

**LARA SPORTING CLUB INC.
COMMITTEE OF MANAGEMENT REPORT**

Your committee of management present their report on the financial accounts for the year ended 30 September 2024.

COMMITTEE OF MANAGEMENT

The names of the Committee Members throughout the year and at the date of this report are:

President	Peter Kelly
Treasurer	Brett Gillett
Secretary	Carol Stone
Member	Carolyn Baum
Member	Reg Cook
Member	Brett Ritchie
Member	Louise Goodwin
Member	Andrew Gunther

PRINCIPAL ACTIVITIES

The principal continuing activities during the year consisted of:

Provision of Club facilities, including the operation of a licensed gaming venue, to Club members and their guests.

SIGNIFICANT CHANGE IN OPERATIONS

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

	2024	2023
	\$	\$
Net Result for the Period	191,150	325,615

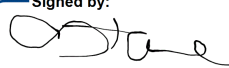
COMMITTEE OF MANAGEMENT BENEFITS

Since the end of the previous financial year, no Committee Member has received or become entitled to receive a benefit other than:

- (a) a benefit included in the aggregate amount of emoluments received or due and receivable by Committee Members shown in the accounts; or
- (b) the fixed salary of a full time employee of the entity of a related corporation.

By reason of a contract by the entity or a related corporation with the committee Member or with a firm that has a substantial financial interest.

Signed on behalf of the Committee of Management.

Signed by:

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Carol Stone

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Brett Gillett

COMMITTEE MEMBER

COMMITTEE MEMBER

Dated this 26th day of November 2024

LARA SPORTING CLUB INC.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	2024 \$	2023 \$
REVENUE			
Revenue from Operating Activities	2	3,675,855	3,559,634
Revenue from Non-Operating Activities	2	749,386	663,861
TOTAL REVENUE		4,425,241	4,223,495
EXPENSES			
Cost of Goods Sold		(615,625)	(594,520)
Employee Expenses	3	(1,224,000)	(1,051,200)
Operational Expenses	4	(2,198,886)	(2,059,668)
TOTAL EXPENSES		(4,038,511)	(3,705,388)
Net Result Before Capital & Specific Items		386,730	518,107
Depreciation and Amortisation Expense	5	(195,580)	(192,492)
INCOME/ (DEFICIT) FOR THE YEAR		191,150	325,615
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		191,150	325,615

LARA SPORTING CLUB INC.

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	573,535	535,135
Trade and Other Receivables	7	70,855	73,085
Inventories	8	40,564	30,248
Other Assets - TAB Bond		5,700	5,000
Total Current Assets		690,654	643,468
Non-Current Assets			
Property Plant & Equipment	9	2,111,565	2,043,594
Intangible Assets	10	580,713	654,616
Right of Use Asset	11	44,674	19,501
Total Non-Current Assets		2,736,952	2,717,711
TOTAL ASSETS		3,427,606	3,361,179
LIABILITIES			
Current Liabilities			
Trade and Other Payables	12	178,858	188,558
Employee Entitlement	13	77,955	65,335
Interest Bearing Liabilities	14	214,627	185,441
Lease Liabilities	15	9,127	21,500
Other Borrowings	16	74,568	74,568
Total Current Liabilities		555,135	535,402
Non-Current Liabilities			
Employee Entitlement	13	6,667	9,428
Interest Bearing Liabilities	14	400,401	503,936
Lease Liabilities	15	36,408	-
Other Borrowings	16	521,979	596,547
Total Non-Current Liabilities		965,455	1,109,911
TOTAL LIABILITIES		1,520,590	1,645,313
NET ASSETS		1,907,016	1,715,866
EQUITY			
Retained Earnings	17	1,907,016	1,715,866
TOTAL EQUITY		1,907,016	1,715,866

LARA SPORTING CLUB INC.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Notes	Retained Earnings \$	Total \$
Balance at 1 October 2022		1,390,251	1,390,251
Total comprehensive income		325,615	325,615
Balance at 30 September 2023	17	1,715,866	1,715,866
Total comprehensive income		191,150	191,150
Balance at 30 September 2024	17	1,907,016	1,907,016

LARA SPORTING CLUB INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers & Gaming		4,870,218	3,901,525
Borrowing Costs		(36,448)	(16,557)
Payments for Suppliers		(4,455,668)	(4,090,950)
NET CASH FLOWS FROM OPERATING ACTIVITIES	22b	<u>378,102</u>	<u>(205,982)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(164,246)	(327,514)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(164,246)</u>	<u>(327,514)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Proceeds from/(Repayment of) borrowings		(199,108)	430,419
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(199,108)</u>	<u>430,419</u>
NET INCREASE/(DECREASE) IN CASH HELD		14,748	(103,077)
CASH AT BEGINNING OF FINANCIAL YEAR		541,387	644,464
CASH AT END OF FINANCIAL YEAR	22a	<u>556,135</u>	<u>541,387</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

Basis of preparation

The financial statements are general purpose financial statements which has been prepared in accordance with Australian Accounting Standards, Accounting Interpretations and the *Associations Incorporation Reform Act 2012 (Vic)*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

a)

As at 30 September 2024, the Club had equity, represented by Retained Earnings of \$1,907,016 (2023: \$1,715,866). The Club has working capital surplus of \$135,519 (2023: \$108,066). The Club recorded a net profit of \$191,150 (2023: 325,615).

The Club has undertaken to refurbish its facilities with the financial support of its major gaming supplier and has taken action to reduce operating expenditure. The club is therefore expecting improved daily takings from its gaming and bar operations to ensure future financial viability. Accordingly, the continuing viability of the Club and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Club being successful in:

- continuing to achieve improved future cash flows from its operations
- obtaining further additional funding, capital raising or donations.

The Committee believes that the Club will be successful in achieving the above objectives and accordingly have prepared the financial report on a going concern basis.

At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 September 2024. Accordingly, no adjustments have been made to the financial report relating classifications of liabilities that to the recoverability and the classification of the asset carrying amounts or the amounts and might be necessary should the Club not continue as a going concern.

b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of change in value.

For the Statement of Cash Flows presentation purposes, cash and cash equivalent includes bank overdrafts, which are included as current borrowings in the Statement of Financial Position.

c) Receivables

Receivables and other debtors include amounts due from members as well as receivables from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of reporting period are classified as current assets. All other receivables are classified as non-current assets.

d) Inventories

Inventories include goods and other property held either for sale or distribution at no or nominal cost in the ordinary course of business operations. It includes land held for sale and excludes depreciable assets.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

The basis used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (Cont.)

e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial assets and liabilities at amortised cost

Financial assets and liabilities are measured at amortised cost if both of the following criteria are met:

- the assets are held to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Financial assets at fair value through other comprehensive income

Debt investments are measured at fair value through other comprehensive income if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held to achieve its objective both by collecting the contractual cash flows and by selling the financial assets, and;
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

Financial assets at fair value through profit or loss

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed by the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the financial period in which they are incurred.

g) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (Cont.)

g) Depreciation (cont.)

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

Asset Class	2024	2023
Property	10%	10%
Buildings	2.5%	2.5%
Plant & Equipment	5-10%	5-10%
Furniture & Fittings	1%	1%
Electronic Gaming Machines (EGMs)	10%	10%
Bar & Kitchen Equipment	5-10%	5-10%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

h) Net Gain/(Loss) on Non-Financial Assets

Apart from Intangible Assets with indefinite useful lives, all other non-financial assets are assessed annually for indications of impairment, except for:

- inventories;
- assets arising from employee benefits;
- financial instrument assets;
- investment property that is measured at fair value; and
- non-current assets held for sale.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

i) Comparative Figures

Where necessary comparative figures have been reclassified to facilitate comparisons.

j) Payables

Payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k) Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 represented 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 included in receipts from customers or payments to suppliers.

Commitments and contingent assets and liabilities are presented on a gross basis.

l) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national Government bonds with terms of maturity that match the expected timing of cash flows.

Superannuation

Contribution to employee superannuation plans are expensed when incurred.

On-Costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (Cont.)

m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

n) Income Tax

Lara Sporting Club Inc. is exempt from income tax under *section 50.45* of the *Income Tax Assessment Act 1997* as amended, as the Club was established to encourage a game or sport.

o) Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue*. Income is recognised as revenue to the extent it is earned. Unearned income at reporting date is reported as income in advance. Amount disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

Gaming

Income derived from Electronic Gaming Machines is recognised when the cash is received.

Food

Income derived for the provision of meals is recognised when the cash is received.

Memberships

Membership income is recognised when the cash is received.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other Income

Other income is recognised as revenue when the cash is received.

p) New Accounting Standards for Application during the current period.

No new accounting standards for the current year.

q) Loans provided by PVS

Funds were provided in the prior and current years to assist with payment of gaming licence instalments and refurbishments. The balance payable as at 30 September 2024 is \$596,547 and was provided on the basis that the club will remain with PVS as gaming service provider until March 2032.

The amounts provided are being amortised against the gaming machine payments to PVS over that period.

Other amounts provided by PVS will be subject to a loan and repayment schedule in future periods.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 2: REVENUE

	2024	2023
	\$	\$
Revenue from Operating Activities		
Bar Revenue - Lara Club	657,580	656,476
Bistro Revenue	768,318	638,449
Gaming Revenue	1,979,739	2,018,402
TAB Commission	48,207	66,899
Other Commission & Rebates	53,091	46,668
Other Revenue	145,727	113,633
Membership	23,193	19,107
Total Revenue from Operating Activities	<u>3,675,855</u>	<u>3,559,634</u>
Revenue from Non Operating Activities		
Sport Club Revenue	749,386	663,861
Total Revenue from Non Operating Activities	<u>749,386</u>	<u>663,861</u>
Total Revenue	<u>4,425,241</u>	<u>4,223,495</u>

NOTE 3: EMPLOYEE EXPENSES

Salary & Wages	1,082,461	929,164
Superannuation	99,211	68,193
Payroll Tax	5,887	683
Workcover	7,021	11,260
Training	1,150	1,742
Uniform	7,883	3,214
Other Staff Costs	20,387	36,944
Total Employee Expenses	<u>1,224,000</u>	<u>1,051,200</u>

NOTE 4: OPERATIONAL EXPENSES

Sporting Expenses	<u>811,810</u>	<u>641,815</u>
Other Operational Expenses		
Administration Expenses		
Advertising & Club Promotions	133,085	136,922
Bank Charges	15,828	16,557
Donations	25,479	13,307
Printing, Postage & Stationery	10,396	16,152
Licences & Golf Cart Rentals	2,738	13,476
Computer Expenses	13,456	20,266
Other Expenses	158,047	157,248
	<u>359,029</u>	<u>373,928</u>
Occupancy Expenses		
Light, Heat & Power	76,459	63,004
Cleaning	127,013	143,654
Insurance	49,501	39,864
Rates (including water)	15,685	21,283
Rent (including grounds)	(17,000)	(14,380)
Interest on ROU Asset	2,461	1,590
Telephone & Internet	9,782	13,830
Repair & Maintenance	22,450	50,608
Security	4,992	12,741
	<u>291,343</u>	<u>332,194</u>
Direct Expenses		
Gaming Expenses	658,144	628,384
Other Bar Expenses	12,361	4,666
TAB Terminal & Consumable Charges	35,435	41,884
Sky channel	22,242	20,988
Entertainment	8,522	15,809
	<u>736,704</u>	<u>711,731</u>
Total Other Operational Expenses	<u>1,387,076</u>	<u>1,417,853</u>
TOTAL OPERATIONAL EXPENSES	<u>2,198,886</u>	<u>2,059,668</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024 \$	2023 \$
NOTE 5: DEPRECIATION & AMORTISATION		
Depreciation Expenses	96,276	88,229
Amortisation Expenses	99,304	104,263
TOTAL DEPRECIATION & AMORTISATION	<u>195,580</u>	<u>192,492</u>
NOTE 6: CASH & CASH EQUIVALENTS		
Cash at Bank	487,636	419,497
Cash on Hand	85,899	115,638
TOTAL CASH & CASH EQUIVALENTS	<u>573,535</u>	<u>535,135</u>
NOTE 7: TRADE & OTHER RECEIVABLES		
Trade Debtors	16,045	45,290
Other Debtors	42,770	205
ATM Reimbursements Due	12,040	27,590
TOTAL TRADE & OTHER RECEIVABLES	<u>70,855</u>	<u>73,085</u>
NOTE 8: INVENTORIES		
Lara Club Bar Stock on Hand	25,406	16,996
Bistro Stock on Hand	15,158	13,252
TOTAL INVENTORIES	<u>40,564</u>	<u>30,248</u>
NOTE 9: PROPERTY, PLANT & EQUIPMENT		
Leasehold Improvement at Cost less Accumulated Depreciation	220,000 (220,000)	220,000 (220,000)
Building at Cost less Accumulated Depreciation	895,916 (411,376)	895,916 (388,973)
Plant & Equipment at Cost less Accumulated Depreciation	690,830 (331,716)	673,037 (289,725)
Fixtures & Fittings at Cost less Accumulated Depreciation	433,809 (369,246)	433,809 (366,699)
Venue Renovations at Cost less Accumulated Depreciation	1,298,186 (94,838)	1,151,733 (65,504)
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>2,111,565</u>	<u>2,043,594</u>

NOTE 9: PROPERTY, PLANT & EQUIPMENT (CONT)

Reconciliations of the carrying amounts of each class of property, plant & equipment at the beginning and end of the current financial year is set out below:

	Venue Renovations \$	Buildings \$	Plant & Equipment \$	Furniture & Fittings \$	Total \$
Balance at 30 September 2022	851,099	529,347	354,207	69,657	1,804,310
Additions	260,939	-	66,575	-	327,514
Disposals at WDV	-	-	-	-	-
Depreciation Expense (Note 5)	(25,809)	(22,404)	(37,470)	(2,547)	(88,230)
Transfers Out	-	-	-	-	-
Balance at 30 September 2023	1,086,229	506,943	383,312	67,110	2,043,594
Additions	146,453	-	17,793	-	164,246
Disposals at WDV	-	-	-	-	-
Depreciation Expense (Note 5)	(29,334)	(22,403)	(41,991)	(2,547)	(96,275)
Transfers Out	-	-	-	-	-
Balance at 30 September 2024	<u>1,203,348</u>	<u>484,540</u>	<u>359,114</u>	<u>64,563</u>	<u>2,111,565</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 10: INTANGIBLE ASSETS	2024	2023
	\$	\$
Gaming Machine Entitlements	737,605	737,605
Less Accumulated Amortisation	(156,892)	(82,989)
TOTAL INTANGIBLE ASSETS	580,713	654,616
<i>The Club purchased gaming machine entitlements for 50 machines in 2009/10, via the Victoria State Government's pre auction club offer and a subsequent auction process. The initial entitlements took effect from 16 August 2012 and were for a ten year period, they were renewed in August 2022 for a further ten year period.</i>		
<i>Reconciliations of the carrying amounts of Intangible Assets at the beginning and end of the current year is set out below:</i>		
Carrying Amount at Start of Year	654,616	-
Plus Additions	-	737,605
Less Disposals	-	-
Less Amortisation	(73,903)	(82,989)
Carrying amount at End of Year	580,713	654,616
NOTE 11: RIGHT OF USE ASSET		
At Cost	50,574	104,598
Less: accumulated depreciation	(5,900)	(85,097)
TOTAL RIGHT OF USE ASSET	44,674	19,501
<p>The Organisation's lease portfolio relates to Land and buildings only. Lease terms are for just under 10 years. Options to extend or terminate are contained in the property leases of the Association. These clauses provide the Association opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Association. The extension or termination options which were probable to be exercised have been included in the calculation of the Right of Use Asset.</p>		
Related amounts recognised in the Statement of Comprehensive Income		
Depreciation charge related to right-of-use asset	25,401	21,274
Interest expense on lease liabilities	2,461	1,590
NOTE 12: TRADE & OTHER CREDITORS		
Trade Creditors	48,746	67,813
Accrued Expenses	25,696	43,975
Amount Payable to ATO	86,377	70,217
Other Creditors	18,039	6,553
TOTAL TRADE & OTHER CREDITORS	178,858	188,558
NOTE 13: EMPLOYEE ENTITLEMENTS		
Current Employee Entitlement Provisions		
Annual Leave Provisions	56,938	45,448
Long Service Leave Provisions	21,017	19,887
Total Current Employee Entitlement Provisions	77,955	65,335
Non Current Employee Entitlement Provisions		
Long Service Leave Provisions	6,667	9,428
Total Non Current Employee Entitlement Provisions	6,667	9,428
TOTAL EMPLOYEE ENTITLEMENTS	84,622	74,763

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 14: INTEREST BEARING LIABILITIES

	2024	2023
	\$	\$
Current		
Bank Overdraft	17,400	(6,252)
Leases	47,517	13,257
Other Loans	49,602	78,328
Gaming Machine Entitlement Loan	100,108	100,108
	<u>214,627</u>	<u>185,441</u>
Non Current		
Bendigo Bank Loan	-	-
Leases	-	3,427
Gaming Machine Entitlement Loan	400,401	500,509
	<u>400,401</u>	<u>503,936</u>
TOTAL INTEREST BEARING LIABILITIES	<u>615,028</u>	<u>689,377</u>

NOTE 15: LEASE LIABILITY

Current	9,127	21,500
Non Current	36,408	-
TOTAL LEASE LIABILITY	<u>45,535</u>	<u>21,500</u>

NOTE 16: OTHER BORROWINGS

Current		
PVS Loan - unsecured	74,568	74,568
	<u>74,568</u>	<u>74,568</u>
Non Current		
PVS Loan - unsecured	521,979	596,547
	<u>521,979</u>	<u>596,547</u>
TOTAL OTHER BORROWINGS	<u>596,547</u>	<u>671,115</u>

Included within the Other Borrowings is the following PVS Loan:

\$596,547 which is being repaid at a rate of \$6,214 per month and had a relief period of 6 months during 2020 due to COVID-19 preventing the use of Gaming Machines. Loan will be repaid by March 2032.

NOTE 17: EQUITY & CONTRIBUTED CAPITAL

Retained Earnings

Retained Earnings at the Beginning of the Reporting Period	1,715,866	1,390,251
Net Result for the Year	191,150	325,615
Retained Earnings at the End of Reporting Period	<u>1,907,016</u>	<u>1,715,866</u>

NOTE 18: CONTINGENT ASSETS & CONTINGENT LIABILITIES

There are no known contingent assets and liabilities for the organisation.

NOTE 19: CAPITAL & LEASING COMMITMENTS

a) Operating Lease Commitments

All lease commitments are recorded under the AASB 16 Leasing Standards.

b) Capital Commitments - Property, Plant & Equipment

There are no finance capital commitments for the organisation.

NOTES 20: EVENTS OCCURRING AFTER BALANCE DATE

No significant transactions or activities have occurred since 30 September 2024.

NOTE 21: AUDITORS REMUNERATION

Remuneration of the auditor of the association for:
- Auditing and reviewing the financial report

	10,404	9,819
	<u>10,404</u>	<u>9,819</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 22: RECONCILIATION OF CASH

- a) For the purpose of the Statement of Cash Flows, cash assets include cash on hand and in banks. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2024 \$	2023 \$
Cash & Cash Equivalents - Operational Funds of the Club	6	573,535	535,135
Less Bank Overdraft	14	(17,400)	6,252
		<u>556,135</u>	<u>541,387</u>

NOTE 22: RECONCILIATION OF CASH (Cont.)

- b) Reconciliation of Net Result for the year to Net Cash Inflow/(Outflow) from Operating Activities:

Net Result for the Period		191,150	325,615
Depreciation & Amortisation		195,579	192,492
(Increase)/decrease in Trade & Other Receivables		1,530	(6,104)
(Increase)/decrease in Inventories		(10,316)	(8,159)
(Increase)/decrease in Gaming Machine Entitlements		-	(737,605)
Increase/(decrease) in Trade & Other Payables		(9,700)	17,138
Increase/(decrease) in Employee Entitlements		9,859	10,641
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		<u>378,102</u>	<u>(205,982)</u>

NOTE 23: RELATED PARTY TRANSACTIONS

- a) No Board Members received remuneration during the year

- b) Key management personnel compensation:

- short term employee benefits		270,760	125,311
- post-employment benefits		33,059	15,958
		<u>303,819</u>	<u>141,269</u>

- c) Related Party Transactions

There were no transactions with related parties during the year.

NOTE 24: FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

Lara Sporting Club's principal financial instruments comprise of deposits with banks, accounts receivable and payable and interest bearing liabilities and other financial liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Carrying Amount 2024 \$	Carrying Amount 2023 \$
Financial Assets			
Cash at Bank	6	487,636	419,497
Trade & Other Receivables	7	70,855	73,085
Total Financial Assets		<u>558,491</u>	<u>492,582</u>
Financial Liabilities			
At amortised cost			
Trade & Other Payables	12	178,858	188,558
Interest Bearing Liabilities	14	615,028	689,377
Lease Liability	15	45,535	21,500
Other Borrowings	16	596,547	671,115
Total Financial Liabilities		<u>1,435,968</u>	<u>1,570,550</u>

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 24: FINANCIAL INSTRUMENTS (Cont.)

Specific Financial Risk Exposures and Management

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Lara Sporting Club.

The Association does not have any material credit risk exposures.

Credit risk exposures

The maximum exposure to credit risk, by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of Financial Position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

The Association has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

b) Liquidity Risk

Liquidity risk arises from the possibility that Lara Sporting Club might encounter difficulty in settling its debts or otherwise its obligations related to financial liabilities. Lara Sporting Club manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operations
- investing and financing activities; and
- only investing surplus cash with major financial institutions.

The table below discloses the contractual maturity analysis for Lara Sporting Club's financial liabilities.

Financial liability and financial assets maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Liabilities Due for Payment								
Trade & Other Payables	178,858	188,558	-	-	-	-	178,858	188,558
Interest Bearing Liabilities	214,627	133,048	400,401	556,329	-	-	615,028	689,377
Lease Liabilities	9,127	21,500	36,408	-	-	-	45,535	21,500
Other Borrowings	74,568	74,568	298,272	298,272	223,707	298,275	596,547	671,115
Total contractual outflows	477,180	417,674	735,081	854,601	223,707	298,275	1,435,968	1,570,550
Total expected outflows	477,180	417,674	735,081	854,601	223,707	298,275	1,435,968	1,570,550
Financial Assets - Cash Flow Realisable								
Cash at Bank	487,636	419,497	-	-	-	-	487,636	419,497
Trade & Other Receivables	70,855	73,085	-	-	-	-	70,855	73,085
Total anticipated inflows	558,491	492,582	-	-	-	-	558,491	492,582
Net (outflow)/inflow on financial instruments	81,311	74,908	(735,081)	(854,601)	(223,707)	(298,275)	(877,477)	(1,077,968)

c) Market Risk

i) Interest rate risk

The financial assets of Lara Sporting Club are not exposed to any significant interest rate risk since cash balances are maintained at various fixed interest rates.

LARA SPORTING CLUB INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

NOTE 24: FINANCIAL INSTRUMENTS (Cont.)

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instruments will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used.

The interest rate exposure on the debt portfolio is managed by appropriate budgeting strategies and by managing in accordance with target maturity profiles.

ii) Price risk

Price risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Lara Sporting Club is exposed to insignificant foreign currency risk and other price risks.

Sensitivity analysis

The following table illustrates sensitivities to the Association's exposure to changes in interest rates.

The table indicates the impact on how profit at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables

- a parallel shift of + 1% and -2% in market interest rates (AUD).

	2024	Interest rate risk			
		-2% - 200 basis points		1% + 100 basis points	
	\$	Profit \$	Equity \$	Profit \$	Equity \$
Financial Assets:					
Cash at Bank	487,636	(9,753)	(9,753)	4,876	4,876
Trade & Other Receivables	70,855	-	-	-	-
Financial Liabilities:					
Trade & Other Payables	178,858	-	-	-	-
Interest Bearing Liabilities	615,028	(12,301)	(12,301)	6,150	6,150
Other Financial Liabilities	45,535	(911)	(911)	455	455
Other Borrowings	596,547	(11,931)	(11,931)	5,965	5,965

No sensitivity analysis has been performed on foreign exchange risk as the Association is not exposed to foreign currency fluctuations.

Net Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Association. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Association.

Net Fair Value	Carrying Amount 2024 \$	Net Fair Value 2024 \$	Carrying Amount 2023 \$	Net Fair Value 2023 \$
Financial Assets				
Cash at Bank	487,636	487,636	419,497	419,497
Trade & Other Receivables	70,855	70,855	73,085	73,085
Total financial Assets	<u>558,491</u>	<u>558,491</u>	<u>492,582</u>	<u>492,582</u>

NOTE 24: FINANCIAL INSTRUMENTS (Cont.)

Net Fair Value	Carrying Amount 2024 \$	Net Fair Value 2024 \$	Carrying Amount 2023 \$	Net Fair Value 2023 \$
Financial Liabilities				
Trade & Other Payables	178,858	178,858	188,558	188,558
Interest Bearing Liabilities	615,028	615,028	689,377	689,377
Other Financial Liabilities	45,535	45,535	21,500	21,500
Other Borrowings	596,547	596,547	671,115	671,115
Total Financial Liabilities	<u>1,435,968</u>	<u>1,435,968</u>	<u>1,570,550</u>	<u>1,570,550</u>

LARA SPORTING CLUB INC.
DECLARATION BY THE COMMITTEE

The Committee of Management declare that:

1. The financial statements and notes of the Club set out on pages 1 to 15:
 - (a) present fairly the organisation's financial position as at 30 September 2024 and its performance and cash flows for the year ended on that date in accordance with Australian Accounting Standards;
2. In the committee's opinion there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee of Management and is signed on behalf of the Committee by:

Signed by:

A5FE85AE50B9477...
Committee Member

DocuSigned by:

999570BEE5E74DF...
Committee Member

Dated this 26th day of November 2024