RICHMOND CLUB

Annual Report 24

Next Chapter

Renewed and revitalised
Annual Report.

Richmond
community heart
CLUB

CHAIRMAN'S REPORT

I share with you the Richmond Club Annual Report 2023-2024 highlights and reflect on our achievements, challenges, and milestones of the past 12 months. Future proofing has been at the heart of our work, pertinent in a year marked by extremes. Interest rate rises and cost of living pressures have dominated headlines, and while challenging economic conditions have become the norm, this has strengthened our focus on what matters most: our people and the community we have served for over 80 years.

Despite these difficult times, the Richmond Club has held tight, exercising care and diligence in the provision of services across our three core businesses: Richmond Club, Hawkesbury Living, and the Richmond Golf Club.

This year has been one of change and challenge. Despite economic pressures, the Richmond Club has taken bold steps to future-proof its operations. Key highlights include:

- New Facilities: The opening of Goji restaurant and the Ark Bar, both aimed at attracting new members and enhancing the Club's offerings.
- Financial Adjustments: A shift to a 'user pays' system at the Richmond Golf Club was essential to secure its future.
- Capital Investments: Significant renovations have taken place across all sites, improving our facilities and securing our future growth.
- Compliance Challenges: Hawkesbury Living has faced compliance issues, but actions are underway to resolve these.
- Staff Dedication: Our team of 230 employees has been exceptional, showing resilience and commitment during tough times.

Financial Results Summary

The Richmond Club Group recorded a total comprehensive income for the year of $10,425,944. This represents an increase of $13,377,128 compared to last year's total comprehensive loss of $2,951,184. Of this increase 98.2% or $13,135,960 relates to the after-tax impact of the revaluation of land and buildings as required by the Australian Accounting Standards, which was last revalued in 2020.

The net loss before tax improved by $186,346 or 6.4% to $2,745,286 from the prior year loss of $2,931,632.

The improvement of 6.4% in the net loss before tax was achieved despite a number of influences in the year which materially drove the net loss before tax up. Examples of these drivers would be:

- Aged Care reforms which were implemented following the Royal Commission into Aged Care by the Government have been a focus for 2023-2024. Salient impacts of this focus are:
  - ◊ Increases in care minutes per resident;
  - ◊ Requirement to have registered nurses available at all times;
  - ◊ Increase in new compliance requirements;
  - ◊ Necessity to track key performance indicators through, inter alia, finance, resident, families, and staff surveys;
  - ◊ Implementation and monitoring of best practice;
  - ◊ Training and managing our staff to cope with the many changes.
- Hawkesbury Living endured an outbreak in December 2023 and January 2024 and multiple exposures (monitored by the Public Health Unit, that in all instances did not result in lockdowns) which resulted in a limitation in revenues and an increase in costs during those periods.
- Mandatory salary increases across the Richmond Club Group of 3.75% were initiated from July 2023. This combined with the increase in hours required resulted in a Group increase in Employee Benefits of 23.1% or $3,129,960.
- During the year Australia experienced monthly consumer price index movements varying from 5.4% to 3.4% resulting in a higher cost base across the Richmond Club Group. In

by materially more than the consumer price index such as electricity costs, insurance costs, beverage costs etc.

- Across the period under review interest rates were not reduced in Australia which significantly increased the Richmond Club Groups finance costs.
- Numerous other specific items also inflated the net loss for the period such as the two floods experienced in April and June 2024, an electrical outage cancelling the Jimeoin show, temporary disruptions caused by the outdoor gaming floor optimisation, and the significant costs to process and monitor a notice of requirement to agree.

The above cost increases were negated to some extent by increases in revenue.
As well as the management team maximising the value derived from costs and limiting costs wherever possible. Examples of revenue growth are:

- The Aged Care reform focus in 2023 – 2024, mentioned above, resulted in material cost increases which were to some extent counterbalanced by changes in the revenues received by the Department of Aged care. Aged Cares revenues increased by 30.2% or $4,023,240 to $17,332,898 (2023: $13,309,658).
- Golf Revenue, as a result of an increase in fees across the board in the 2023-24 period, resulted in an increase in 13.3% or $237,038 to $2,017,312 (2023: 1,780,274). This assisted in reducing the net Golf loss carried by the Richmond Club Group.
- Beverages and Food Revenue increased by 8.85% or $175,652 to $2,159,035 (2023: $1,983,383)

Significant renovations to our facilities and the introduction of the modern New Foyer Asian Restaurant Goji as well as the reinvention of the bar concept, Ark Bar, were strategic business decisions that have enabled us to connect with an entirely new member cohort, strengthening our commitment to the community and reconnecting with patrons in a new and engaging way. New toilets at the Golf Club were long overdue.

I am proud of what we have achieved in the face of adversity. The resilience of our employees, valued patrons, community, and partners has been pivotal in what has been a challenging time.

As a Board, good corporate governance, acting in good faith and always with purpose, has underpinned our approach. Challenging times can also offer immense opportunities, and tightening the belt has pushed us to think outside the box and take a leap of faith. After careful consideration, we invested in new facilities and upgrades that will serve us well into the future.

Hawkesbury Living compliance

One of our significant achievements this year was the acquisition of our new facility at Macquarie House, part of our Hawkesbury Living initiative. However, compliance issues have also been at the forefront. We faced two "Not Mets" during an audit in October 2023, which delayed further work on Hawkesbury Living. Despite these setbacks, we are confident that the new board overseeing Hawkesbury Living will bring us into compliance and ensure we continue to provide excellent care.

Hawkesbury Living has struggled with some operational aspects especially in the area of Behaviour Plans and Restrictive Practices but is working diligently with the commission to rectify these issues as part of what will be an ongoing process.

Hawkesbury Living monitors financial performance through reporting of Key Performance Indicators against set budgets and the Stewart Brown Aged Care Financial Performance Survey. The feedback from residents and families, along with staff surveys are evaluated to improve the quality and standard of services. We also utilise our internal audit plans to ensure that we are compliant with our Governance requirements of the Aged Care Quality Standards. Hawkesbury Living's management regularly monitors staff rosters against needs of our consumers and the average care minute targets, and as a consequence reassess the allocation of staff on a daily basis as the needs arise

We have navigated outbreaks, Floods again whilst adhering to best practice. It is a testament to our staff who have shown resilience and commitment to the safety and wellbeing of residents. As an organisation we have ensured our staff are educated and trained to follow best practice We communicate consistently with our residents and family members, keeping all informed during outbreaks. We have built solid relationships with UWS, and Public Health Unit, following their guidance and recommendations during these times.

The decision to decrease room configurations at the old site and the opening of our new facility at Macquarie House form a critical part of our future strategy. With increasing workers compensation premiums, addressing workplace safety and reducing risks will remain a priority.

Looking forward, we will continue to focus on growth, ensuring the Richmond Club Group remains a vital community asset for years to come.

Yours Sincerely,

Geoff Luscombe
Chairman
Richmond Club, Hawkesbury Living and Richmond Golf Club Ltd

CEO REPORT

Dear Members,

I am proud to present the 2023-2024 Annual Report of the Richmond Club, highlighting the key achievements, challenges, and milestones we've experienced over the past year. Despite a challenging economic landscape, marked by rising interest rates and cost of living pressures, our Club has continued to stay resilient and forward-thinking, ensuring we deliver the best services across our three core businesses: Richmond Club, Hawkesbury Living, and Richmond Golf Club.

As we reflect on the past year, we note that the sector is plagued by negative media scrutiny, facility closures, and where the fact that more than half of our fellow providers are recording a negative EBITDA. The Richmond Club Board and Management are keeping abreast of the changes through regular training and development so solutions to both challenges and opportunities can be anticipated and planned for.

Renovations of facilities

The hospitality sector is facing unprecedented challenges. The latest findings by CreditorWatch highlight the sector's vulnerability, with 1 in 13 clubs facing failure in the next 12 months due to shrinking consumer spending and rising operational costs such as power and labour. Until we see rate cuts, which are unlikely until early in the new year, consumer spending will continue to plateau. As a business, this is a difficult position to be in.

Our future is intrinsically linked to our people, and attracting a new cohort of customers to enjoy the best of what the Richmond Club has to offer is key to our success. Products, price, and position in the market are essential, as are our fantastic facilities, superior service, and magnificent staff. Growing our loyal customer base and maintaining fresh facilities to meet the changing needs of our members will be important to future-proof our business and ensure prosperity for years to come.

Over the past 12 months, inflation has hit hard but has also proven to be an indicator that the assets required to keep our business operating efficiently were becoming dated and ready for a refresh. Across all sites, fixtures and fittings were in desperate need of improvements, and once identified, this uncovered the much larger extent of work required to keep our facilities first-rate. It was with our members, community and staff firmly top of mind that the Board made the bold move to commit to renovations, a decision that was not made lightly given the economic climate. This resulted in the construction of our new foyer, the introduction of modern Asian restaurant Goji (which we commenced talks on last November), the Ark Bar concept, and the new sports deck.

This forms part of the new image for Richmond Club. Last year's

annual report theme was "New Horizons", which promoted the key strategies of changing our image and connecting to a new age cohort as being imperative to survival. Achieving this whilst maintaining our loyal customers is tricky, however stage one, (GOJI Restaurant) has been opened and early results are very encouraging. We need to remain affordable to all and I encourage members to enjoy the many delicious share plates at GOJI, as this brings the price per head down considerably.

The task of reviving key facilities was largely made possible through good creditor relationships and a tightly managed renovation plan. The investment in our facilities, albeit running late due to the extent of the work we have managed in-house, is one we have made to secure our future and remain a premium club with excellent amenities, services, and hospitality. The renovations will pay off; we have witnessed a surge in interest with new memberships and increased engagement with current members.

There are three key stages to our Richmond Club renovations. Stage one is complete - it saw the relocation of reception and removal of a large coffee shop, making way for a more efficient model now seen in the main bar, and the introduction of a much-loved, modern new Asian-infused restaurant with a known brand - GOJI - which required the investment of a new commercial kitchen. A new keg room in Toxana, as well as new beer lines and fonts to accommodate our continually growing popularity and relevance in the community. Stage two sees the transformation of the main bar to become Ark Bar, and the upcoming Sportsman's Deck scheduled to open in December this year. Stage three is in the planning stages (being mapped out and costed) with information to be released to members and the community in coming months.

It is important to recognise that we're investing in these renovations at a time when there is a nationwide downturn in dining and tightening of spending per diner. Sales volumes in the hospitality sector, which is directly exposed to shifts in consumer spending, fell by 3.1 per cent in the 12 months to June according to Australian Bureau of Statistics data released last month.

In light of these economic conditions, developing stronger relationships with both our current customers and new evolving members is essential so that we can respond faster and deliver on the community's needs. This is also true for Hawkesbury Living and our valued residents; it's critical we align with customers' needs and their ever-changing lives and their realities.

Belief and trust in my team and in our strategic plans is imperative in these testing times that just seem to be getting harder due to unrelenting economic pressure. Our role in the Hawkesbury community is not reliant on just opening the doors and letting the gamers walk in. We have to work extremely hard across every part of our three sites to reap the rewards we believe are attainable.

Richmond Golf Club evolution

An ongoing challenge this year was the financial sustainability of Richmond Golf Club. As part of futureproofing, we moved to a 'user pays' model, which we understand was a difficult transition, especially for our 200 veterans. Despite the financial hurdles, we remain committed to maintaining Richmond Golf Club as a vital asset for the community.

We also celebrated a significant milestone in 2023: a decade since the Richmond Club amalgamation. While the journey has been complex, we continue to make strides, including preparing a submission to the State Government for the acquisition of Crown Land to facilitate renovations and new revenue streams.

Hawkesbury Living hurdles

Our commitment to providing excellent aged care to our community is perpetually complicated by a raft of reforms that make operating such a service onerous and expensive.

These reforms were implemented following the Royal Commission into Aged Care by the Government to put our older Australians first, improve the quality, safety and choice in aged care to create a sector that is trusted, safe and sustainable. Some highlights of the reform include an increase in care minutes, wage increase for staff, 24/7 registered nurses (RNs), development of a new Aged Care Act and facility Star Ratings.

Richmond Club's Hawkesbury Living aged care facility is skilfully navigating these changes, forging partnerships, and developing financial models to ensure not just survival but prosperity in this swiftly evolving environment. But the hurdles are significant.

Many residential aged care providers are currently struggling to stay afloat, and a taskforce report found the sector would need $56 billion to accommodate reforms and projected demand.

It has become mandatory for aged care homes to deliver a level of care, on average, of at least 200 minutes of nursing and personal care to each of their residents on a daily basis, with 40 minutes to be provided by RNs. Delivering this is complicated and expensive, and data indicates that 6 out of 10 aged care homes are still falling short on their mandatory minutes of direct care and registered nurse targets.

Having 24/7 RNs on staff isn't the challenge – this has been in place at Hawkesbury Living for some time. But with 65,000 workers exiting the sector annually, addressing this issue locally for Hawkesbury Living is vital. Post-covid, it has been extremely difficult to recruit experienced staff.

Hawkesbury Living's financial result has also been impacted by ongoing workers compensation issues and Outbreaks We need to ensure that workers compensation doesn't escalate further it is an area of grave concern on that site.

As this can have an extremely detrimental impact on not only the business, but also on the culture. To complicate the issue, the Aged Care industry has added risk with back claims and behaviours of residents. This situation gives rise to ensure that we are establishing a working environment that is psychologically and socially safe and where management treats each other with respect and integrity. With Hawkesbury Living now experiencing premiums of over $1 million last year, it's imperative that this cost area, and these associated issues are reassessed and scrutinised with the Boards.

We have a long-standing reputation for high quality care in our region however, an audit visit last October resulted in our facility having to focus on two key areas where the new standards were not met. That work is ongoing with your Boards who are working hard to assist to resolve these, not only for the group, but the community. This focus has delayed any further development works for Hawkesbury Living and the campus site, now named informally as Macquarie House.

The new Hawkesbury Living Board will be of great long-term benefit and will deliver a positive compliance result in the future, particularly if the executive team there is high functioning and led well.

We will continue to act with integrity and competence and work hard to resolve these issues and uphold our long-standing reputation within the community.

The Prime Minister recently unveiled reforms in the Aged Care Act due to come into force from mid-July next year. These include the new Quality Standard (Standard 6, Food and Nutrition), which will require residential aged care providers to have their menus designed in partnership with older people and developed with the input of chefs, cooks, and an accredited practising dietitian.

We're not alone in our concerns about how to deliver this. Nearly 70 per cent of aged care providers are concerned that the $5.6bn reforms to the sector are being rushed, while more than 80 per cent believe the government's aged care package will put greater strain on the industry, according to the Aged and Community Care Providers Association's annual state of the sector report.

This complex regulatory landscape, staffing hurdles, and increased reforms have led to a decline in Hawkesbury Living's financial performance.

Workforce Appreciation

Our wonderful staff across Richmond Club, Hawkesbury Living, and Richmond Golf Club are the backbone of our business. I am beyond proud of what they have achieved over the past 12 months. A Harvard Business Review study found a high sense of belonging can account for a 56% increase in performance, a 50% reduction in turnover, and a 75% decrease in sick days. These figures resonate with my experience at the Richmond Club and the value we place on culture.

Our Duty Managers are well educated and engaged in assisting management to deliver the "New Horizons" coming at your club. For this I am truly humbled, and the culture is great. I couldn't ask for better support from our Operations Manager Craig Hodge who has supported me professional now for such a long time.

Our team of 230 staff (and growing) have maintained an incredible work ethic and routinely gone above and beyond to demonstrate loyalty to the Richmond Club, even during testing times. Our managers are selfless, committed to ensuring the best outcome for our members. This year, we've also focused on creating a psychologically safe workplace at Hawkesbury Living, ensuring staff feel valued and supported.

Our suppliers, too, have supported us through the last year and worked diligently to deliver the first stages of our changes.

Looking ahead

Despite some rocky roads ahead, with the strategies and plans outlined and the ongoing support of our hardworking Boards, I'm confident we will weather through. The next year will not only be busy with the new Hawkesbury Living Board, but it will also be full of future capability focus, working on better NFP Governance throughout the group, working with the Boards to deliver this is imperative. Director appointment itself is challenging and highly important. Continuity of Boards is essential; therefore, succession planning is vital to maintain in preparedness for when Board membership elections are due. As part of this planning, the process of filling vacant positions is being reviewed to ensure there is a well-educated replacement ready to fill in when vacancies occur.

Building better skill sets to deliver our plans is essential.

Despite the many challenges, I am optimistic about the future and remain hopeful for respite from the economic extremities of recent times. We will continue to navigate the complexities of the hospitality sector while maintaining our focus on community, service, and growth.

Kind Regards,

Kimberley Talbot
Group CEO
Richmond Club, Hawkesbury Living
and Richmond Golf Club Ltd

OUR LEADERS

Driving change

GEOFF LUSCOMBE

Geoff Luscombe brings attributes of leadership, professionalism, and ethics to his 15 year role as Chairman of the Richmond Club Board.

Geoff is a third generation local who joined the club aged 18. His connection with it dates back to 1947 when his father and uncle were two of the 22 individuals who established the club after returning home from war.

Geoff's father remained on the Board for 50 years. Geoff succeeded him in 1997, at which point he went on to serve as Vice Chairman for seven years, then Chairman. Geoff, his father and his uncle are all life members. To this day his mother is the only female life member of the Richmond Club.

Geoff was in the local police force for 18 years. Upon retirement he established a successful real estate business. Geoff is especially proud of the club's nursing home build, golf club acquisition, impact of the cancer trust and Wanderest Park, and expects further success with the new hotel, upstairs function room

GARRY WATTERSON

Garry Watterson is a seasoned director in the district, having served on many groups in the community. They include the international dragway, community action group, the powerboat club for over a decade and a hot rod club where he is a life member of more than 27 years.

Garry's parents were members of the Richmond Club and both served on the Board for nearly two decades. Garry is Vice Chairman of both Hawkesbury Living and the Richmond Club. He is enormously proud of the club's community initiatives including work with local people experiencing homelessness, sports sponsorships, oncology services and aged care. The community-focused local, born and raised in the Hawkesbury, regularly liaises with government and senior public servants.

For a decade Garry played a central role in the Skilled Olympics, including its inaugural year. He has achieved significant success over a decade as a founding manager of UWSConnect.

KIMBERLEY TALBOT

Kimberley Talbot has been the Group Chief Executive Officer for Richmond Club since 2005 - but her ties to the club go back more than two decades. Kimberley held the role of General Manager of Richmond Club since the year 2000. With the guidance and collaboration of the Richmond Club Board, Kimberley has driven the growth and transformation of this vital community asset to include aged care services and accommodation.

She's also been instrumental in preserving the prestigious Richmond Golf Course through the development of the Richmond Golf Club, while also implementing a multi-year business strategy, diversifying revenue streams and providing leadership to a workforce of more than 230.

Kimberley has been recognised for professional achievements numerous times, including being awarded for outstanding contribution to the club movement by Clubs NSW.

The Board is proud to have formed the Hawkesbury Living Cancer Trust and appointed the independent Cancer Trust to oversee and raise the funds in line with Kimberley's vision for more services to the Hawkesbury, especially in the oncology and infusion fields. Kimberley has also been instrumental in acquiring and developing the subsidiary aged care company Hawkesbury Living and its ongoing success.

PETER CHIDGEY

Peter Chidgey has served on the Richmond Club Board for 18 years. He was initially appointed for his strategic planning expertise in aged care at a time when the club was undertaking the monumental Hawkesbury Living merger.

A Richmond Rotarian for more than 30 years, Peter has a community-first mindset coupled with vocational knowledge in real estate and aged care.

His knowledge of land, population, zoning, acquisitions and growth opportunities has contributed to the expansion of the nursing home from 65 to 138 beds in a decade and the acquisition of the Richmond Golf Club.

The proprietor of real estate franchises in Pitt Town, Richmond and Windsor enjoys the camaraderie and entrepreneurial culture of the Board that allows it to realise its vision and thrive through challenges such as changes to smoking regulations and the introduction of poker machines to clubs.

ELISSA ESPOSITO

Elissa Esposito is a highly engaged member of the Richmond Club whose appointment to the Board provides a direct connection to the current and future membership base. Relocating to the Richmond area with her husband's military career in the mid 2000s, the couple now operate a successful, independent finance company providing mortgages and refinancing to the community.

They provide residential loans, business loans, car and equipment leasing and secured and unsecured personal loans to their clients across the Hawkesbury and Penrith region.

As an active user of the Richmond Club's many facilities, Elissa is an approachable representative of the Board. Her perspective as a mum, business woman and club member ensures members and the local community are at the core of all her decision making.

RAY MEDINA

As Managing Director of his own business since May 2014 following years of executive level leadership with national entities, Ray Medina's experiences have endowed him with a keen business insight, adaptability, and the ability to drive growth—traits that are invaluable to his Board role at Richmond Club. His aptitude for strategic planning, staff motivation, and operational management are complemented by a personal entrepreneurial spirit that ensures resilience and innovative problem-solving capabilities.

He has honed his leadership skills, underpinned by a diverse career that includes roles such as General Manager at Mezzanine Engineering and Group General Manager at Ace Rack / Ace Shelving.

A self-starter, Ray launched his first business at 18, capitalising on his dynamism as a DJ before venturing into retail with a hardware shop. His strategic prowess was further demonstrated in overseeing operations for Raymor Plumbing Supplies across 26 outlets, a feat that led to senior positions at Tradelink Plumbing Supplies.

PETER WILLIAMS

Peter Williams is a second generation Richmond Club member. His lengthy banking career provides crucial finance judgements, risk awareness and business sense to the Richmond Club's development.

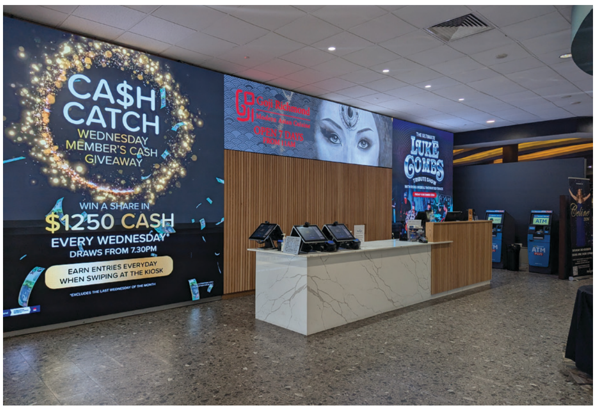
Peter is a business finance executive with a big four bank whose critical thinking and niche knowledge of specialised lending to licensed clubs, aged care and franchising underpins sound business sense. His forward thinking enables the growth ambitions of the club.

Peter has a particular interest in aged care - his mother resided in the Richmond nursing home until she was 91.

He has been a member of the club since he was 18, a keen member of the golf club, and even held his wedding reception at the club some 30 years ago.

RENEWED *AND* REVITALISED

TRANSITION



OUR HISTORY

Helps carve our future

2016

The Bouncing Bean Café is renovated and relaunched as the Crafty Brew in September.

Arcadia Entertainment opens in December.

2018

Building work commenced on Rivera Place.

Sandstone retaining wall completed on the marquee hole at Richmond Golf Club.

Winner for Most Inclusive Employer award at Hawkesbury Business Awards.

Australia PGA Seniors Championship - $90,000 prize purse. Winner Michael Long at Richmond Golf Club.

2019

Rivera Place completed three weeks ahead of schedule, first resident moves in June 11.

Villaggio Bistro opens June 29.

Major renovations, including: New function room renovations, Gaming lounge renovations, Coffee shop improvements, Hotel accommodation DA awaiting approval.

2015

Richmond Club undergoes extensive renovations over an 18 month period. The exterior of the club is repainted and the outdoor terrace is opened. Fences and entries are redeveloped. Star Buffet opens in April and Bistro Smiles is relocated to the Golf Club.

2013

The amalgamation between Richmond Club and Richmond Golf Club is finalised following the approval of members and the securing of a 32 year lease of the course land.

2012

Golf Club amalgamation.

2011

Magnolia Place, a specialised memory care wing of Hawkesbury Living, is officially opened in February. A further 33 bed extension of Hawkesbury Living is also approved.

2010

Wanderest Travellers Park is launched in October to increase tourism locally.

1897

Golf is first played in the district by a group of 11 players on the Richmond Common. The Richmond Golf Club was officially formed in 1899 with 17 gentlemen and 10 lady members.

1916

The Golf Club goes into recess due to the First World War and a War Barracks is built on the site of the modern day clubhouse. The club remains dormant for the next 12 years.

1942

After a period of success in the 1930's, the club is again hit by war, as the clubhouse burns to the ground while being used to house American soldiers during the Second World War.

1947

After identifying the needs of ex-servicemen in the Hawkesbury, the inaugural meeting of the Richmond Ex-Servicemen's Club is held on May 16 at the Drill Hall on Bosworth St, Richmond.

1949

The Richmond Memorial Men's Bowling Club is formed.

2023/24

our new era

Acquisition of new Aged care facility in partnership with No1 University in the world Western Sydney University.
Mandatory care minutes met.
Commencement of Staged Renovations at Main Club.
Golf Club Toilet Renovations.
New Restaurant opens Oct 24.

2020

COVID-19 Worldwide pandemic hits with lockdowns in effect from March

Devastating fires go through the Hawkesbury region, crippling businesses and the local community in November and December.

2021

In March the Hawkesbury experiences its worst floods in 30 years. June, the COVID-19 Delta variant brings NSW to a second standstill with a State-wide lockdown that lasts 15 weeks. Hawkesbury Living falls casualty to the pandemic with COVID-19 cases in August.

2022

The COVID-19 pandemic and La Nina devastating the Hawkesbury community with flooding causes the Golf Clubhouse to be closed 164 days this financial year. Following the Royal Commission into Aged Care, regulations and bank financing have seriously destabilised our operations, deeming aged care unprofitable, a balance needs to be struck.

2009

Hawkesbury Living Cancer Trust is formed to deliver much needed oncology services to the Hawkesbury. Approved by the Board of Directors of Richmond Club.

The Butler Wing of Hawkesbury Living is completed at a cost of $2.2 million.

2007

An extension of 12 beds is approved for Hawkesbury Living.

2005

It is proposed by current CEO that the Nursing Home merge with Richmond Club to counter increasing losses at the home.

Richmond Club acquires the Nursing Home and forms its subsidiary company, Hawkesbury Living.

Active8 Gymnasium is opened.

1992

Richmond Ex-Servicemen's Club donates 88 acres of land to the community for the development of the Benson's Lane Sporting Complex.

1957

Richmond Community and RSL Nursing Home is founded.

1959

The Richmond Memorial Ladies Bowling Club is formed.

Extensions to the clubhouse and golf course at Richmond Golf Club are completed, and the 18 hole course is officially opened.

1968

Extensions to the Richmond Ex-Servicemen's clubhouse are completed at a cost of $250,000.

1981

Norman Court Retirement Units are officially opened.

1998

The club is handed over to the community and is renamed to Richmond Club Limited, with 'Remembering Ex-Servicemen' in its title.

OPENING
CELEBRATIONS


GOJI
BOSS


EXIT
Welcome to Richmond


OPEN
7 DAYS
10AM - 3.30AM
COURTESY BUS
RICHMONDCLUB.COM.AU | 4578 1144


GOJI

Richmond Club Limited & Controlled Entity

ABN 14 001 034 911

Annual Financial Report for the year ended 30 June 2024

Richmond Community Club Limited ABN 14 001 034 911
Annual financial report for the year ended 30 June 2024

Contents

These financial statements are the financial statements of Richmond Club Limited & Controlled Entity. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 22 October 2024. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors' present their report on Richmond Club Limited (the Company) for the year ended 30 June 2024.

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

Mr Geoffrey Luscombe
Chairman, elected 18 November 2009
Director since 1998

Chairman 15 years. Vice Chairman 10 years. Board member 26 years. Club member 48 years.

Retired Police Officer, Real Estate Agent.

Mr Garry Watterson
Vice Chairman, elected 1 November 2013
Director since 2004

Vice Chairman 11 years. Board member 21 years. Club member 40 years.

Retired Retail Services Manager.

Mr Peter Chidgey
Board Member
Director since 2005

Board member 19 years. Vice Chairman 7 years.
Club member 21 years.
Company Director, CEO.

Mr James Bullock
Board Member
Director since 2015, resigned 10 October 2023

Board member 9 years. Club member 18 years.

Business Owner/Director.

Ms Dianne Finch
Board Member
Director since 2015, resigned 10 October 2023

Board member 9 years. Club member 33 years.
Business Owner. Retired Vice Mayor & Councillor of Hawkesbury City Council.

Ms Elissa Esposito
Board Member
Director since 2019

Board member 5 years. Club member 8 years.
Self Employed Mortgage Broker.

Mr Peter Williams
Board Member
Director since 2021

Board member 3 years. Club member 3 years.
Business Finance Executive at a big four bank.

Mr Raymond Medina
Board Member
Appointed 31 October 2023, resigned 27 February 2024

Club member 12 years.
Business owner, International imported exporter

Mr Stephen Handley
Board Member
Appointed 26 March 2024, resigned 16 May 2024

Company Director, Business Manager and Finance Executive

Company secretary
Kimberley Talbot is the Group Chief Executive Officer and is the Company Secretary.

Director's meetings
The number of meetings the Directors held during the year and the number of meetings attended by each director is as follows:

		Board meetings	
Board members		**A**	**B**
Mr Geoffrey Luscombe		10	9
Mr Garry Watterson		10	10
Mr Peter Chidgey		10	9
Mr James Bullock	(resigned October 2023)	2	1
Ms Dianne Finch	(resigned October 2023)	2	2
Ms Elissa Esposito		10	8
Mr Peter Williams		10	9
Mr Raymond Medina	(appointed October 2023, resigned February 2024)	2	2
Mr Stephen Handley	(appointed March 2024, resigned May 2024)	1	1

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

Directors' report (continued)

Principal activities
During the year, the principal activities of the Company was to conduct a licenced social, sporting and recreation club and the operation of a nursing home and retirement units in Richmond, NSW through its controlled entity.

Short-term objectives
The short-term objectives are to:
- Continually improve the quality of services we provide including food, beverage, gaming, sport, recreation, fitness, children's play area, caravan facility, function centre, entertainment, residential aged care, tourism, golf, and other complimentary services;
- Continue working toward the health and wellbeing of our children, seniors and community including the provision of sport and recreation;
- To monitor the fast changing statutory and compliance environment with a view to integrating all requirements as timeously and effectively as possible;
- Improve net cash inflows;
- Continually improve and enhance social inclusion programs through our venues and the local community;
- Continue to improve our facilities at the registered clubs; and
- To assess the fiscal and communities long and short-term impacts and to continually work towards a fiscal recovery which will allow the company to meet its long term objectives.

Long-term objectives
The long-term objectives are to:
- Continue to embrace the sacrifice of our servicemen and women past, present and future;
- Maintain a high standard of aged care and quality services and to develop those services for the group;
- Continue providing Hawkesbury residents with a sense of dignity as well as comfort, privacy and safety levels;
- Remain the appointer of the Trustees of Hawkesbury Living Cancer Trust;
- Improve golf course grounds, facilities and clubhouse services to players, members and guests;
- Redevelop stage 4 of Hawkesbury Living Macquarie House site;
- Maintain the excellent course and facilities at Richmond Golf Club;
- Collaborate with other Stakeholder's Aged Care providers to increase infrastructure in the Hawkesbury responsibility; and
- Collaborate with local sporting groups to enhance sports in the Hawkesbury;

Strategy for achieving short and long-term objectives
To achieve these objectives, the Company adopted the following strategies and measures of performance;
- The use of benchmarking and key performance indicators within that process including profitability, efficiency, membership, staff productivity cost control, gross profit in core trading areas, ratios, marketing, cashflow from operations to reinvestment in capital expenditure and community support. Community support performance is not only the amount of funds directed to that area but the amount of "in kind" support provided;
- To continually strive to operate efficiently and in a manner that is consistent with accepted business practice to ensure facilities are preserved, member benefits are maintained and community support is ongoing;
- We constantly monitor member, guest and residents satisfaction of services and facilities;
- The training of employees to ensure the highest levels of service are provided to our members, guests and aged care residents;
- The company is actively involved with government representatives and departments with the club and aged care environments;
- Assessment and other accreditation standards and other responsibilities as required by the Aged Care Act 1997; Assessments include surprise and arranged visitations.

Review of operations and financial results
The Richmond Club Group continued to operate Richmond Club, Richmond Golf Club and Hawkesbury Living Aged Care during the year ended 30 June 2024.

The net loss before tax improved by $186,346 or 6.4% to $2,745,286 from the prior year loss of $2,931,632.

Although the cost base increased materially due inter alia, to the impacts of:
- Aged Care reforms which were implemented following the Royal Commission into Aged Care by the Government which have been a focus for 2023-2024;
- Aged Care outbreak in December 23 and January 2024;
- The higher than expected consumer price index and interest rates;
- Two floods in April and June 2024

These cost increases were largely offset by revenue increases such as:
- Increases in revenues received from the Department of Aged Care;
- Impacts of Golf fee increases across the board;
- An 8.5% increase in Beverages and Food Revenue

The total comprehensive income / (loss) for the year was $10,425,944. This represents an increase of $13,377,128 compared to last year's total comprehensive loss of $2,951,184. Of this increase, 98.2% relates to the after tax impact of the revaluation of land and buildings as required by the Australian Accounting Standards, which was last revalued in 2020.

Directors' report (continued)

Performance measurement
The Company measures its performance against industry benchmarks, profit and net profit percentage of divisional trading areas. The Company also uses total net profit and EBITDA to measure the financial performance of the Group overall.

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

Likely developments and expected results of operations
Following the impact of Covid Aged Care lock downs, as well as the floods, the Group expects to continue to focus on increasing its level of operations and improving its financial performance by growing revenue and managing expenditure.

Contribution in winding up
The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, each member is liable to contribute no more than four dollars. The collective liability of members was $95,880 (2023: $78,932).

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

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of this Directors' report.

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

Geoffrey Luscombe - Chairman

Dated: 22 October 2024
Richmond, NSW

Level 5, 12 Stewart Avenue
Newcastle West NSW 2302

20 Church Street
Maitland NSW 2320

Box 29, Hunter Region MC NSW 2310

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Auditor's independence declaration

To the Directors of Richmond Club Limited

In accordance with section 307C of the Corporations Act 2001, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Richmond Club Limited for the year ended 30 June 2024, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) in relation to the audit.

Shaun Mahony

Shaun Mahony - Partner

Pitcher Partners NH Partnership

Pitcher Partners NH Partnership
Chartered Accountants

Dated: 22 October 2024
Newcastle West, NSW

Richmond Club Limited & Controlled Entity

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

	Notes	2024 $	2023 $
Revenue from continuing operations	2	**30,886,198**	26,522,232
Other income	3	**2,089,203**	1,467,237
Cost of goods sold	3	**(670,958)**	(690,445)
Employee benefits expense	3	**(16,679,801)**	(13,549,841)
Finance costs	3	**(2,525,445)**	(1,846,088)
Depreciation, amortisation and impairment expense		**(3,315,667)**	(3,642,134)
Other expenses	3	**(12,371,667)**	(10,914,212)
Support payments to the community		**(157,149)**	(278,381)
		(35,720,687)	(30,921,101)
Profit / (loss) before income tax		**(2,745,286)**	(2,931,632)
Income tax expense	4	**35,270**	(19,552)
Profit / (loss) for the year		**(2,710,016)**	(2,951,184)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Gain on revaluation of land and buildings	18	**16,284,248**	-
Tax effect on revaluation of land and buildings	18	**(3,148,288)**	-
Other comprehensive income for the year, net of tax		**13,135,960**	-
Total comprehensive income / (loss) for the year		**10,425,944**	(2,951,184)

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

Richmond Club Limited & Controlled Entity

Statement of financial position

As at 30 June 2024

	Notes	2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	5	**7,094,782**	6,797,817
Trade receivables	6	**407,240**	508,003
Inventories	7	**56,332**	65,789
Financial assets at amortised cost	8	**124,860**	173,093
Other assets	9	**205,747**	111,784
Total current assets		**7,888,961**	7,656,486
Non-current assets			
Property, plant and equipment	10	**66,297,160**	50,749,744
Intangible assets	11	**209,022**	1,229,411
Leased asset	12 (a)	**1,079,201**	1,293,666
Other assets	9	**8,989**	7,176
Deferred tax assets	13	**451,927**	436,789
Total non-current assets		**68,046,299**	53,716,786
Total assets		**75,935,260**	61,373,272
LIABILITIES			
Current liabilities			
Trade and other payables	14	**3,027,933**	2,538,155
Financial liabilities	15	**25,534,439**	30,517,465
Provisions	16	**1,453,308**	1,153,984
Other liabilities	17	**432,240**	384,525
Lease liabilities	12 (b)	**461,845**	374,377
Total current liabilities		**30,909,765**	34,968,506
Non-current liabilities			
Financial liabilities	15	**5,277,420**	35,388
Provisions	16	**238,515**	248,782
Lease liabilities	12 (b)	**447,484**	612,773
Deferred tax liabilities	13	**4,954,600**	1,826,291
Total non-current liabilities		**10,918,019**	2,723,234
Total liabilities		**41,827,784**	37,691,740
Net assets		**34,107,476**	23,681,532
MEMBERS FUNDS			
Reserves	18	**23,519,863**	10,383,903
Retained profits		**10,587,613**	13,297,629
Total members funds		**34,107,476**	23,681,532

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

Richmond Club Limited & Controlled Entity

Statement of changes in equity

For the year ended 30 June 2024

	Revaluation Reserves	Retained Profits $	Total $
Balance at 1 July 2022	10,383,903	16,248,813	26,632,716
Profit/(loss) for the year	-	(2,951,184)	(2,951,184)
Total comprehensive income for the year	**-**	**(2,951,184)**	**(2,951,184)**
Balance at 30 June 2023	**10,383,903**	**13,297,629**	**23,681,532**
Profit/(loss) for the year	-	(2,710,016)	(2,710,016)
Other comprehensive income	13,135,960	-	13,135,960
Total comprehensive income for the year	**13,135,960**	**(2,710,016)**	**10,425,944**
Balance at 30 June 2024	**23,519,863**	**10,587,613**	**34,107,476**

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

Richmond Club Limited & Controlled Entity

Statement of cash flows

For the year ended 30 June 2024

	Notes	2024 $	2023 $
Cash flows from operating activities			
Receipts from members and customers		32,894,657	28,559,978
Payments to suppliers and employees		(30,856,751)	(28,433,342)
Interest received		33,098	15,103
Finance costs		(650,382)	(561,150)
Net cash inflow (outflow) from operating activities		**1,420,622**	**(419,411)**
Cash flows from investing activities			
Payments for property, plant and equipment		(937,339)	(412,756)
Proceeds from sale of property, plant and equipment		29,545	-
Net cash inflow (outflow) from investing activities		**(907,794)**	**(412,756)**
Cash flows from financing activities			
Proceeds from borrowings		7,008,340	19,166,392
Repayment of borrowings		(6,749,334)	(14,021,673)
Repayment of lease liabilities		(474,869)	(353,307)
Net cash inflow (outflow) from financing activities		**(215,863)**	**4,791,412**
Net increase in cash and cash equivalents		296,965	3,959,245
Cash and cash equivalents at the beginning of the financial year		6,797,817	2,838,572
Cash and cash equivalents at the end of the financial year		**7,094,782**	**6,797,817**

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

Notes to the financial statements

For the year ended 30 June 2024

1 Summary of material accounting policies

(a) Information about the entity

- Richmond Club is a company limited by guarantee, incorporated and domiciled in Australia.
- Richmond Club is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Company is 6 East Market St, Richmond NSW 2753.
- The principal place of business of the Company is 6 East Market St, Richmond NSW 2753.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements are for the consolidated group consisting of Richmond Club Limited (the Company) and its controlled entity (the Group).

(c) Material accounting policy information

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

(d) Statement of compliance

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

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

(e) Working capital deficiency

As at 30 June 2024, the Group has a working capital deficiency of $23,020,804 represented by current assets of $7,888,961 and current liabilities of $30,909,765. This working capital deficiency represents a decrease of $4,291,216 from last years of $27,312,020. The decrease is mainly due to the refinance of loans with Westpac resulting in a reduction in the current bank loan liability of $6,103,713, partly offset by an increase during the year of nursing home accomodation bonds of $1,457,714 to a balance of $24,353,106. In addition the Group incurred a loss before other comprehensive income of $2,710,016 for the year.

The working capital deficiency is primarily caused by the Nursing home accomodation bonds totalling $24,353,106 (2023: $22,895,392).

The Directors believe the above working capital deficiency will be satisfied through:

(a) The Group's cash balance at 30 June 2024 of $7,094,782;
(b) The Group generating a positive operating cashflow in the current year of $1,420,622;
(c) The Group achieving a positive EBITDA in the current year of $3,095,826
(d) The Group has loan facilities with Westpac Bank with a remaining term of 2 to 4 years and expect to receive ongoing financial support. The current undrawn facilities available are $1,600,000. The most recent bank review performed included the results and covenant declaration for the 12 months ended 30 June 2024 which was accepted by Westpac.
(e) The nursing home accommodation bonds are not expected to all be repaid within the next 12 months. The Directors also believe any accommodation bonds to be repaid will be satisfied with new resident bonds.
(f) The Group expects to continue to receive support from its suppliers and members.
(g) The Group has prepared a cashflow budget for 2025 and based on the forecast expect the Group to continue to trade with sufficient positive operating cashflows in order to meet its obligations to financiers, suppliers, employees and other creditors.

The Directors' are of the opinion the above will be achieved and the Group will continue as a going concern and meet its debts and commitments as they fall due. As a result, the Directors have prepared the financial report on a going concern basis.

(f) Goods and services tax

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

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

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

1 Summary of significant accounting policies (continued)

(g) Rounding of amounts

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

(h) Comparative information

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

2 Revenue

(a) Disaggregation of revenue from contracts with customers

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

2024	Beverage and food revenue $	Gaming revenue $	Golf revenue $	Residential aged care revenue $	Other revenue $	Total $
Revenue from contracts with customers	**2,159,035**	**8,709,626**	**2,017,312**	**17,332,898**	**667,327**	**30,886,198**
AASB15)	**-**	**-**	**-**	**-**	**-**	**-**
	2,159,035	**8,709,626**	**2,017,312**	**17,332,898**	**667,327**	**30,886,198**
Timing of revenue recognition						
At a point in time	**2,159,035**	**8,709,626**	**1,436,184**	**-**	**614,871**	**12,919,716**
Over time	**-**	**-**	**581,128**	**17,332,898**	**52,456**	**17,966,482**
	2,159,035	**8,709,626**	**2,017,312**	**17,332,898**	**667,327**	**30,886,198**

2023	Beverage and food revenue $	Gaming revenue $	Golf revenue $	Residential aged care revenue $	Other revenue $	Total $
Revenue from contracts with customers	1,983,383	8,928,580	1,780,274	13,309,658	520,337	26,522,232
AASB15)	-	-	-	-	-	-
	1,983,383	8,928,580	1,780,274	13,309,658	520,337	26,522,232
Timing of revenue recognition						
At a point in time	1,983,383	8,928,580	1,245,653	-	462,120	12,619,736
Over time	-	-	534,621	13,309,658	58,217	13,902,496
	1,983,383	8,928,580	1,780,274	13,309,658	520,337	26,522,232

(b) Accounting policies and significant judgements

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

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

(i) Sale of goods - food and beverage revenue

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

(b) Accounting policies and significant judgements (continued)

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

(iii) Provision of services - golf revenue
Revenue from the sale of goods and provision of services is recognised at a point in time when the physical control of the goods passes or the service is provided to the customer. Membership subscriptions are recognised over the term of the membership and any unearned portion is deferred and included in contract liabilities.

(iv) Residential aged care revenue
The Group recognises revenue from aged care services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis. Revenue arises from discretionary and non-discretionary services, as agreed in a single contract with the resident. Fees received in advance of agreed aged care services performed are recognised as contract liabilities and are included within other liabilities.

Residential aged care revenue comprises of the following:
Department of Health and Aged Care revenue - reflects the Group's entitlement to revenue from the Australian Government based upon the specific care and accommodation needs of the individual residents. Revenue funded by the Government is derived under the Group's contracts with customers and comprises of basic subsidy amounts calculated in accordance with Aged Care Funding Instrument, accommodation supplements, funding for short term respite residents and other Government Incomes.

Resident fees and accommodation - residents are charged a basic daily fee as a contribution to the provision of care and accommodation which are regulated by the Australian Government. Other fees charged to the residents in relation to care and accommodation services include Daily Accommodation Payments (DAP), means tested care fees, rescom fees and other sundry services provided by the Group. These services are recognised over time as the service is provided.

(v) Other revenue
Included within other revenue is membership subscriptions which are recognised over the term of the membership and any unearned portion is deferred and included in contract liabilities. Membership revenue is measured with reference to the fee received and the period of membership that the member has paid for.

The balance of other revenue is recognised at a point in time when the performance obligation has been satisfied.

3 Other income and expense items

(a) Other income

	2024 $	2023 $
Other income	151,497	88,637
Interest income	1,908,161	1,300,041
Government stimulus funding - Aged care support grant and bonus payment	-	77,535
Gain on disposal of property, plant and equipment	29,545	1,024
	2,089,203	1,467,237

(i) Other income
Other income is recognised on an accruals basis.

(ii) Interest income
Interest income is recognised on an accruals basis.

(iii) Government stimulus funding
The Group recognises stimulus funding from the Department of Health when it is considered to be receivable.

(iv) Gain on disposal of property, plant and equipment
The Group recognises gains on disposals of property, plant and equipment when it is considered to be receivable.

3 Other income and expense items (continued)

	2024 $	2023 $
(b) Other expenses		
Cost of goods sold		
Beverage trading	628,918	651,739
Catering	42,040	38,706
Total - cost of goods sold	670,958	690,445
Other expenses		
Catering expenses	220,915	198,394
External catering expenses	29,216	53,127
Beverage trading expenses	74,679	60,265
Gaming machine expenses & taxes	2,493,300	2,708,213
Gymnasium expenses	188	245
Golf expenses	733,128	737,045
Membership expenses	31,346	64,884
Aged care facility expenses	4,295,757	3,264,974
Entertainment & promotions	1,202,300	1,050,909
Occupancy expenses	813,872	768,071
Repairs & maintenance (excluding gaming)	586,641	424,650
Consultancy fees	261,736	210,749
Computer expenses	277,865	237,381
Insurance	354,519	342,787
Miscellaneous	996,205	792,518
Total - other expenses	12,371,667	10,914,212
Employee benefits expense		
Wages	13,686,236	11,086,253
Superannuation expense	1,540,559	1,162,922
Annual & long service leave expense	1,212,096	931,355
Fringe benefits tax	151,656	284,788
Other employee remuneration and benefits	89,254	84,523
Total - employee benefits expense	16,679,801	13,549,841
Finance costs		
Interest expense - bank loans	641,280	544,703
Imputed interest charge on RADs (i)	1,875,063	1,284,938
Interest expense - other	9,102	16,447
Total - finance costs	2,525,445	1,846,088

(i) Imputed interest charge on RADs
The fair value of non-cash consideration (in the form of an interest free loan) received from a resident, that has elected to pay a RAD is recognised as income and correspondingly, an interest expenses with no net impact on profit or loss.

4 Income tax expense

(a) Numerical reconciliation of income tax expense to prima facie tax payable

The Income Tax Assessment Act 1936 (amended) provides that under the concept of mutuality, the Company is only liable for income tax on income derived from non-members and from outside entities. The controlled entity is exempt from income tax under section 50 of the Income Tax Assessment Act 1997. The amount set aside for income tax in the statement of profit or loss and other comprehensive income has been provided on a taxable income calculated as follows:

Operating profit/(loss) before income tax	(2,745,286)	(2,931,632)
Tax at the Australian tax rate at 25% (2023: 25%)	(686,322)	(732,908)
Add/(Less) tax effect of:		
Non deductible expenses	(19,897)	(85,701)
Apportionment adjustment members income and expenses	447,863	411,829
Non assessable and non deductable items due to tax exempt status of controlled entity	293,626	387,228
Income tax expense	35,270	(19,552)

4 Income tax expense (continued)

Accounting policy
Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

5 Cash and cash equivalents

	2024 $	2023 $
Current		
Cash and cash equivalents	7,094,782	6,797,817
	7,094,782	6,797,817

6 Trade receivables

Current		
Trade receivables	407,240	508,003
	407,240	508,003

Accounting policy
Trade receivables are non-interest bearing and are generally due for payment within 30 days of the invoice date.

7 Inventories

Current		
Inventory on hand	56,332	65,789
	56,332	65,789

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

8 Financial assets at amortised cost

Current		
Other receivables	124,860	173,093
	124,860	173,093

9 Other assets

Current		
Prepayments	205,747	111,784
	205,747	111,784
Non-current		
Other assets	8,989	7,176
	8,989	7,176

10 Property, plant and equipment

Non-current assets	Leasehold improvements $	Freehold land & building $	Plant and equipment $	Capital WIP $	Total $
At 1 July 2023					
Cost	767,184	50,472,090	13,273,279	400,228	64,912,781
Accumulated depreciation	(466,363)	(3,657,953)	(10,038,721)	-	(14,163,037)
Net book amount	300,821	46,814,137	3,234,558	400,228	50,749,744
Year ended 30 June 2024					
Opening net book amount	300,821	46,814,137	3,234,558	400,228	50,749,744
Additions	85,066	52,839	732,965	66,469	937,339
Transfers from lease assets	-	-	194,337	-	194,337
Revaluation	-	16,284,248	-	-	16,284,248
Depreciation charge	(48,480)	(834,211)	(985,817)	-	(1,868,508)
Closing net book amount	337,407	62,317,013	3,176,043	466,697	66,297,160
At 30 June 2024					
Cost	852,918	62,317,013	14,216,576	466,697	77,853,204
Accumulated depreciation	(515,511)	-	(11,040,533)	-	(11,556,044)
Net book amount	337,407	62,317,013	3,176,043	466,697	66,297,160

Accounting policy
(a) Land and buildings
Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Freehold land and buildings were revalued on 30 June 2024 by Nelson Partners Australia. Nelson Partners Australia frequently assess the market values for properties similar to those held by the Group, having regard to past sales prices of other properties and current market conditions.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of gain on revaluation of land and buildings. All other decreases are charged to the statement of profit or loss and other comprehensive income.

As the revalued buildings are depreciated, the difference between depreciation recognised in the income statement, which is based on the revalued carrying amount of the asset, and the depreciation based on the assets original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal costs, are valued and recognised at the fair value of the asset at the date it is acquired.

(b) Plant and equipment
Each class of plant and equipment and leasehold improvements are carried at cost less any accumulated depreciation and any accumulated impairment losses.

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

Buildings and leasehold improvements	5 - 40 years
Plant and equipment	2 - 10 years

10 Property, plant and equipment (continued)

(d) Impairment
Property, plant and equipment are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

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

The fair value of freehold land and buildings is estimated at each reporting date, based on independent assessments of the market value of the property generally conducted at least every three years and other available knowledge of current market prices. Estimation uncertainty exists and is related to the various assumptions used in determining the fair value. The estimates and judgements involved may impact the carrying value of freehold land and buildings, the asset revaluation reserve and the gain or loss recorded in the statements of profit or loss and other comprehensive income should they change.

11 Intangible assets

Non-current assets	Corporate branding $	Poker machine entitlements $	Bed licences $	2024 $	2023 $
As at 30 June 2024					
Cost	396,576	206,666	2,690,311	3,293,553	3,293,553
Accumulated amortisation	(394,220)	-	(2,690,311)	(3,084,531)	(2,064,142)
Net book amount	2,356	206,666	-	209,022	1,229,411
Reconciliation					
Opening net book amount	42,014	206,666	980,731	1,229,411	2,249,799
Amortisation charge	(39,658)	-	(980,731)	(1,020,389)	(1,020,388)
Closing net book amount	2,356	206,666	-	209,022	1,229,411

Accounting policy
(i) *Poker machine entitlements*

Poker machine entitlements are intangible assets acquired separately and are capitalised at cost, the useful lives of these intangible assets are assessed to be indefinite as there is no indication that gaming machines will become obsolete.

Intangible assets are measured at cost less accumulated amortisation (where applicable) and any accumulated impairment losses.

(ii) *Bed licences*

A ‘bed licence’ refers to a place that was allocated and has since become available for a person to receive residential aged care. In previous periods, available bed licenses were assessed as having an indefinite useful life as they were issued for an unlimited period. In September 2021 the Australian Government announced its decision to discontinue operational place/bed licences from 1 July 2024 following a discussion paper published by the Department of Health and Aged Care which confirmed the government 2021-2022 Budget decision to discontinue Aged Care Approval Rounds. Following the Government’s announcement and the information provided in the discussion paper in September 2021 and in accordance with Accounting Standards and guidelines issued by the Australian Securities and Investments Commission (“ASIC”) the Company determined that the remaining useful lives of the bed licences would not extend beyond 1 July 2024, and have therefore amortised the cost of bed licences from 1 October 2021 to 30 June 2024 on a straight-line basis.

12 Lease assets and lease liabilities

The Group leases several assets including poker machines, motor vehicles and golf equipment.

	2024 $	2023 $
a) Lease asset		
Non-current		
Carrying amount of lease assets, by class of underlying asset:		
Plant and equipment	1,079,201	1,293,666
Reconciliation of lease assets		
Carrying amount at the beginning of the year	1,293,756	718,124
Additions	496,151	846,585
Termination of lease	(89,599)	-
Transfers to property, plant and equipment	(194,337)	-
Amortisation	(426,770)	(271,043)
Carrying amount at the end of the year	1,079,201	1,293,666
b) Lease liabilities		
Current		
Lease liabilities	461,845	374,377
Non-current		
Lease liabilities	447,484	612,773
Total	909,329	987,150
Reconciliation of lease liabilities		
Carrying amount at the beginning of the year	987,154	493,872
Additions	520,409	846,585
Termination of lease	(123,365)	-
Interest expense	38,727	23,177
Lease payments	(513,596)	(376,484)
Net movement during year	(77,825)	493,278
Carrying amount at the end of the year	909,329	987,150
Maturity analysis of future lease payments		
Not later than 1 year	448,284	399,232
Later than 1 year and not later than 5 years	514,710	637,240
Later than 5 years	-	-
Lease payments	962,994	1,036,472

Accounting policy

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

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

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

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The weighted average incremental borrowing rate is 5.13%.

Lease assets are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

12 Leases assets and lease liabilities (continued)

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

13 Deferred tax balances

	2024 $	2023 $
(i) Deferred tax assets		
The balance comprises temporary differences attributable to:		
Provisions	40,629	36,926
Lease liabilities	35,619	52,154
Carried forward tax losses	375,679	347,709
	451,927	436,789
Movements		
At 1 July 2023	436,789	439,924
(Charged)/credited to statement of profit or loss and other comprehensive income	15,138	(3,135)
At 30 June 2024	451,927	436,789
(i) Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Land and building	4,897,584	1,749,296
Lease assets	56,212	76,389
Other	804	606
	4,954,600	1,826,291
Movements		
At 1 July 2023	1,826,291	1,809,874
Charged/(credited) to statement of profit or loss	(19,979)	16,417
Charged/(credited) to statement of comprehensive income	3,148,288	-
At 30 June 2024	4,954,600	1,826,291

Accounting policy
Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the statement of financial position date.

14 Trade and other payables

	2024 $	2023 $
Current		
Trade payables	1,486,759	1,140,466
Other payables and accruals	1,238,925	908,549
GST payable	302,249	489,140
	3,027,933	2,538,155

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

15 Financial liabilities

	2024	2023
	$	$
Current		
Secured		
Bank loans (i)	1,123,365	7,227,078
Other loans (ii)	57,968	394,995
Total secured financial liabilities	1,181,333	7,622,073
Unsecured		
Resident loans	24,353,106	22,895,392
Total unsecured financial liabilities	24,353,106	22,895,392
	25,534,439	30,517,465
Non-current		
Secured		
Bank loans (i)	5,219,613	-
Other loans (ii)	57,807	35,388
Total secured financial liabilities	5,277,420	35,388

(i) Bank loans

At 30 June 2024 the Group has a $7,943,026 facility with the Westpac Bank with available committed capacity (undrawn) of $1,600,047 under this facility. The Group has provided security as follows:

- First registered mortgage over the property at 110 / 116 March Street, Richmond, NSW;
- First registered mortgage over the property at 6 East Market Street, Richmond, NSW;
- General security agreement over all existing and future assets and undertakings of the Group.

(ii) Other loans

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

Accounting policy

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

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

Resident loans comprise refundable accommodation deposits (RAD's) which are a non-interest bearing deposit paid or payable to an approved provider by a resident for the residents accommodation in an aged care facility. Residents can choose to pay a full lump-sum RAD, a regular rental-type payment called a 'daily accommodation payment' (DAP), or a combination of both.

RADs are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Due to RADs becoming payable upon short notice, their carrying value approximates their fair value.

RAD refunds are guaranteed by the Federal Government under the prudential standards legislation. Providers are required to have sufficient liquidity to ensure they can refund the RAD balances as they fall due in the following twelve months. Providers are also required to implement and maintain a liquidity management strategy. There is no right to defer payment for twelve months and therefore RAD liabilities are recorded as current liabilities.

16 Provisions

	2024	2023
	$	$
Current		
Employee entitlements (i) & (ii)	1,453,308	1,153,984
	1,453,308	1,153,984
Non-current		
Employee entitlements (ii)	238,515	248,782
	238,515	248,782

Accounting policy

(i) *Annual leave*

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

(ii) *Long service leave*

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

17 Other liabilities

	2024	2023
Current		
Contract liabilities - membership income (i)	432,240	362,493
Contract liabilities - other income (i)	-	22,032
	432,240	384,525

(i) *Contract liabilities*

Contract liabilities generally represent the membership subscriptions and other income received in advance which is held until the performance obligation has been satisfied. The services provided are usually provided or the conditions usually fulfilled within 12 months.

Accounting policy

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods.

18 Reserves

	Asset revaluation	Total	Total
	$	$	$
Balance at 1 July 2023	10,383,903	10,383,903	10,383,903
Revaluation of land and buildings	16,284,248	16,284,248	-
Tax effect of revaluation	(3,148,288)	(3,148,288)	-
Balance at 30 June 2024	23,519,863	23,519,863	10,383,903

(i) *Nature and purpose of reserves*

Asset revaluation

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

19 Contingent liabilities

There are no contingent liabilities as at the date of this report.

20 Related parties

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

	2024 $	2023 $
(a) Key management personnel compensation		
Total key management personnel benefits	1,516,866	1,531,398

(b) Subsidiary entity and transactions

The subsidiary entity is Hawkesbury Living Pty Limited, a company limited by guarantee incorporated in New South Wales. At 30 June 2024 the Company was the sole member of Hawkesbury Living Pty Limited.

Hawkesbury Living Pty Limited has provided a loan to Richmond Club Limited. As at 30 June 2024 the Company owed Hawkesbury Living Pty Limited $11,870,112 (2023: $9,547,775).

	2024	2023
Transactions between the Company and its Controlled Entity during the financial year include:		
Rent paid by Hawkesbury Living Pty Limited to the Company	765,500	765,500
Interest paid by the Company to Hawksbury Living Pty Ltd	849,752	634,749

(c) Other related party transactions

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

Other related party transactions include:

- Ethan Talbot, the son of Group CEO Kimberley Talbot is employed by subsidiary company Hawkesbury Living Pty Limited on an arms length basis.

21 Remuneration of auditors

	2024	2023
Auditor of the company		
Audit of the financial statements	64,200	61,500
Other assurance services	4,200	4,000
Other services - taxation compliance services	1,700	1,600
	70,100	67,100

22 Core and non-core property

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

Core Property

- 5 Toxana Street, Richmond, NSW 2753, also known as 6 East Market Street Richmond, NSW, 2753
- 8 East Market Street, Richmond, NSW, 2753
- 9 Toxana Street, Richmond, NSW, 2753
- 34 Bourke Street, Richmond, NSW, 2753

Non - Core Property

- 71 Francis Street, Richmond, NSW, 2753
- 116 March Street, Richmond NSW 2753
- 122 March Street, Richmond NSW 2753
- 87 Francis Street, Richmond NSW 2753

The land on the corner of Francis Street and East Market Street.

Notes to the financial statements

For the year ended 30 June 2024

23 Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2024 $	2023 $
Balance Sheet		
Assets		
Current assets	1,768,011	835,349
Non-current assets	54,235,439	38,715,431
Total assets	56,003,450	39,550,780
Liabilities		
Current liabilities	4,986,289	10,539,969
Non-current liabilities	22,493,643	11,964,479
Total liabilities	27,479,932	22,504,448
Members funds		
Reserves	23,519,863	10,383,903
Retained earnings	5,003,655	6,662,429
Total members funds	28,523,518	17,046,332
Profit /(loss) for the year after tax	(1,658,774)	(1,511,861)
Total comprehensive income / (loss) for the year	11,477,186	(1,511,861)

The financial information for the parent entity, Richmond Club Limited, has been prepared on the same basis as the consolidated financial statements, except in relation to investments in subsidiaries. Investments in subsidiaries are accounted for at cost in the financial statements of Richmond Club Limited. Any distributions received from subsidiaries are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Richmond Club Limited & Controlled Entity

Consolidated entity disclosure statement

For the year ended 30 June 2024

Richmond Club Limited & Controlled Entity is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the company and its controlled entities (the consolidated entity).

In accordance with subsection 295(3A) of the Corporations Act 2001, this consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of the financial year.

Name of entity	Type of entity	Place formed or incorporated	Percentage of share capital held (if applicable)	Australian tax resident or foreign tax resident	Foreign tax jurisdiction (if applicable)
Hawkesbury Living Pty Limited	Body Corporate	Australia	100%	Australia	N/A
Richmond Club Limited	Body Corporate	Australia	N/A	Australia	N/A

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

Directors' declaration

In the Directors' opinion:

(a) The financial statements, notes and consolidated entity disclosure statement set out on pages 22-39 are in accordance with the Corporations Act 2001, including:

   (i) Complying with Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   (ii) giving 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.

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) The consolidated entity disclosure statement required by subsection 295 (3A) of the Corporations Act 2001 is true and correct.

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

Geoffrey Luscombe - Chairman

22 October 2024
Richmond, NSW

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Maitland NSW 2320

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Independent auditor's report

to the members of Richmond Club Limited

Opinion

We have audited the financial report of Richmond Club Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement, and the Directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Material uncertainty related to going concern

Without modifying our opinion, we draw attention to Note 1(e) to the financial report, which indicates that the Group has a deficiency in working capital such that current liabilities exceed current assets by $23,020,804 and incurred a loss before other comprehensive income of $2,710,016. As stated in Note 1(e), these events or conditions, along with other matters as set forth in Note 1(e), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern, and therefore may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report, the Group's annual report, the Chairman's report and the CEO's 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.

PITCHER PARTNERS

Independent auditor's report (continued)

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

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

Responsibilities of the Directors for the financial report

The directors of the Company are responsible for the preparation of:

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

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

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

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

Matters relating to the electronic presentation of the audited financial report
The auditor's report relates to the financial report of the Company for the year ended 30 June 2024 included on the Company's web site. The Company's Directors are responsible for the integrity of the Company's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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

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

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

Independent auditor's report (continued)

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

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Shaun Mahony - Partner

Pitcher Partners NH Partnership
Chartered Accountants

22 October 2024
Newcastle West, NSW

Hawkesbury Living Cancer Trust

Annual Financial Report for the year ended 30 June 2024

Hawkesbury Living Cancer Trust
Annual financial report for the year ended 30 June 2024

Contents

HAWKESBURY LIVING CANCER TRUST

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED JUNE 2024

	Notes	2024 $	2023 $
INCOME			
Donations Received		**-**	3,697
Interest Received		**40**	151
TOTAL INCOME		**40**	3,848
EXPENDITURE			
Bank Charges		**-**	31
Depreciation		**4,117**	4,117
Sundry Expenses		**2,713**	2,611
Website Expenses		**1,200**	1,200
TOTAL EXPENDITURE		**8,030**	7,959
NET PROFIT		**(7,990)**	(4,111)
INCOME TAX EXPENSE		**-**	-
NET PROFIT AFTER TAX		**(7,990)**	(4,111)

The above *statement of income and expenditure* should be read in conjunction with the accompanying notes

D.Guy, V. Leggett, G. Colless and J. O'Brien
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	2024 $	2023 $
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	*2*	**306,349**	474,190
TOTAL CURRENT ASSETS		**306,349**	474,190
NON-CURRENT ASSETS			
Intangibles	*3*	**-**	4,117
TOTAL NON-CURRENT ASSETS		**-**	4,117
TOTAL ASSETS		**306,349**	478,307
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	*4*	**9,609**	9,880
TOTAL CURRENT LIABILITIES		**9,609**	9,880
TOTAL LIABILITIES		**9,609**	9,880
NET ASSETS		**296,740**	468,427
EQUITY			
Settlement Sum		**100**	100
Retained Earnings		**296,640**	468,327
TOTAL EQUITY		**296,740**	468,427

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

D.Guy, V. Leggett, G. Colless and J. O'Brien
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST

STATEMENT OF DISTRIBUTION
AS AT 30 JUNE 2024

	Retained Earnings $
Accumulated Earnings as at 1 July 2022	692,438
Net Profit for the year ended 30 June 2023	(4,111)
Accumulated Earnings before distribution	688,327
Less: Distributions made during the year ended 30 June 2023	(220,000)
Accumulated Earnings as at 30 June 2023	468,327
Net Profit for the year ended 30 June 2024	(7,990)
Accumulated Earnings before distribution	460,337
Less: Distributions made during the year ended 30 June 2024	(163,697)
Accumulated Earnings as at 30 June 2024	**296,640**

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

D.Guy, V. Leggett, G. Colless and J. O'Brien
AS TRUSTEES FOR
HAWKESBURY LIVING CANCER TRUST

NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2024

1 Summary of significant accounting policies

The Trustees of the trust have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements and have been prepared in accordance with the trust deed.

No accounting standards have been followed in the preparation of this financial report.

The financial statements have been prepared on a cash basis and are based on historical costs unless stated otherwise.

The following material accounting policies have been adopted in the preparation of this report.

Intangibles

Intangible assets are carried at cost less accumulated depreciation. The cost of intangible assets is recognised on the date of acquisition and depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

Other payables

Payables includes GST obligations which have arisen in the prior and current years.

2 Cash and cash equivalents

	2024 $	2023 $
Current		
Cash and Cash Equivalents	306,349	474,190
	306,349	474,190

3 Intangibles

	2024	2023
Non-Current		
Intangibles at cost	12,350	12,350
Less Accumulated amortisation	(12,350)	(8,233)
	-	4,117

4 Trade and Other Payables

	2024	2023
Current		
Other Payables	9,609	9,880
	9,609	9,880

HAWKESBURY LIVING CANCER TRUST

TRUSTEES' DECLARATION

The Trustees have determined that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the trustees the financial report as at 30 June 2024 comprising the Statement of Financial Position, the Statement of Income and Expenditure, the Statement of Distribution and the notes to the financial statements:

(i) Presents a true and fair view of the financial position of Hawkesbury Living Cancer Trust as at 30 June 2024 and its performance for the year ended on this date.

(ii) At the date of this statement, there are reasonable grounds to believe that Hawkesbury Living Cancer Trust will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the trustees and is signed for and on behalf of the trustees by:

Duncan Guy - Trustee

Richmond, NSW
Dated: 22 October 2024

Pitcher Partners

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Independent auditor's report

to the trustees of Hawkesbury Living Cancer Trust

Opinion

We have audited the financial report of Hawkesbury Living Cancer Trust (Trust) which comprises the statement of financial position as at 30 June 2024 the statement of income and expenditure, statement of distribution and the notes to the financial statements, including material accounting policy information, and the Trustees' declaration.

In our opinion, the accompanying financial report present fairly, in all material respects, the financial position of the Trust as at 30 June 2024 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

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 Hawkesbury Living Cancer Trust in accordance with 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Trust to meet the requirements of the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Trustees for the financial report

The Trustees of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies described in Note 1 to the financial statements and the Trust Deed and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of the financial report and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustee's are responsible for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the trust for the year ended 30 June 2024 included on the Trust's web site. The Trustees are responsible for the integrity of the Trust's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust 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 Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Shaun Mahony

Shaun Mahony - Partner

Pitcher Partners NH Partnership

Pitcher Partners NH Partnership
Chartered Accountants

Dated: 22 October 2024
Newcastle West, NSW

MORE THAN JUST A *CLUB*

MAINTAINING *TRADITION*

REMEMBERING OUR EX-SERVICEMEN AND WOMEN

ANNUAL REPORT 2024

Richmond
community heart
CLUB