



2023 Annual Report

Penrith District Rugby League
Football Club Limited
ACN 003 908 503

General Purpose (SDS) Financial Report
For the year ended 31 October 2023





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Chairman's Report

Dear Members,

This past year has been nothing short of spectacular for our Penrith Panthers, and I am thrilled to share with you the remarkable achievements and exciting developments that have taken place.

Panthers continues to stand as a source of community pride, embodying our cherished ethos of being 'built from within' and inspiring our community. Our commitment to nurturing local talent and fostering a strong sense of community spirit has been the cornerstone of our success.

In what can be described as a historic feat, the Panthers achieved a remarkable three-peat, becoming the first club in the NRL era and the first overall since the Parramatta Eels in the early 1980s to accomplish this extraordinary feat.

Under the leadership of coach Ivan Cleary, our team clinched the grand final victory over the Brisbane Broncos in a breathtaking come-from-behind triumph, with Nathan Cleary earning the Clive Churchill Medal for his stellar performance. This victory encapsulates the resilience and unwavering determination that define the Panthers.

The Panthers also secured the minor premiership for the third time in four years, a testament to the unwavering commitment and dedication of our players and coaching staff.

Our success extended beyond the NRL arena, with six Panthers players representing the NSW Blues in the State of Origin series, while others earned representative honours on the international stage.

Dylan Edwards debuted for Australia with Isaah Yeo and Liam Martin also representing the Kangaroos in the Pacific Championships. Spencer Leniu, Stephen Crichton, Brian To'o, and Izack Tago played for Samoa, and Sunia Turuva represented Fiji in the same tournament. James Fisher-Harris, captaining New Zealand, won the Golden Boot for

his strong performance for the Kiwis, alongside Panthers teammate Moses Leota.

Looking ahead, 2024 promises to be another exciting year for Panthers, as we bid farewell to BlueBet Stadium in its current form. The impending redevelopment, supported by a \$309 million investment from the NSW government, marks the end of an era filled with countless cherished memories. However, we remain committed to bidding adieu to our stadium on the highest possible note.

Recognition goes to NRL head coach Ivan Cleary and his exceptional team of assistant coaches and support staff for their unwavering professionalism, dedication, and unwavering support for our community.

None of what we do at Panthers would be possible without our outstanding corporate partners, whose loyal support has been instrumental in our continued success both on and off the field.

My personal thanks as well to Matt Cameron and his team behind the scenes for their invaluable contributions to our club's success.

I extend my appreciation to our loyal members and fans, whose unwavering support and dedication have been the driving force behind our success since our inception in 1967. Your passion and commitment to the Panthers are truly unparalleled, and we are grateful for your continued support.

I am filled with immense pride and optimism as we embark on the journey that lies ahead. Together, we will continue to uphold the proud legacy of the Panthers and strive for excellence in all that we do.

Peter Graham
Chairman, Panthers Group



Directors' report

For the year ended 31 October 2023

Your directors submit their report on Penrith District Rugby League Football Club Limited (the "Football Club") for the year ended 31 October 2023.

Directors

All directors noted below are current members of the Penrith District Rugby League Football Club Limited and were in office during the financial year and until the date of this report. The names and details of the directors of the Football Club are as follows:

Peter Graham (Chairman)

Director for 7 years. Loyal supporter of the Panthers since 1967. Founding member of the Executive of Emu Plains Little Athletics Club. President of Nepean High P&C for 7 years. Mentor with Panthers on the Prowl Building Young Men Program. Director of Panthers on the Prowl. Played Rugby League for Emu Plains.

Extensive executive and board experience in the power and media industries and the university sector. Principal of PTG Consulting. Chair of Western Sydney University International College. Graduate Western Sydney University and Harvard Business School. PhD (Hons) Western Sydney University. Member of the Australian Institute of Company Directors. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2017).

Gregory Alexander (Deputy Chairman)

Director for 21 years. Involved with football in Penrith area for over 40 years. Penrith's "Rookie of the Year" in 1984. Won the prestigious Dally M Player of the Year in 1985. Played City Origin, State of Origin and for Australia. Captained Penrith's first Premiership win in 1991. Sports Commentator on Fox Sports. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2017). Inducted into the Panthers Hall of Fame in 2016. Breakfast radio host on SEN. NSW Blues advisor since 2018 to 2023.

Mark Mulock (Deputy Chairman)

Director for 7 years. Born, bred and raised in Penrith. Lifetime Panthers supporter. Board Member of Panthers on the Prowl. Founding member of The Great Walk Foundation, Penrith charity. Member of Olatype Pty. Limited - Penrith Business Group. Legal practitioner for 40 years practising in Penrith as Mark Mulock & Co Pty Limited since 1991. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2017).

Robert Wearn

Director for 5 years. A proud Penrith local and long time, passionate supporter of Panthers. Robert is the Managing Director of Mulgoa Quarries, a local earth moving and civil contracting company and employer of approximately 150 local people since 1986. Robert is a member and former Chairman of Olatype Pty. Limited - Penrith Business Group. He has been a Director of Sydney Business Park since 2007.

Robert is community focused and is a founding member of The Great Walk Foundation, a Penrith charity. He is also a Director of Thorndale Foundation, a local disability services provider. Robert is an active supporter of the Children's Cancer Institute, as well as Royal Far West, which helps connect country children with urgent developmental and mental health support. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2020).

John Farragher (OAM)

Employed at Panthers for over 40 years, Panthers has been one of the great blessings in his life. He will ensure that all decisions are made in the Members' best interests, that we have a strong football side and that the Club is financially sound for generations to come. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2022).

Belinda Leonard (Board Appointed Director 30 August 2023)

Belinda understands the value and importance of community as CEO of Noro Music Therapy and passionate health consumer advocate. Belinda has a depth of experience gained in major executive roles in blue chip international organisations including Visa and Mastercard, both in Australia, USA and UK.

Belinda is a Member of the Australian Institute of Company Directors, a Fellow of The Institute of Community Directors Institute and has completed Clubs NSW Finance for Club Boards and Director Foundation and Management Collaboration courses (2023). Belinda is a mentor in the inaugural Empowering Young Women program with Panthers on the Prowl and is looking forward to using both her knowledge of the local area and corporate skills to contribute to the commercial success Panthers and extending the benefits we provide to our local communities.

Directors' report

For the year ended 31 October 2023

Patricia (Tricia) Hitchen (Board Appointed Director 25 October 2023)

A highly decorated former Chief Inspector in the NSW Police Force. Tricia spent her service in the Outer Western Suburbs of Sydney. After leaving the Police Force, she was elected to Council in 2012 and has served as Deputy Mayor 2016, 2017 and 2020 and then Mayor 2022 and 2023. A mother to a child with special needs Tricia is a strong advocate on issues of disability, access and inclusion.

Tricia has previously been on the Board of the Nepean Medical Research Foundation, Penrith Aquatic and Leisure Centre, Penrith CBD Corporation, St Mary's Town Centre Board and the Fernhill Trust. She is a current Board member of The Haven Nepean Women's Shelter and Penrith Performing and Visual Arts. Tricia was the winner of Westfield Local Hero 2020 award for her work at The Haven.

Tricia and her husband run Hitchens Removals and Storage, a family business that has been operating in Penrith for over 65 years.

Ian Hicks (Ceased Directorship 22 February 2023)

Director for 8 years. Managing Director - Hix Group Pty Ltd, a local business that employs over 80 local people. Has sponsored and is a passionate supporter of Panthers for a number of years as a Corporate Sponsor. He is also a Director - Western Sydney Business Centre, Director- Penrith CBD Corp and a Director of Panthers on the Prowl. A Panthers member for more than 35 years and is passionate about representing the members interest and helping Panthers to continue its growth to be the biggest and best club in Australia that we are all proud of. Completed ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration Courses (2017).

Craig Terry (Ceased Directorship 27 July 2023)

Director for 3 years. Craig has been a member and proud supporter of Panthers for over 40 years. He has held board, management and consulting positions within his career including at Coles Myer Ltd where he was Internal Audit Manager (NSW) for its Specialty Group of retail stores and subsequently, Supply Chain Accounting Manager for the Coles Myer Liquor Group (Liquorland, Vintage Cellars) Craig has also had academic roles including lecturing in management at Macquarie University for over 10 years where he led the postgraduate capstone unit for the University's Master of Commerce degree course. He is a Fellow of the Australian Institute of Company Directors and has completed the ClubsNSW Finance for Club Boards, Director Foundation and Management Collaboration courses (2020).

Dividends

The Football Club is limited by guarantee and is prevented by its constitution from paying any dividends.

Principal activities

The principal activities of the Football Club during the year were:

- promotion of the game of rugby league football;
- provision of facilities for sport and recreation;
- sponsorship activities; and
- advertising and promotion activities.

There have been no significant changes in the nature of these activities during the year.

Operating and financial review

The net surplus after tax of the Football Club for the year ended 31 October 2023 was \$9,607,000 (2022: \$6,829,000).

- an increase in operational income of \$1,543,000 or 7% to \$23,339,000 (2022: \$21,796,000).
- an increase in salaries and employee benefits of \$3,175,000 or 16% to \$23,366,000 (2022: \$20,191,000).

Employees

The Football Club employed 195 employees as at 31 October 2023 (2022: 183).

Short and long term objectives

The Football Club's short term objectives are to utilise the Academy facilities to provide a premium training and development environment for senior and junior players.

The Football Club's long term objectives are to harness and cultivate the rugby league talent of the Penrith region.

Directors' report

For the year ended 31 October 2023

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Football Club during the year.

Significant events after the reporting period

There were no significant events after the reporting period which may affect either the Football Club's operations or results of those operations or the Football Club's state of affairs.

Likely development and expected results

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

Environmental regulation and performance

The Football Club is not subject to any particular or significant environmental regulation.

Indemnification and insurance of directors and officers

During the financial year, the parent entity, Penrith Rugby League Club Ltd, held an insurance policy for the benefit of the directors and officers. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

Indemnification of auditor

To the extent permitted by law, the Football Club has agreed to indemnify its auditor, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

Directors' meetings

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Number of meetings held whilst in office	Number of meetings attended
Number of meetings held:	11	-
Peter Graham	11	11
Gregory Alexander	11	7
Mark Mulock	11	11
Robert Wearn	11	10
John Farragher	11	11
Belinda Leonard	3	3
Patricia (Tricia) Hitchen	1	1
Ian Hicks	3	3
Craig Terry	8	8

Directors' benefits

The directors were remunerated for their performance of their duties as common directors of Penrith Rugby League Club Ltd and Penrith District Rugby League Football Club Limited.

Directors' report

For the year ended 31 October 2023

Members' guarantees

Pursuant to the Memorandum of Association, every member has undertaken, in the event of a deficiency on winding up, to contribute an amount not exceeding \$5 (2022: \$5). At 31 October 2023, such guarantees aggregated \$472,100 (2022: \$415,605) and the number of members was 94,420 (2022: 83,121).

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) where noted (\$'000) under the option available to the Football Club under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Football Club is an entity to which this legislative instrument applies.

Auditor's independence declaration

The directors received an independence declaration from the auditor, Ernst & Young (Australia). A copy has been included on page 9 of the report. The directors are satisfied that the nature and scope of non-audit services has not compromised the auditor's independence.

Signed in accordance with a resolution of the directors.



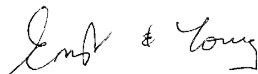
Peter Graham
Director

Penrith, 29 February 2024

Auditor's independence declaration to the directors of Penrith District Rugby League Football Club Limited

As lead auditor for the audit of the financial report of Penrith District Rugby League Football Club Limited for the financial year ended 31 October 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Daniel Cunningham
Partner
29 February 2024

Statement of profit or loss and other comprehensive income

For the year ended 31 October 2023

		2023	2022
	Notes	\$'000	\$'000
Revenue from contracts with customer	4.a	23,339	21,796
Revenue from grants	4.b	18,197	15,678
Distributions received	4.c	355	-
Other income	4.d	903	304
Finance income	4.g	3,300	1,256
		46,094	39,034
Raw materials and consumables used		(3,495)	(3,060)
Salaries and employee benefits expenses	4.e	(23,366)	(20,191)
Depreciation expense	4.f	(1,488)	(1,502)
Reversal of/(expected credit losses)		3	(1)
Advertising and promotion		(360)	(251)
Artists and entertainment expenses		(407)	(342)
Insurance expenses		(416)	(355)
Repairs and maintenance expenses		(1,062)	(930)
Rent and rates expenses		(260)	(46)
Electricity expenses		(213)	(216)
Donations		(188)	-
Sponsorship expenses		(1,141)	(1,537)
Medical expenses		(374)	(549)
Training expenses		(513)	(416)
Junior development		(178)	(167)
Other expenses		(3,018)	(2,625)
Finance costs	4.h	(11)	(17)
Surplus before income tax		9,607	6,829
Income tax expense		-	-
Surplus after income tax		9,607	6,829
Other comprehensive income		-	-
Total comprehensive income for the year		9,607	6,829

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

Statement of financial position

As at 31 October 2023

	Notes	2023 \$'000	2022 \$'000
Current assets			
Cash	5	8,987	18,197
Trade and other receivables	6	1,012	1,466
Inventories	7	373	331
Prepayments		127	177
Total current assets		10,499	20,171
Non-current assets			
Trade and other receivables	6	78,162	56,751
Property, plant and equipment	8	6,278	7,287
Right-of-use assets	9	508	531
Total non-current assets		84,948	64,569
Total assets		95,447	84,740
Liabilities and equity			
Current liabilities			
Trade and other payables	10	2,021	1,852
Employee benefit liabilities	11	782	839
Deferred revenue	12	1,012	687
Contract liabilities	13	2,131	1,419
Lease liabilities		172	160
Total current liabilities		6,118	4,957
Non-current liabilities			
Employee benefit liabilities	11	272	245
Lease liabilities		688	776
Total non-current liabilities		960	1,021
Total liabilities		7,078	5,978
Equity			
Retained earnings		88,369	78,762
Total equity		88,369	78,762
Total liabilities and equity		95,447	84,740

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

Statement of changes in equity

For the year ended 31 October 2023

	Retained earnings \$'000	Total equity \$'000
At 1 November 2022	78,762	78,762
Surplus for the year	9,607	9,607
Other comprehensive income	-	-
Total comprehensive income for the year	9,607	9,607
At 31 October 2023	88,369	88,369
At 1 November 2021	71,933	71,933
Surplus for the year	6,829	6,829
Other comprehensive income	-	-
Total comprehensive income for the year	6,829	6,829
At 31 October 2022	78,762	78,762

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

Statement of cash flows

For the year ended 31 October 2023

	2023	2022
Note	\$'000	\$'000
Operating activities		
Receipts from customers	28,070	23,005
Payments to suppliers and employees	(38,990)	(34,961)
Receipt from grants	20,017	16,646
Interest paid	(11)	(17)
Net cash flows from operating activities	9,086	4,673
Investing activities		
Proceeds from sale of property, plant and equipment	-	1
Purchase of property, plant and equipment	(388)	(216)
Net cash flows used in investing activities	(388)	(215)
Financing activities		
(Advances)/repayment of advances to related parties	(17,756)	1,006
Payment of principal portion of lease liabilities	(152)	(178)
Net cash flows (used in)/from financing activities	(17,908)	828
Net (decrease)/increase in cash and cash equivalents	(9,210)	5,286
Cash and cash equivalents at 1 November	18,197	12,911
Cash and cash equivalents at 31 October	5	18,197

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

Notes to the financial statements

For the year ended 31 October 2023

1. Corporate information

Penrith District Rugby League Football Club Limited ("Football Club") is a company limited by guarantee that is incorporated and domiciled in Penrith, Australia.

The directors have determined that the Football Club is a not-for-profit entity.

The registered office and principal place of business of the Football Club is Mulgoa Road, Penrith, NSW 2750.

The nature of the operations and principal activities of the Football Club are described in the Directors' report. Information on other related party relationships of the Football Club is provided in Note 15.

2. Summary of significant accounting policies

a. Basis of preparation

These general purpose financial statements have been prepared in compliance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standards - Simplified Disclosures* and other authoritative pronouncements of the Australian Accounting Standards Board. The Football Club is a not-for-profit entity for the purposes of preparing these financial statements.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000), except when otherwise stated.

b. Statement of compliance

The financial statements comply with Australian Accounting Standards which contain requirements specific for not-for-profit entities, including standards AASB 116 *Property, Plant and Equipment*, AASB 136 *Impairment of Assets*, AASB 1004 *Contributions* and AASB 1054 *Australian Additional Disclosures*.

c. Changes in accounting policies, new and amended standards and interpretations

New and amended standards and interpretations

The new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2022/2023 do not have a material impact on the financial statements of the Football Club.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Football Club for the annual reporting year ended 31 October 2023. The Football Club intends to adopt these new and amended standards and interpretations, when they become effective.

d. Current versus non-current classification

The Football Club presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Football Club classifies all other liabilities as non-current.

Notes to the financial statements

For the year ended 31 October 2023

2. Summary of significant accounting policies (continued)

e. Cash

Cash in the statement of financial position comprises cash at bank and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank and on hand, as defined above.

f. Trade and other receivables

A receivable represents the Football Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less expected credit losses. Trade receivables are due for settlement no more than 30 days from the date of recognition.

For trade and other receivables, the Football Club applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Football Club does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Football Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

g. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at reporting date using the weighted average basis. Cost comprises invoiced cost plus freight and handling charges. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

h. Property, plant and equipment

(i) Cost and valuation

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

(ii) Capital Work in Progress

Costs incurred which are related to capital projects are carried forward and capitalised where future benefits are expected, beyond any reasonable doubt, to exceed these costs.

(iii) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	40 years
Plant and equipment	2-15 years
Leased improvement	expected lease term
Motor vehicles	3-5 years

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

i. Leases

The Football Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. Football Club as a lessee

The Football Club applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Football Club recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Notes to the financial statements

For the year ended 31 October 2023

2. Summary of significant accounting policies (continued)

i. Leases (continued)

i. Football Club as a lessee (continued)

(i) *Right-of-use assets*

The Football Club recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Panthers Stadium	2 to 15 years
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If ownership of the leased asset transfers to the Football Club at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.r Impairment of non-financial assets.

(ii) *Lease liabilities*

At the commencement date of the lease, the Football Club recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Club and payments of penalties for terminating the lease, if the lease term reflects the Football Club exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Football Club uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) *Short-term leases and leases of low-value assets*

The Football Club applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ii. Football Club as a lessor

Leases in which the Football Club does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

j. Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Football Club prior to the end of the financial year that are unpaid and arise when the Football Club becomes obliged to make future payments in respect of the purchase of these goods and services.

Notes to the financial statements

For the year ended 31 October 2023

2. Summary of significant accounting policies (continued)

k. Deferred revenue

Deferred revenue relates to revenue which has been invoiced or received in the current period, of which the point of delivery or provision of service will occur in the following period.

l. Finance costs

Finance costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other finance costs are expensed in the period they occur.

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Football Club does not currently hold qualifying assets but, if it did, the financing costs directly associated with this asset would be capitalised (including any other associated costs directly attributable to the borrowing and temporary investment income earned on the borrowing).

m. Employee benefit liabilities

General

Provisions are recognised when the Football Club has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Football Club expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

(i) Wages, salaries, and sick leave

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave which are expected to be settled within 12 months of the reporting date are recognised 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. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave and annual leave

The liabilities for long service leave and annual leave which are not expected to be settled within 12 months after the end of the reporting period in which the employees render the related service is 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 using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

n. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Football Club expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from the sale of goods is recognised (net of rebates, returns, discounts and other allowances) at the point of sale or delivery as this corresponds to the transfer of control of the goods.

Rendering of services

Revenue from gate receipts, fund-raising activities and season ticket sales are recognised when the services are provided.

Sponsorship income

Revenue from sponsorship is recognised over the sponsorship period once a contract is entered into.

Notes to the financial statements

For the year ended 31 October 2023

2. Summary of significant accounting policies (continued)

n. Revenue recognition (continued)

National Rugby League distribution grant

National Rugby League ("NRL") distributions are recorded as revenue in the relevant year as they are approved and earned by the National Rugby League.

Trust income

Revenue is taken to account when the control of the right to receive the distribution has passed to the Football Club.

Contract balances

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Football Club transfers the related goods or services. Contract liabilities are recognised as revenue when the Football Club performs under the contract (i.e., transfers control of the related goods or services to the customer).

o. Finance income

Finance income is recorded using the EIR method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Finance income is included in the statement of profit or loss and other comprehensive income.

p. Taxes

i. Income tax

The Football Club is exempt from income tax under Section 50-45 of the *Income Tax Assessment Act (1997)*.

ii. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

q. Distributions

Distributions from a trust of which the Football Club is a beneficiary are taken to income when the distribution is declared.

r. Impairment of non-financial assets

The Football Club assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Football Club makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Football Club's assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash-generating unit ("CGU") to which it belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in those expense categories consistent with the function of the impaired asset period.

Notes to the financial statements

For the year ended 31 October 2023

2. Summary of significant accounting policies (continued)

r. Impairment of non-financial assets (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Notes to the financial statements

For the year ended 31 October 2023

3. Significant accounting estimates and assumptions

The preparation of the Football Club's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Football Club based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Football Club. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Football Club is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Leases - Estimating the incremental borrowing rate

Where the Football Club cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Football Club would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Football Club 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Football Club estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Notes to the financial statements

For the year ended 31 October 2023

4. Income and expenses

a. Revenue from contracts with customers

	2023 \$'000	2022 \$'000
Revenue under AASB 15		
Revenue from sponsorship	10,696	10,792
Revenue from membership	2,532	2,144
Revenue from catering and beverages	2,360	1,866
Revenue from gate receipts	1,694	1,689
Revenue from merchandise sales	4,065	3,565
Other revenue	1,992	1,740
	23,339	21,796
Timing of revenue recognition		
Goods and services transferred at a point in time	10,111	8,860
Goods and services transferred over time	13,228	12,936
Total revenue from contracts with customers	23,339	21,796

b. Revenue from grants

	2023 \$'000	2022 \$'000
Revenue under AASB 1058		
NRL grant	18,197	15,678

c. Distributions received

	2023 \$'000	2022 \$'000
Distribution received	355	-

Mulgoa Land Trust (No 1) ("trust") owns land and buildings from which it derives rents. Each year the trust distributes its income to the discretionary beneficiary which is Penrith District Rugby League Football Club Limited.

d. Other income

	2023 \$'000	2022 \$'000
Rental income	183	8
Other income	720	295
Net gain on disposal of property, plant and equipment	-	1
	903	304

Notes to the financial statements

For the year ended 31 October 2023

4. Income and expenses (continued)

e. Salaries and employee benefits expenses

	2023	2022
	\$'000	\$'000
Wages and salaries	19,801	17,595
Defined contribution plan expense	1,420	1,164
Payroll and FBT tax	2,145	1,432
	23,366	20,191

f. Depreciation expense

	2023	2022
	\$'000	\$'000
Depreciation of property, plant and equipment	1,389	1,406
Depreciation of right-of-use assets	99	96
	1,488	1,502

g. Finance income

	2023	2022
Note	\$'000	\$'000
Interest from related parties	15.e	3,300
		1,256

h. Finance costs

	2023	2022
	\$'000	\$'000
Interest expenses relating to lease liabilities	11	17

5. Cash

	2023	2022
	\$'000	\$'000
Cash at bank and on hand	8,987	18,197

Notes to the financial statements

For the year ended 31 October 2023

6. Trade and other receivables

	2023	2022
	\$'000	\$'000
Current		
Trade debtors	1,010	1,448
Provision for expected credit losses	(2)	(5)
	1,008	1,443
Sundry debtors	4	23
Carrying amount of current trade and other receivables	1,012	1,466

Trade receivables are non-interest bearing and are generally on terms up to 30 days. Sundry debtors represent payments for goods and services awaiting clearing from Financial Institutions.

		2023	2022
	Note	\$'000	\$'000
Non-current			
Receivables due from related parties	15.c	78,162	56,751
Carrying amount of non-current trade and other receivables		78,162	56,751

Terms and conditions of the related parties are disclosed in Note 15.

7. Inventories

	2023	2022
	\$'000	\$'000
Current		
Raw materials and stores at cost	373	331
Total inventory at the lower of cost and net realisable value	373	331

Notes to the financial statements

For the year ended 31 October 2023

8. Property, plant and equipment

	Buildings \$'000	Plant and equipment \$'000	Plant and equipment under lease \$'000	Leasehold improvement \$'000	Motor vehicles under lease \$'000	Capital works in progress \$'000	Total \$'000
Cost							
1 November 2022	1,664	7,927	222	16,183	740	63	26,799
Additions	-	-	-	-	-	388	388
Disposals	(3)	(519)	-	(59)	-	-	(581)
Transfer	13	333	-	-	87	(433)	-
31 October 2023	1,674	7,741	222	16,124	827	18	26,606
Accumulated depreciation							
1 November 2022	1,545	5,096	153	11,978	740	-	19,512
Depreciation for the year	9	566	56	745	13	-	1,389
Disposals	(3)	(511)	-	(59)	-	-	(573)
31 October 2023	1,551	5,151	209	12,664	753	-	20,328
Net book value							
31 October 2023	123	2,590	13	3,460	74	18	6,278
31 October 2022	119	2,831	69	4,205	-	63	7,287

Notes to the financial statements

For the year ended 31 October 2023

9. Leases

Football Club as a lessee

The Football Club has lease contracts for the use of Panthers Stadium used in its operations. Generally, the Football Club is restricted from assigning and subleasing the leased assets and some contracts require the Football Club to maintain certain financial ratios.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Panthers Stadium \$'000
At 1 November 2022	531
Depreciation expense	(99)
Lease adjustment	76
At 31 October 2023	508

Presented below is a maturity analysis of future lease payments:

	2023 \$'000	2022 \$'000
Not later than 1 year	181	174
Later than 1 year and not later than 5 years	704	641
Later than 5 years	-	156
	885	971

Lease liabilities include liabilities on motor vehicle and plant and equipment leases included under property, plant and equipment (Note 8).

The amount of expense relating to short-term leases and leases of low-value assets recognised in profit or loss during the year ended 31 October 2023 was \$183,318 (2022: \$187,024).

Football Club as a lessor

The Football Club has entered into various leases, including a partial sublease of Panthers Stadium, which are on a month by month basis. Rental income recognised by the Football Club during the year is \$183,000 (2022: \$8,000).

10. Trade and other payables

	2023 \$'000	2022 \$'000
Current		
Trade creditors	973	541
Other creditors and accruals	707	984
Goods and services tax	341	327
Carrying amount of trade and other payables	2,021	1,852

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within 60-day terms.
- Other payables are non-interest bearing and have an average term of six months.

Notes to the financial statements

For the year ended 31 October 2023

11. Employee benefit liabilities

	2023	2022
	\$'000	\$'000
Current		
Annual leave	536	623
Long service leave	246	216
	782	839
Non-current		
Long service leave	272	245

Superannuation Commitments

All employees are entitled to varying levels of benefits on retirement, disability or death. The superannuation plans provide accumulated benefits. Employees contribute to the plans at various percentages of their wages and salaries. Contributions by the Football Club of up to 11% of employees' wages and salaries are legally enforceable. The Football Club contributions for the year ended 31 October 2023 amounted to \$1,420,138 (2022: \$1,164,203).

12. Deferred revenue

	2023	2022
	\$'000	\$'000
Current		
Merchandise revenue	974	642
Rental income	38	45
	1,012	687

13. Contract liabilities

	2023	2022
	\$'000	\$'000
Current		
Sponsorship revenue (received in advance)	565	367
Membership income in advance	1,566	1,052
	2,131	1,419

14. Contingent liabilities and commitments

Lease commitments - Football Club as lessee

The Football Club has no lease contracts that have not yet commenced as at 31 October 2023 (2022: none).

There are no capital commitments (2022: none).

There are no contingent liabilities (2022: none).

Notes to the financial statements

For the year ended 31 October 2023

15. Related party disclosures

a. Immediate and ultimate parent entity

The immediate and ultimate parent entity of the Football Club is Penrith Rugby League Club Ltd.

b. Transaction with related parties

During the year, the Football Club did not transact with Dalycone Pty Ltd through sponsorship and services. These transactions represented arm's length transactions under normal commercial trading terms. Gregory Alexander (Director) is regarded as having an interest. Transactions with Dalycone Pty Ltd in the year ended 31 October 2023 totalled \$nil (2022: \$165,000). Outstanding payments owing to Dalycone Pty Ltd at 31 October 2023 were \$nil (2022: \$nil). No provisions have been accounted for related to Dalycone Pty Ltd during the financial year.

During the year, the Football Club did not transact with Mark Mulock & Co through services provided. The prior year transactions represented arm's length transactions under normal commercial terms. Mark Mulock (Director) is regarded as having an interest. Transactions with Mark Mulock & Co in the year ended 31 October 2023 totalled \$nil (2022: \$25,927). Outstanding payments owing to Mark Mulock & Co at 31 October 2023 is \$nil (2022: \$nil). No provision has been accounted for related to Mark Mulock & Co during the year.

During the year, the Football Club transacted with Hix Group Pty Ltd through sponsorship and services. These transactions represented arm's length transactions under normal commercial trading terms. The commercial agreement was completed in an open and transparent tender. Ian Hicks (Ceased Directorship 22 February 2023) is regarded as having an interest. Transactions with Hix Group Pty Ltd in the period ended 22 February 2023 totalled \$48,800 (2022: \$59,682). Outstanding payments owing to Hix Group Pty Ltd at 31 October 2023 is \$1,454 (2022: \$3,356). No provisions have been accounted for related to Hix Group Pty Ltd during the financial year.

Hix Group Pty Ltd has no financial interest in any building or construction company conducting work at Panthers Group.

c. Amounts receivable at reporting date

	2023 \$'000	2022 \$'000
Ultimate parent entity		
Penrith Rugby League Club Ltd	66,826	45,770
Other related entity		
Mulgoa Land Trust (No.1)	11,336	10,981
	78,162	56,751

Receivable from Penrith Rugby League Club Ltd in the current year accrues interest at a variable rate depending upon group financing rates and do not have a fixed payment date. As at 31 October 2023, this rate was 4.95% (2022: 3.81%).

Mulgoa Land Trust (No.1) owns land and buildings from which it derives rents. Each year, the Trust distributes its income to the discretionary beneficiary Penrith District Rugby League Football Club Limited.

d. Provision of accounting and administrative assistance from controlling entity

Accounting and administrative assistance provided by the controlling entity is free of charge.

e. Interest received

	2023 \$'000	2022 \$'000
Interest received on intercompany loans	3,300	1,256

Notes to the financial statements

For the year ended 31 October 2023

16. Key management personnel

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity.

Compensation expense of key management personnel amounted to \$526,354 during the year ended 31 October 2023 (2022: \$446,072).

17. Events after the reporting period

There were no significant events occurring after the reporting period which may affect either the Football Club's operations or results of those operations or the Football Club's state of affairs.

18. Auditor's remuneration

The auditor of Penrith District Rugby League Football Club Limited is Ernst & Young (Australia).

	2023	2022
	\$	\$
Amounts received or due and receivable by Ernst & Young (Australia) for:		
An audit of the financial report of the entity	39,642	38,595
Other non-audit services	4,330	4,085
	<u>43,972</u>	<u>42,680</u>

19. Members' guarantee

Pursuant to the Memorandum of Association, every member has undertaken, in the event of a deficiency on winding up, to contribute an amount not exceeding \$5 (2022: \$5). At 31 October 2023, such guarantees aggregated \$472,100 (2022: \$415,605) and the number of members was 94,420 (2022: 83,121).

Directors' declaration

In accordance with a resolution of the directors of Penrith District Rugby League Football Club Limited ("Football Club"), I state that:

- a. the financial statements and notes of Penrith District Rugby League Football Club Limited for the financial year ended 31 October 2023 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Football Club's financial position as at 31 October 2023 and its performance for the year ended on that date; and
 - ii. complying with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations 2001*;
- b. there are reasonable grounds to believe that the Football Club will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Peter Graham
Director

Penrith, 29 February 2024

Independent auditor's report to the members of Penrith District Rugby League Football Club Limited

Opinion

We have audited the financial report of Penrith District League Football Club Limited (the Company), which comprises the statement of financial position as at 31 October 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a. Giving a true and fair view of the Company's financial position as at 31 October 2023 and of its financial performance for the year ended on that date; 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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

Responsibilities of the directors for the financial report

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

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

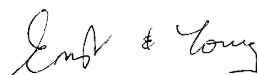
Auditor's responsibilities for the audit of the financial report

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

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

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

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



Ernst & Young



Daniel Cunningham
Partner
Sydney
29 February 2024



