Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Financial Statements

For the Year Ended 30 April 2026

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

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For the Year Ended 30 April 2026

Auditor's Independence Declaration

For the Year Ended 30 April 2026

Private and Confidential

To the Responsible Persons of Whale Beach Property Surf Life Saving Club Incorporated
227 Whale Beach Road
Whale Beach NSW 2107

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 April 2026 there have been:

1. no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully,

Kevin Andrew Veale
Registered Company Auditor no 1428
kevin@morganveale.com.au
Morgan Veale & Co
Suite 7, 11 Avalon Parade
Avalon Beach NSW 2107

Dated: 9th July 2026

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 April 2026

	Note	2026 $	2025 $
Other revenue		177,233	108,474
Depreciation and amortisation expense		(32,715)	(855)
Other expenses		(134,377)	(106,752)
Profit before income tax		10,141	867
Income tax expense		-	-
Profit for the year		10,141	867
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation changes for property, plant and equipment		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		10,141	867

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement of Financial Position

As At 30 April 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	681,705	788,506
Trade and other receivables	5	-	-
TOTAL CURRENT ASSETS		681,705	788,506
NON-CURRENT ASSETS			
Property, plant and equipment	6	10,179,300	10,003,855
TOTAL NON-CURRENT ASSETS		10,179,300	10,003,855
TOTAL ASSETS		10,861,005	10,792,361
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	72,478	13,975
TOTAL CURRENT LIABILITIES		72,478	13,975
TOTAL LIABILITIES		72,478	13,975
NET ASSETS		10,788,527	10,778,386
EQUITY			
Reserves		7,056,510	7,056,510
Retained earnings		3,732.017	3,721,876
		10,788,527	10,778,386
TOTAL EQUITY		10,788,527	10,778,386

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement of Changes in Equity

For the Year Ended 30 April 2026

2026

	Note	Retained Earnings $	Asset Revaluation and Property Amelioration Reserve $	Total $
Balance at 1 May 2025		3,721,876	7,056,510	10,778,386
Surplus attributable to members		10,141	-	10,141
Total other comprehensive income for the period		-	-	-
Balance at 30 April 2026		3,732,017	7,056,510	10,788,527

2025

	Note	Retained Earnings $	Asset Revaluation and Property Amelioration Reserve $	Total $
Balance at 1 May 2024		3,721,009	7,056,510	10,777,519
Surplus attributable to members		867	-	867
Total other comprehensive income for the period		-	-	-
Balance at 30 April 2025		3,721,876	7,056,510	10,778,386

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement of Cash Flows

For the Year Ended 30 April 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		141,387	85,607
Payments to suppliers		(75,874)	(99,731)
Net cash provided by/(used in) operating activities	11	65,513	(14,124)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		35,846	22,867
Purchase of property, plant and equipment		(208,160)	-
Net cash provided by/(used in) investing activities		(172,314)	22,867
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		(106,801)	8,743
Cash and cash equivalents at beginning of year		788,506	779,763
Cash and cash equivalents at end of financial year	4	681,705	788,506

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 April 2026

1 Summary of Significant Accounting Policies

Association Details

The financial statements cover Whale Beach Property Surf Life Saving Club Incorporated as an individual entity. Whale Beach Property Surf Life Saving Club Incorporated is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act 2009 (NSW)*.

The principal activity of the Association for the year ended 30 April 2026 was the provision of surf life saving services at Whale Beach NSW.

The functional and presentation currency of Whale Beach Property Surf Life Saving Club Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board, the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth),* the *Associations Incorporation Act 2009 (NSW)*, the *Charitable Fundraising Act 1991 (NSW)* and the Association's Constitution.

The Committee has determined that the association is not a reporting entity.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

1 Summary of Significant Accounting Policies

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred.

Income of not-for-profit entities

AASB 1058 Income of Not-For-Profit Entities applies to financial statements of a not-for-profit entity that are, or are held out to be, general purpose financial statements. This standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers. The requirements of AASB 1058 more closely reflect the economic reality of NFP entity transactions that are not contracts with customers.

The timing of income recognition depends on whether such transactions give rise to a liability or other performance obligations (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

This standard applies when a not-for-profit entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (eg AASB 116 Property, Plant & Equipment).

If the transaction is a transfer of a financial asset to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity (ie an in-substance acquisition of a non-financial asset), the entity recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. The entity recognises income as it satisfies its obligations under the transfer similarly to income recognition in relation to performance obligations under AASB 15.

When an entity receives volunteer services and cannot reliably measure the fair value of those services, the entity may elect to recognise the services as an asset (provided the relevant asset recognition criteria are met) or an expense.

Volunteer services

It is not practical for the Association to reliably measure the fair value of receipts from volunteer services.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the

1 Summary of Significant Accounting Policies

grant is recognised as income on receipt.

Whale Beach Property Surf Life Saving Club Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

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

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included 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 operating cash flows.

1 Summary of Significant Accounting Policies

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases are recognised in profit or loss.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	15 - 30%

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

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

On initial recognition, the Association classifies its financial assets at amortised cost.

1 Summary of Significant Accounting Policies

Financial assets

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

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost is determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs; subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Leases

The Association has not applied AASB 16: Leases on the basis that at the end of the financial period it had not entered into any leases as lessee, and as a small not-for-profit entity the cost and nature of the disclosures as lessor are considered not warranted and not necessary to satisfy the needs of the users of this financial report.

In February 2025 the Association as lessor entered into a lease for the portion of the premises known as Moby Dick’s. The lease is for ten years at an initial rent of $150,000 per year plus 50% of outgoings, with an option for a further seven years. To allow the lessee to fit out the premises and establish operations the Association had granted the lessee an initial six months’ rent free period.

The Association applies AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities. This standard allows that where the lessee is a not-for-profit entity, the lessee may elect to measure right-of-use assets on a class-by-class basis at initial recognition at fair value.

In addition, where a lessee is a not-for-profit entity and elects to measure a class or classes of right-of-use assets at initial recognition at cost for leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives, the lessee shall disclose additional qualitative and quantitative information about those leases.

The disclosures so provided by a not-for-profit entity shall be provided individually for each material lease that has significantly below-market terms and conditions principally to enable the entity to further its objectives or in aggregate for leases involving right-of-use assets of a similar nature.

At the date of this report the Association as lessee had not entered into any leases on significantly below-market terms.

(h) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities and expenses.

Estimation uncertainty
Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment
In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit, based upon expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Inventories
Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling price.

Long service leave
The liability for long service leave is recognised at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(i) Related party transactions

The Association’s related parties include its key management personnel and related entities as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with related parties
The Association sourced goods and services from members at market rates during the financial year. All related party services and contracts are approved by the committee.

Transactions with key management personnel
All key management personnel are volunteers and are not compensated for holding office positions.

Notes to the Financial Statements

For the Year Ended 30 April 2026

(j) Fundraising activities

Net fundraising is applied to the operational expenses of the Association in its core lifesaving activities.

2 Revenue and Other Income

Revenue from continuing operations

	2026	2025
	$	$
- Donations	-	25,000
- Rental revenue	140,747	60,607
- Government grants	-	-
- Interest received	35,846	22,867
-Other income	640	-
Total Revenue	177,233	108,474

3 Auditor's Remuneration

Remuneration of the auditor for:		
- auditing the financial statements	5,000	5,000

4 Cash and Cash Equivalents

Cash at bank and in hand	81,456	11,323
Short-term deposits	600,249	777,183
	681,705	788,506

5 Trade and Other Receivables

Trade receivables	-	-
	-	-

6 Property, Plant and Equipment

LAND AND BUILDINGS		
Freehold land		
At fair value	5,900,000	5,900,000
Buildings		
At fair value	4,100,000	4,100,000
Total land and buildings	10,000,000	10,000,000
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	389,083	180,923
Accumulated depreciation	(209,783)	(177,068)
Total plant and equipment	179,300	3,855
Total property, plant and equipment	10,179,300	10,003,855

Notes to the Financial Statements

For the Year Ended 30 April 2026

7 Trade and Other Payables

	Note	2026 $	2025 $
Trade payables		67,073	9,877
GST payable		405	(902)
Sundry payables and accrued expenses		5,000	5,000
		72,478	13,975

8 Statutory Information

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

Whale Beach Property Surf Life Saving Club Incorporated
227 Whale Beach Road
Whale Beach NSW 2107

9 Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Association made a trading profit of $10,141 for the year ended 30 April 2026, with a positive equity position of $10,788,527 at that date.

The Association's ability to meet its obligations as and when they fall due and continue as a going concern is dependent on a number of factors. These include the ability of the Association to perform in line with budgets and cash flow projections, in addition to achieving sustainable levels of trading and membership in the future.

The Committee has determined that the going concern assumption is appropriate for the preparation of the financial statements.

10 Events after the Reporting Period

The Committee is not aware of any significant events since the end of the reporting period.

Notes to the Financial Statements

For the Year Ended 30 April 2026

11 Cash Flow Information

(a) Reconciliation of cash

	2026	2025
	$	$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	681,705	788,506

(b) Reconciliation of result for the year to cash flows from operating activities

	2026	2025
Reconciliation of net income to net cash provided by operating activities:		
Profit for the year	10,141	867
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	32,715	855
- movement in reserves	-	-
- interest included as investing activity	(35,846)	(22,867)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	902	(902)
- increase/(decrease) in trade and other payables	57,601	7,923
Cash flows from operations	65,513	(14,124)

Statement by Members of the Committee

(Responsible Persons' Declaration)

The Committee (responsible persons) declares that in the Committee's (responsible persons') opinion:

1. The financial report which comprises of the statement of financial position as at 30 April 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, satisfies the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)* and the *Associations Incorporation Act 2009 (NSW)* and
   a) complies with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) of the Australian Accounting Standards Board, and
   b) presents fairly the financial position of Whale Beach Property Surf Life Saving Club Incorporated as at 30 April 2026 and its performance for the year ended on that date;

2. The accompanying statement of profit or loss and other comprehensive income is drawn up so as to give a true and fair view of the profit (or loss) of the Association including fundraising appeals for the last financial year;

3. The statement of financial position is drawn up so as to give a true and fair view of the state affairs of the Association including fundraising appeals as at the end of the financial year;

4. The provisions of the *Charitable Fundraising Act 1991 (NSW)*, the regulations under the act, and the conditions attached to the fundraising authority have been complied with by the Association;

5. The internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals;

6. At the date of this statement, there are reasonable grounds to believe that Whale Beach Property Surf Life Saving Club Incorporated will be able to pay all of its debts as and when they fall due and payable;

7. The accounts and associated records have been properly kept during the year;

8. Money received as a result of fundraising appeals conducted during the year has been properly accounted for, and

9. The principal activities of the Association during the financial year were the provision of lifesaving services and no significant change to these activities has occurred.

The accounts of the Association, with the exception of the matters referred to in Note 1 (g), have been made out in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other professional reporting requirements, the provisions of the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)*, the *Associations Incorporations Act 2009 (NSW)* and the *Charitable Fundraising Act 1991 (NSW).*

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee in accordance with subsection 60.15 (2) of the *Australian Charities and Not-for-Profits Commission Regulation 2013* and other requirements by:

President ....
Brett Babicci

Treasurer ....
Aaron Hendrikson

Dated: 9th July 2026

Morgan Veale & Co

Business Development Consultants
Chartered Accountants

PO Box 363
Avalon Beach NSW 2107

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Avalon Beach NSW 2107

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Principal: Kevin A Veale BA FCA
ABN 39 641 271 163

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

Report on the Audit of the Financial Report

I have audited the financial report of Whale Beach Property Surf Life Saving Club Incorporated ABN 42 042 068 751 (the Association), which comprises the Statement of Financial Position as at 30 April 2026, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, Notes comprising a summary of significant accounting policies and other explanatory information and the Declaration by Members of the Committee.

Auditor's Qualified Opinion

In my opinion, except for the effects described in the Basis for Qualified Opinion paragraph, the financial report of Whale Beach Property Surf Life Saving Club Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 2009 (NSW)*, including:

(a) giving a true and fair view of the Association's financial position as at 30 April 2026 and of its performance and cash flows for the year ended then ended; and

(b) with the exception of matters mentioned in Note 1 (g), complying with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2013.*

In accordance with the *Charitable Fundraising Act 1991 (as amended*) (*NSW)* and the *Charitable Fundraising Regulation 2008*, in my opinion, except for the effects described in the Basis for Qualified Opinion paragraph:

(a) the financial statements show a true and fair view of the financial results of the fundraising appeals conducted during the year ended 30 April 2026 being the year to which they relate;

(b) the financial statements and associated records have been properly kept during the year ended 30 April 2026, in accordance with the *Charitable Fundraising Act 1991* and the regulations;

(c) money received as a result of fundraising appeal activities conducted during the year ended 30 April 2026 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and the regulations;

(d) at the date of this report, there are reasonable grounds to believe that Whale Beach Property Surf Life Saving Club Incorporated will be able to pay all of its debts as and when they fall due and payable.

Basis for Qualified Opinion

The Committee made a decision not to treat amounts of $654,763 received in the Association's 2013 financial year in relation to the rent of its property for telecommunication purposes, in accordance with Australian Accounting Standards. Had this income been recorded in accordance with Australian Accounting Standards, revenue as disclosed in the Income Statement would have been increased by $33,606 in the 2026 year (2025: $33,606), retained earnings as disclosed in the Statement of Financial Position would have been reduced by $217,885 in 2026 (2025: $251,491), and a liability of $217,885 in 2026 (2025: $251,491) would have been disclosed in the Statement of Financial Position under the heading income received in advance.

Emphasis of Matter: Committee's Decision Not to Comply with AASB16 Leases as Lessor

I draw attention to Note 1 (g) in the financial report, which describes treatment of leases as lessor. In my view, this issue is fundamental to users' understanding of the financial report. My opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee is responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 April 2026, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

Responsibilities of the Committee for the Financial Report

The Committee of the Association is 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 *Australian Charities and Not-for-profits Commission Act 2012,* the *Associations Incorporation Act 2009* and the *Charitable Fundraising Act 1991* and for such internal control as the committee determines 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 Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee;
- Conclude on the appropriateness of the Committee's 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association 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.

I communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Kevin A Veale **BA FCA**
Registered Company Auditor no 1428

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Morgan Veale & Co
Suite 7, 11 Avalon Parade
Avalon Beach NSW 2107

Dated: 9th July 2026

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Profit and Loss Account

For the Year Ended 30 April 2026

	2026	2025
	$	$
Income		
Donations	-	25,000
Interest received	35,846	22,867
Government grants	-	-
Dunes rent received	125,000	55,867
Dunes rental outgoings recovered	15,747	4,740
Other revenue	640	-
Total income	177,233	108,474
Less: Expenses		
Administration	688	796
Auditor’s remuneration	5,000	5,000
Consulting and legal fees	1,275	33,290
Depreciation	32,715	855
Donations	59,000	-
Insurance	25,605	23,248
Property amelioration	-	-
Repairs and maintenance	17,195	21,774
Utilities and Rates	25,614	22,644
Total Expenses	167,092	107,607
Profit before income tax	10,141	867