Planning for the future

The future is never promised, and our Board is working on the Club's strategic plan to keep us in good stead for years to come. It has been a slow process over the past two years with our architect, our town planner and Tweed Shire Council, but it will soon be a reality and will give us some exciting projects to show our members.

Supporting our community

One of the real privileges of being a community club is being able to put something back into the town that supports us.

During the year the Club provided funding and support to a wide range of local organisations through our ClubGRANTS and donations program. Recipients included:

- **Sport and recreation** — Pottsville Beach Football Club, Pottsville Cricket Club, Pottsville Pickleball Club, Kingscliff Netball
- **Children, families and education** — Our Kids, which funds baby resuscitation equipment for our local hospitals, Tweed Valley Early Childhood Intervention, Caldera School, Sunnyfield
- **Health, welfare and community support** — Agape Outreach, Can Assist Tweed, St Vincent de Paul Society NSW, Murwillumbah Community Centre, Lions Club of Cabarita Beach and Pottsville, Wise Women HQ
- **Surf, marine and environment** — Cabarita Beach Surf Life Saving Club, Marine Rescue Point Danger, Pottsville Dune Care
- **Arts and community events** — Yodelay Music

Our funding of Yodelay Music delivers the choir and band program at Pottsville Public School, a program the Club pays for in full. I was part of a music program and a band myself in my early teens, and it is a hobby that enriches you in ways you do not appreciate at the time. Being able to give local children that same start is one of the contributions I am most proud of.

Every one of these organisations is run by people giving up their own time, and between them their work reaches into almost every corner of our community. Junior sport, families needing a hand, emergency services on the water, and the dunes and beaches we all enjoy.

Supporting our local organisations is not something we do because we have to. It is the clearest expression of what moving with our community actually means, and we will keep doing it wherever we can.

Acknowledgements

I thank each of our Directors for the time they give the Club every month, and for rolling up their sleeves and volunteering whenever they are needed. It is unpaid work, it is often unseen, and the Club would not run without it.

I thank our outgoing Deputy Chairman, Director Andrew Browne, for his time and dedication to the Club over many years. I am sure Karen will enjoy Andrew's company at home more often, and may they see many more seas over the coming years.

To our membership, thank you for your contribution to our, and your, Club. Whether it is a quick stop in for a meal or a beverage, or several visits a week, you are very much appreciated and valued. You are what keeps this Club moving with our community.



Coral Nathan

Chairperson, Pottsville Beach Sports Club



GENERAL MANAGER

Ryan Clarke

— GENERAL MANAGER'S REPORT

Earnings past a million, and a club free of debt.

It has been another year of strong growth and continued progress — and since the end of the year, the Club's remaining loan has been repaid in full.

The Club achieved total sales income of approximately \$5.70 million, representing growth of 14.4% over the previous year. Most pleasingly, EBITDA exceeded \$1 million for the first time, increasing by 4.0%, while the Club recorded a net profit of approximately \$560,000 after depreciation.

These results reflect the continued growth in patron visitation and the underlying strength of our Club. They are particularly pleasing given the increasing operating costs, regulatory requirements and broader challenges facing the club and hospitality industries.

Investing in our club

In December, we completed another important renovation of our facilities, including new carpet, a refreshed restaurant, improvements to the front entrance and bistro front-of-house area, and an expanded gaming floor.

With limited space available, the focus was on making the best possible use of every area while delivering the project within a responsible and affordable budget. The completed renovations have created a more welcoming and functional environment for our members, guests and staff.

Importantly, these capital improvements were funded through the Club's operating cash flow while we continued to reduce our loan facility. Since the end of the financial year, I am extremely proud to advise that the Club's remaining loan was repaid in full during August.

Becoming debt-free is a significant milestone for our Club. It places us in a strong position to continue investing in our facilities and pursuing future opportunities in a responsible and sustainable manner.

Delivering quality and value

Throughout the year, our focus has remained on offering competitive prices without lowering the quality of our products, service or overall member experience.

We firmly believe this balance between quality and affordability is one of the main reasons we continue to see more patrons coming through our doors week after week. Our aim is to provide a friendly and welcoming community club where members and guests can enjoy quality food, beverages, entertainment and facilities at a fair price.

As costs continue to rise across the industry, maintaining this balance is becoming increasingly challenging. However, we remain committed to providing genuine value while ensuring our Club remains financially sustainable.

Our people

Our success would not be possible without the commitment of our staff. We have a relatively small team, but everyone works together and supports one another to keep the Club operating at a consistently high standard. I would like to personally thank Derek, Troy, Christine, Trish, Megan, Erika, Bryden, Pearl and Jamie-Lee for their continued hard work and dedication. To each of you, you are the glue that holds together the culture our customers love, and without you nothing here is achievable.

What I enjoy most is how different you all are. Every one of you brings a personality and a set of strengths that the others do not have, and between you every part of this Club is covered. It shows that no matter who you are, treating people the way you would like to be treated is what brings us all together, and it is exactly where our welcoming and accepting culture comes from.

I also thank Matt, Paul and the team at Wok Chop N Grill for delivering an extensive food offering day in, day out. The range of high quality meals and the daily specials they put in front of our members is, I believe, what sets us apart from most venues in the area, whether that is a pub, a club or a restaurant. The way our staff welcome members and guests is one of our greatest strengths. Their friendly approach, teamwork and willingness to help are what make our Club such a special place.

The club and hospitality industries are becoming increasingly complex, with rising costs, greater compliance obligations and changing customer expectations. Despite these challenges, our team continues to approach each day with enthusiasm and a genuine desire to provide the best possible experience for our members and guests. I am truly grateful to have such an amazing group of people to work with, day in and day out.

Looking to the future

During 2027, we intend to submit the Development Application for the Club's Master Plan. The plan will focus on creating a state-of-the-art, all-weather bowling facility, a more engaging sports bar, and improved alfresco dining and entertainment areas. These projects will be delivered through a modest, stage-by-stage process, allowing the Club to continue improving its facilities without placing unnecessary pressure on its financial position. Our goal is not simply to make the Club bigger. It is to make better use of our site and create facilities that meet the changing needs of our members and the wider Pottsville community.

Acknowledgements

I sincerely thank our Chairperson, Coral Nathan, for her leadership, support and continued commitment to the Club, and each of our Directors for their contribution throughout the year. Their open-minded approach and willingness to consider new ideas have allowed our Club to continue improving year after year.

I would also like to thank Andrew Browne, who steps down from the Board after more than seven years as a Director and Deputy Chairman. Andrew has been part of the decisions that have shaped our Club into what it is today, and he will be sorely missed around the Board table.

Finally, I thank our members and the wider community for their ongoing support. With a debt-free balance sheet, a committed team and a clear vision for the future, I am extremely confident about the next chapter for our Club.



Ryan Clarke

General Manager, Pottsville Beach Sports Club

Pottsville District Bowls and Sports Club Limited

ABN: 65 001 888 151

A Company Limited by Guarantee

Financial Statements

For the year ended 30 June 2026

Pottsville District Bowls and Sports Club Limited

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Pottsville District Bowls and Sports Club Limited

Directors' report

30 June 2026

The directors present their report on Pottsville District Bowls and Sports Club Limited for the financial year ended 30 June 2026.

Information on directors

The names of each person who has been a director during the year and to date of the report are:

Michael Mills

Qualifications	Retired
Experience	Club Manager Tweed Heads Bowls Club
Appointed	27 October 2019
Special responsibilities	WHS/Building Committee

Coral Nathan

Qualifications	Retired
Experience	Custom Credit; Branch Control Officer (Finance); held QLD Liquor Licence 1994-1999 (Hotel Charleville)
Appointed	26 October 2014
Special responsibilities	Finance

Ken Morris

Qualifications	Retired
Experience	Chartered Accountant; Past treasurer and director Springwood Bowling Club
Appointed	29 October 2017
Special responsibilities	Finance

Suzanne Lawrance

Qualifications	Retired
Experience	Registered Nurse; Former Secretary of Pottsville Women's Bowls Club; Past President of Pottsville Women's Bowls Club
Appointed	28 October 2018
Special responsibilities	WHS Committee

Steven McDougall

Qualifications	Bachelor of Applied Science (Mathematics) 1998 Darling Downs Institute of Advanced Education
Experience	August 1989-93 Information Technology Officer ACT Government. September 1993-1998 Senior Information Technology Officer Department of Immigration and Multicultural Affairs. July 1998-2001 Senior Consultant/Principal Consultant Indus International (ERP Software). September 2001-2006 Principal Consultant Mincom Ltd (ERP Software). August 2006 – Current Chief Engineer RiskPoynt Ltd (Risk management software)
Appointed	15 November 2020
Special responsibilities	Board Governance and Disciplinary Committee

Pottsville District Bowls and Sports Club Limited

Directors' report

30 June 2026

Information on directors (continued)

Grant Lavender

Qualifications	Retired
Experience	Senior Project officer with NSW Health. Justice of the Peace NSW. Volunteer Fireman Tweed Coast Rural Fire Service. Current Director at Pottsville Beach Sports
Appointed	15 November 2020
Special responsibilities	Building Committee

Andrew Browne

Qualifications	Cert. Teaching, DIP, Teaching, Grad.Ed.Studs
Experience	5 years Director Albion Park RSL 1993-97. 5 years Director, Pottsville Sports Club 2014-19. Current Jrn Vice Chairman Pottsville Beach Sports. Retired Justice of the Peace.
Appointed	27 March 2021
Special responsibilities	Board Governance and Disciplinary Committee

Anthony Cosgrove

Qualifications	M Ed Ba Dip ED
Experience	Department of Education NSW 40 years
Appointed	29 December 2021
Special responsibilities	Board Governance and Disciplinary Committee

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

Principal activities

The principal activity of Pottsville District Bowls and Sports Club Limited during the financial year was that of a Licensed Bowls and Sports Club. No significant changes in the nature of the Company's activity occurred during the financial year.

Short and Long term objectives

The short term strategy for the Club is to continue to work towards reducing current debt levels within a reasonable time frame whilst maintaining facilities and amenities that service the needs of our diverse membership and local community. To improve our gaming facilities within the club. The Club will continue to promote and support local sporting organisations and social activities and ensure we continue to maximise the clubs exposure and involvement within our community.

The long term strategic objective of Pottsville Beach Sports Club is to conduct its business in a sound and responsible manner ensuring continued relevance to the membership and community and providing facilities and amenities that improve the financial and future viability of the Club. This commitment also includes a focus on becoming a pivotal part of the local community and continuing to offer first class bowling greens and facilities for our members.

Strategy for achieving the objectives

The primary strategies to achieve the Club's objectives are through sound financial management and the use of other business tools to ensure plans, budgets and cash flow projections are current and relevant. The business activities are managed in a pro-active manner to ensure that the goals, objectives and business strategies are achieved. The Board of Directors are actively involved in all aspects of planning for the Club and the Board of Directors and Management will continue to work together to ensure we create a solid position our Club for the future.

Pottsville District Bowls and Sports Club Limited

Directors' report

30 June 2026

Members' guarantee

Pottsville District Bowls and Sports Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person who ceased to be a member in the year prior to the winding up, is limited to \$20, subject to the provisions of the company's constitution. At 30 June 2026 the collective liability of members was \$101,720 (2025: \$96,040)

Significant changes in state of affairs

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Meetings of directors

During the financial year; 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Coral Nathan	12	11
Andrew Browne	12	11
Anthony Cosgrove	12	11
Grant Lavender	12	12
Suzanne Lawrance	12	10
Ken Morris	12	6
Michael Mills	12	10
Steven McDougall	12	11

Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2026 has been received and can be found on the following page of the financial report.

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



Coral Nathan
Director

Dated: 21 September 2026



Auditor's independence declaration to the directors of Pottsville District Bowls and Sports Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 307C of 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.

KOTHES ACCOUNTING GROUP

A handwritten signature in black ink, appearing to read 'Simon Byrne', is written over a horizontal line.

Simon Byrne
Partner
Registered Company Auditor # 153624
21 September 2026

Pottsville District Bowls and Sports Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue	5	5,653,772	4,936,052
Interest received		1	4
Lease income - kitchen		45,455	45,455
Cost of sales		(901,271)	(778,366)
Employee benefit expenses		(1,320,080)	(1,169,550)
Administrative expenses		(1,318,853)	(1,138,007)
Depreciation expense		(448,838)	(373,725)
Finance expenses - interest on bank and other loans		(20,102)	(20,145)
Marketing expenses		(434,614)	(272,606)
Gaming machine expenses		(647,079)	(569,638)
Sub club expenses		(48,391)	(63,764)
Surplus before income tax		560,000	595,710
Income tax expense	3.b	-	-
Surplus from continuing operations		560,000	595,710
Total comprehensive income for the year		560,000	595,710

The accompanying notes form part of these financial statements.

Pottsville District Bowls and Sports Club Limited

Statement of financial position

As at 30 June 2026

	Note	2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	8	358,146	327,450
Trade and other receivables	9	209,356	179,202
Inventories - stock on hand		30,186	28,013
Other financial assets - shares in credit union		10	10
Other assets - prepayments		83,547	88,581
Total current assets		681,245	623,256
Non-current assets			
Property, plant and equipment	10	5,572,403	5,163,392
Intangible assets	11	248,919	248,919
Total non-current assets		5,821,322	5,412,311
Total assets		6,502,567	6,035,567
Liabilities			
Current liabilities			
Trade and other payables	12	385,945	305,626
Borrowings	13	15,307	14,679
Employee benefits	14	166,645	131,697
Provision for poker machine jackpots		41,092	48,979
Other liabilities - income in advance		6,909	-
Total current liabilities		615,898	500,981
Non-current liabilities			
Borrowings	13	188,289	396,206
Total liabilities		804,187	897,187
Net assets		5,698,380	5,138,380
Equity			
Reserves		1,633,965	1,633,965
Retained earnings		4,064,415	3,504,415
Total equity		5,698,380	5,138,380

The accompanying notes form part of these financial statements.

Pottsville District Bowls and Sports Club Limited

Statement of changes in equity

For the year ended 30 June 2026

2025	Retained earnings \$	Revaluation surplus \$	Total equity \$
Opening balance	2,908,705	1,633,965	4,542,670
Result for the year	595,710	-	595,710
Closing balance	3,504,415	1,633,965	5,138,380

2026	Retained earnings \$	Asset Revaluation Surplus \$	Total equity \$
Opening balance	3,504,415	1,633,965	5,138,380
Result for the year	560,000	-	560,000
Closing balance	4,064,415	1,633,965	5,698,380

The accompanying notes form part of these financial statements.

Pottsville District Bowls and Sports Club Limited

Statement of cash flows
For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities:			
Receipts from customers		6,243,511	5,383,557
Payments to suppliers and employees		(5,254,883)	(4,582,234)
Interest received		1	4
Finance costs		(20,102)	(20,145)
Net cash flows from/(used in) operating activities	20	968,527	781,182
Cash flows from investing activities:			
Payment for intangible asset		-	(150,000)
Purchase of property, plant and equipment		(730,542)	(679,396)
Net cash provided by/(used in) investing activities		(730,542)	(829,396)
Cash flows from financing activities:			
Proceeds from borrowings		-	73,080
Repayment of borrowings		(207,289)	(76,009)
Net cash provided by/(used in) financing activities		(207,289)	(2,929)
Net increase/(decrease) in cash and cash equivalents		30,696	(51,143)
Cash and cash equivalents at beginning of year		327,450	378,593
Cash and cash equivalents at end of financial year	8.b	358,146	327,450

The accompanying notes form part of these financial statements.

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

1. Introduction

The financial report covers Pottsville District Bowls and Sports Club Limited as an individual entity. Pottsville District Bowls and Sports Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Pottsville District Bowls and Sports Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 21 September 2026.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Material accounting policy information

a. Revenue

i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

1) Sales revenue

Sale revenue includes bar sales, gaming machine income, keno income and TAB income. All of the services and goods for these revenue items are provided to customers at the time of the sale and income is accounted for at that time. If deposits are held for any of these revenue items a liability is booked until the service or goods have been provided to the customer and then as income.

2) Other income

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

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

3. Material accounting policy information (continued)

b. Income tax

The Company is a Not-For-Profit entity with a main objective of providing facilities for bowls and other sporting activities and to encourage the game of bowls and other sporting activities. The Board has reviewed its income tax status and have assessed the Company to be exempt from income tax under section 50-45 of the Income Tax Assessment Act, 1997 (Cth). Consequently, no provision for taxation has been made in the financial statements.

c. Intangible assets - Poker machine entitlements

Poker machine entitlements are recognised at cost. They have an indefinite life and no amortisation has been calculated

d. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value. Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

i. Land and buildings

Land and buildings are measured using the revaluation model.

ii. Plant and equipment

Plant and equipment are measured using the cost model.

iii. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Land	Nil
Buildings	2.5 - 10%
Plant and equipment	2.5 - 40%
Gaming machines	20%
Motor vehicles	18.75%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

3. Material accounting policy information (continued)

e. Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

f. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

1) Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

2) Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

3) Impairment of financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information. The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held). Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

3. Material accounting policy information (continued)

f. Financial instruments (continued)

i. Financial assets (continued)

4) Trade receivables and contracts assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

ii. Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables, bank and other loans

4. Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

a. Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. The Clubs real property at Pottsville is shown at a valuation completed in 2014 and adopted by the Board on 30 June 2014.

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

5. Revenue and other income

	2026	2025
	\$	\$
Revenue from contracts with customers		
Sales revenue - bar sales	2,475,987	2,121,353
Poker machine income	2,737,549	2,373,264
Bingo income	17,290	14,242
Green fees	69,854	61,871
Member subscriptions	24,838	24,466
Keno commissions	80,745	71,788
TAB commissions	33,334	32,210
Commissions - other	46,198	48,059
Raffle income	132,483	123,762
Sub-club income	24,975	41,367
Sundry income	10,519	7,104
	5,653,772	4,919,486
Revenue from other sources		
Donations	-	1,381
407 Reimbursement Insurance Claim	-	15,185
	-	16,566
Total revenue	5,653,772	4,936,052

6. Result for the year

The result for the year includes the following specific expenses:

	2026	2025
	\$	\$
Cleaning & waste removal	120,385	114,071
Electricity & gas	149,856	141,485
Entertainment expenses	25,945	23,596
Insurance	90,285	87,933
Repairs and maintenance	154,270	149,476

7. Auditor's remuneration

	2026	2025
	\$	\$
Remuneration of the auditor of the Company, Kothes Accounting Group, for: auditing the financial statements	20,945	20,450

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

8. Cash and cash equivalents

a. Cash and cash equivalent details

	2026	2025
	\$	\$
Cash at bank and on hand	358,146	327,450

b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	358,146	327,450
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9. Trade and other receivables

Current	2026	2025
	\$	\$
Trade receivables	16,936	8,887
Accrued income	175,720	161,262
Other debtors	16,700	9,053
Total current trade and other receivables	209,356	179,202

10. Property, plant and equipment

a. Property, plant and equipment details

Summary	2026	2025
	\$	\$
Freehold land - core property		
At fair value	2,275,000	2,275,000
Buildings - core property		
At fair value	1,049,000	1,049,000
At cost - additions since valuation	1,334,447	927,948
Accumulated depreciation	(475,930)	(380,689)
Total Buildings - core property	1,907,517	1,596,259
Capital works in progress	104,345	68,998
Plant and equipment		
At cost	3,307,061	2,891,060
Accumulated depreciation	(2,089,989)	(1,746,816)
Total Plant and equipment	1,217,072	1,144,244
Motor vehicles		
At cost	131,960	131,960
Accumulated depreciation	(63,491)	(53,069)
Total Motor vehicles	68,469	78,891
	5,572,403	5,163,392

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

10. Property, plant and equipment (continued)

a. Property, plant and equipment details (continued)

Movements in carrying amounts

2026	Land	Buildings	Capital works in progress	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$	\$
Opening balance	2,275,000	1,596,259	68,998	1,144,244	78,891	5,163,392
Additions	-	406,499	58,177	393,173	-	857,849
Transfers	-	-	(22,830)	22,830	-	-
Depreciation	-	(95,241)	-	(343,175)	(10,422)	(448,838)
Closing balance	2,275,000	1,907,517	104,345	1,217,072	68,469	5,572,403

b. Fair value measurement and core property

An independent valuation of the land and buildings was conducted on 22 January 2014 by Terry O'Rourke who is a certified practising valuer. The valuation at that date was \$3,324,000 and the directors adopted that valuation as at 30 June 2014. An insurance valuation was conducted in August 2022 and the amounts per this valuation were above the book value for buildings booked as at 30 June 2025 and 2026.

All land and buildings of the Company is considered Core Property as per the Registered Clubs Act.

11. Intangible assets

a. Intangible asset details

Summary	2026	2025
	\$	\$
Poker Machine Entitlements - at cost	248,919	248,919

Gaming Machine Entitlements

The *Gaming Machine Act 2001* has created gaming entitlements for the Club that have a tradeable value. The Club has 51 gaming entitlements. The carrying value of intangible assets represents 14 entitlements which were acquired for consideration. The remaining 37 entitlements had no cost and have not been brought to account.

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

12. Trade and other payables

Current	2026	2025
	\$	\$
Trade payables	123,151	98,333
GST payable	52,571	34,992
Sundry payables and accrued expenses	130,309	117,995
Poker machine liability	75,687	52,886
Sundry creditors	4,227	1,420
Total trade and other payables	385,945	305,626

Poker machine liabilities

This liability is for purchases of poker machines payable over a 3 year period. The liability is non-interest bearing. The assets associated with this liability are included in Fixed Assets in Note 10 to the financial statements. The book value amount of these assets is above the liability booked above. The security for this liability is the poker machines purchased through this agreement.

13. Borrowings

Current	2026	2025
	\$	\$
Secured liabilities:		
Equipment loans	15,307	14,679
Total current borrowings	15,307	14,679
Non-current		
Secured liabilities		
Bank loans	150,010	342,621
Equipment loans	38,279	53,585
Total non-current borrowings	188,289	396,206
Total borrowings	203,596	410,885

Financing facilities

The financing facilities available to the Club from the Commonwealth Bank are for a bank loan of \$500,000. Additionally, the Company has access to a business card facility of \$5,000. The bank loan facility is in place to January 2029.

Security

The bank debt is secured by a registered first mortgage over property owned by the Company at Lot 479 Coast Road, Pottsville, NSW, 2489 and first ranking charge over all present and after acquired property.

Equipment loans

Equipment loans are secured by the assets financed (motor vehicle). As at 30 June 2026 there were one loan in place repayable over 5 year terms ending in November 2029.

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

14. Employee benefits

Current	2026 \$	2025 \$
Provision for annual leave	94,963	87,658
Provision for long service leave	71,682	44,039
	166,645	131,697

15. Members' guarantee

The Company is registered with 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 30 June 2026 the number of members was 5,086 (2025: 4,802).

16. Key management personnel remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

17. Fair value measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment
 - Land
 - Buildings

18. Contingencies

In the opinion of the directors, the Company did not have any contingencies at 2026 (2025: None).

19. Related parties

a. The Company's main related parties are as follows:

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All transactions made by the directors with the Club are under the same terms and conditions applying to members and other patrons generally.

Pottsville District Bowls and Sports Club Limited

Notes to the financial statements

For the year ended 30 June 2026

20. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2026	2025
	\$	\$
Result for the year	560,000	595,710
Add / (less) non-cash items:		
Depreciation and amortisation	448,838	373,725
Changes in assets and liabilities:		
(increase) / decrease in receivables	(30,154)	(82,746)
(increase) / decrease in inventories	(2,173)	(4,331)
(increase) / decrease in other assets	5,034	(4,848)
increase / (decrease) in payables	80,319	(109,518)
assets purchased through poker machine liabilities	(127,307)	(27,952)
increase / (decrease) in provisions	(7,887)	13,362
increase / (decrease) in employee benefits	34,948	27,780
increase / (decrease) in other liabilities	6,909	-
Cash flows from operations	968,527	781,182

a. Non-cash financing and investing activities

Purchase of poker machines via poker machine liability	127,307	27,952
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21. Events occurring after the reporting date

The financial report was authorised for issue on 21 September 2026 by the Board of Directors.

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

22. Statutory information

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

Pottsville District Bowls and Sports Club Limited
 Lot 479 Coast Road
 POTTSVILLE BEACH NSW 2489

Pottsville District Bowls and Sports Club Limited
Consolidated entity disclosure statement
30 June 2026

Pottsville District Bowls and Sports Club Limited does not have any controlled entities and therefore the financial statements presented are for a standalone entity. Consequently, the Consolidated Entity disclosure required by s295(3A)(a) of the *Corporations Act* is not required.

Pottsville District Bowls and Sports Club Limited
Directors' Declaration
30 June 2026

In the directors opinion:

The financial statements and notes for the year ended 30 June 2026 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Company.
- the consolidated entity disclosure statement required by the *Corporations Act 2001* is true and correct.

In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Coral Nathan
Director

Dated: 21 September 2026



Independent Audit Report to the members of Pottsville District Bowls and Sports Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Pottsville District Bowls and Sports Club Limited (the Company), which comprises the statement of financial position as at 30 June 2026, 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 policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2026 and of its financial performance for the year 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 opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures 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.



DIRECTORS

Simon Byrne
Fiona Dunham
Ben Marshman
Gary Skelton
Deni Tomat

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Independent Audit Report to the members of Pottsville District Bowls and Sports Club Limited (Continued)

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

KOTHES ACCOUNTING GROUP

A handwritten signature in black ink, appearing to read 'Simon Byrne', with a stylized flourish at the end.

Simon Byrne
Partner
Registered Company Auditor # 153624
21 September 2026



Pottsville Beach Sports Club

Pottsville District Bowls and Sports Club Limited

ABN 65 001 888 151