

The Committee  
Lakeside Golf Club Incorporated  
P O Box 6571  
St Kilda Road Central Vic 8008

16 November 2025

Good afternoon,

As requested by the Committee, I have reviewed the accounts prepared by the Treasurer for the 2024/25 year, and have audited the statements to enable them to be presented to the Annual General Meeting.

My audit certificate is also enclosed, to be included in the accounts for the Annual General Meeting.

Mike Davis has prepared the accounts for the year, and I have agreed the reports as presented to the general ledger and the source documents on a sample audit basis. Overall, I have found that the results, as presented by Mike, fairly reflect the activities and operations of the club and should be accepted at the Annual General Meeting.

Overall income for the year is marginally lower than in 2023/24, down by approximately \$2,000 (around 1%). Within this, Membership Revenue has held up well, increasing slightly by about \$660 (2%) year on year. Membership Renewal Fees have increased strongly (up approximately \$5,068 or 22%), which is a pleasing sign of member loyalty, although this has been offset by reductions in both New Memberships (down around \$3,136 or 25%) and APGC Memberships (down around \$1,273 or 17%).

Competition and Green Fees together have grown by around \$3,500 (3%) compared to last year, with Green Fees revenue from Lakeside itself up by approximately \$5,189 (5%), partially offset by lower External Green Fees. This continues to demonstrate healthy member playing activity, with a somewhat expected reduction when having to vacate for the Grand Prix..



The main area of reduction in income is in General Income, which has decreased by just over \$7,000 (around 47%) year on year. This reflects a significant decline in interest income (down roughly \$4,057 or 49%) and the absence of sponsorship revenue in 2024/25 (down \$5,545 from the prior year), partially offset by higher revenue sharing from the Café (up about \$2,465 or 160%). Fundraising activities overall have improved, with the Murray River Classic moving from a small loss in 2023/24 to a modest surplus in 2024/25 (Due to differing timing of payments in and out?), although the Lakeside Cup Charity Day and Presentation Dinner have both generated lower net results than last year.

After taking account of Cost of Sales and operating expenses, the operating surplus before donations for the year was \$15,211, compared to an operating surplus of \$32,832 in 2023/24 – a reduction of around 54%. The key drivers of this lower operating surplus are higher green fee costs paid to APGC (up approximately 16%) and increases in certain overhead items such as storage, committee and general expenses, as well as the reduction in interest and sponsorship income noted above.

Donations made by the club during the year totalled \$15,000, slightly lower than the \$16,300 donated in the previous year. This continues the strong tradition of community support by the club, and I commend the Committee and members for maintaining this focus. It is worth noting that, in contrast to the prior year when around half of the operating surplus was donated, for 2024/25 the donations are effectively equivalent to the full operating surplus, resulting in a small net surplus of \$211 being recorded for the year, compared to a net surplus of \$16,532 in 2023/24.

As in previous years, the overall financial position of the club remains solid. The balance sheet is strong, with total assets of approximately \$270,710 and net assets (members' funds) of \$268,450 at year end – a small increase on the prior year. Cash and term deposits remain substantial at \$228,631 (down around 6% from \$244,334 last year), with \$170,000 now held in term deposits, \$53,883 in the main Westpac cheque account and \$4,747 in the Business Cash Reserve account.

Other significant items on the balance sheet include:

- Prepaid Green Fees of \$32,342 (up approximately \$14,899 or 85% on last year), reflecting advance payments to AGPC for future golf. This is equivalent to around 3 months of green fees.
- Stock of golf balls reduced to \$268 from \$2,622, indicating that stock levels have been consciously run down.
- Very low liabilities – total liabilities at year end are only \$2,260 (primarily GST payable), with no outstanding trade creditors, employee entitlements or charity fundraising balances.



While net cash outflows from operating activities in 2024/25 were approximately \$15,314 (compared to positive cash flows in the prior year), the club still holds significant cash and term deposit balances, with minimal liabilities. In my view, this means the club remains comfortably able to meet its obligations as they fall due, and it is appropriate for the financial statements to continue to be prepared on a going concern basis.

As noted in prior years, the prudent management of the club's finances over more than a decade has enabled the club to maintain a strong position, even while making substantial annual donations. With the current level of cash reserves, there remains scope for the Committee to continue considering an investment and utilisation strategy for surplus funds – whether through improved term deposit and savings rates (noting the \$170,000 already in term deposits) or other initiatives that will benefit the club and its members (besides more golf balls and green fees!).

The accounting operations have again been well maintained and handled, and I am happy to sign off on the audit of the accounts for the year. I commend Mike's ongoing efforts in managing the accounts for the club.

I look forward to catching up with you all soon, and I am happy to continue in my role as the club's auditor.

All the best

Stuart Smith CPA, MIPA, NTAA  
Director  
Fiscal Artisans