



DANTIA

Annual Report
2024 - 2025



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to develop your
future workforce

LAKE

ACKNOWLEDGEMENT OF COUNTRY

We remember and respect the Ancestors who cared for and nurtured this Country. It is in their footsteps that we travel these lands and waters. We acknowledge the Awabakal people and Elders past, present and future. We affirm our commitment to working with the local Aboriginal Land Councils in Lake Macquarie.

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CEO REPORT

Driving Lake Macquarie's Growth and Innovation

I am pleased to provide this report outlining the key achievements of Dantia for the 2024/2025 financial year. Dantia has had a challenging but successful year delivering a variety of projects and initiatives building to our long-term goals outlined in our Economic Development Strategy.

Like all small businesses, Dantia has grappled with staffing challenges over the past year, however I am proud of all Dantia staff, particularly their resilience and tenacity to deliver for the City of Lake Macquarie.

Our investment portal, Invest Lake Mac, was launched in October 2024 and has already garnered interest from within Australia and countries including the United States, Germany, Ireland and the UK.

We spoke with 100 stakeholders in the business community; provided three advocacy submissions; and 10 support letters for grant applications. At Dashworks, our coworking space in Charlestown, we realised 15 job opportunities; and held six events with a combined total over 100 attendees.

We completed a needs assessment for a research and development space which determined that a space such as this could add significant value to the innovation and business ecosystem. We will be moving forward with the preparation of a full business case to further this project.

Based on the success of our full-time resource for the Circular Economy Living Lab (CELL) we are excited that the CELL has secured funding and an ongoing resource to continue the momentum achieved.

Along with the Dantia staff, the Dantia Board has been instrumental in this success, and I look forward to next year.



“

We are developing and building our business and are well on the way to achieving Dantia's vision.

”

Tim Browne
CEO

CHAIR REPORT

Year in Review

The 2024/2025 financial year has built on the success of last year. Dantia, through the leadership of the Directors and CEO is maturing as a business and seeking to increase its impact through the projects and initiatives that we complete. Danita's Board of Directors continue to be actively engaged in their role and continue to make positive contributions to Dantia and the City of Lake Macquarie.

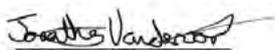
In October 2024, we celebrated our 10-year anniversary - a significant milestone for a unique organisation in the economic development industry. There have been many significant achievements over those years and the future is bright for Dantia and Lake Macquarie.

Our vision is to have Lake Macquarie considered Australia's most thriving regional city and we will do this by advancing Lake Macquarie's economy for new and existing businesses and residents by facilitating employment and economic growth through attracting investment, fostering innovation, advocating for infrastructure, and building Lake Macquarie's identity.

The Board and Danita staff have worked hard to continue Dantia's reach and influence which has included opportunities to participate in the key discussions that will shape Lake Macquarie's future. We continued our support for the Lake Macquarie Business Awards, which again demonstrated the depth and breadth of outstanding businesses located right here in Lake Macquarie.

“

Our board effectiveness review showed the Dantia Board is operating at a very high level and continues to meet governance requirements expected.”



Jonathan Vandervoort
Chair



The CELL offers a strategic advantage to Danita, by focussing on the circular economy to create jobs and investment.

We completed our biennial board effectiveness review as part of our corporate governance best practice obligations, which showed the Dantia Board is operating at a very high level and continues to meet governance requirements expected.

AUDIT AND RISK REPORT

The Audit and Risk Committee has delegated authority from the Board to monitor the integrity of the financial reporting, endorse budget, oversee the auditing process, manage the risk framework, and ensure a robust risk assessment process is followed.

I am proud and excited to have taken on the role as Chair of the Audit and risk Committee earlier this year. I would like to acknowledge and thank Annie Jiang, who stepped down as Chair for all her hard work and guidance of the Committee. Annie remains on the Committee and along with Annie I would like to thank the other members for their contribution, insight and support.

There were no major risk incidents during the year, indicating that our risk mitigation strategies continue to be effective. The Committee successfully oversaw the independent audit process, which resulted in another unqualified audit for Dantia. This outcome reflects the Organisation's commitment to strong governance, sound financial management, and adherence to established policies and procedures.

During the year, the Committee reviewed Dantia's corporate risk register and identified several areas for improvement, particularly around cyber risk. In response, we worked with the executive team to implement practical and proportionate measures, including improved controls, monitoring, and staff awareness initiatives.

The Audit and Risk Committee remains focused on supporting the Board and executive in proactively managing corporate risks and delivering the high standard of audit outcomes expected of the Organisation.



Jonathan Milgate
Chair, Audit and Risk Committee



“

The absence of major risk incidents during the year demonstrates that Dantia's governance structures and risk management frameworks are operating effectively.”

REMUNERATION AND NOMINATIONS REPORT

The Remuneration and Nominations Committee supports the Board by offering independent and objective reviews, advice, and guidance on policies and activities related to the recruitment, selection, succession planning, training, performance evaluation, and remuneration of the Dantia Chair, Non-Executive Directors, and CEO.

The Dantia Remuneration and Nominations Committee plays a critical role in ensuring that the Organisation's leadership remains strong and well-structured. By leveraging diverse perspectives and expertise, the Committee upholds high standards of governance, ensuring that Dantia's leadership aligns with its strategic goals and values.

The Remuneration and Nominations Committee led the biennial independent board evaluation process. This included direct interviews with each director and the CEO to understand areas of strengths and opportunities for improvement. This review identified that the Board and company management are operating at a very high level. The review also noted some minor improvement opportunities which will be worked on in financial year 2025/2026.

“

The Dantia Board, as found from the board review, is a highly functioning collegiate board, representing a wide range of skills and networks, with a combined goal of seeing Lake Macquarie achieve its potential as a key regional economic powerhouse.”

the hard work of all staff has been placed in a very good position to continue to support and grow the economic opportunity that Lake Macquarie Local Government Area represents. Without all the hard work of a small but productive team, this would not be possible. Thank you to all the staff for a job well done and their willingness to step in and take on any job to deliver this success.



Stephen Barr
Chair, Remuneration and Nominations Committee



We were also pleased to confirm five directors to the Dantia Board for another term. These directors have all made outstanding contributions to the governance of Dantia and I look forward to working with each director during their term.

Tim Browne, the CEO of Dantia, continues to lead the business well and has a rare combination of being able to effectively manage and drive the business while developing strong networks which will place Dantia in a continued strong position. Dantia through

FINANCIAL REPORT

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

DIRECTORS

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name

Jonathan Vandervoort (Chair)	Andrew Hutton
Annie Jiang (Deputy Chair)	Jonathan Milgate
Kay Fraser (<i>resigned 3 October 2024</i>)	Josh Jeffress
Morven Cameron	Stephen Barr
Wayne Lowe	Zee Upton
Adam Shultz (<i>appointed 3 October 2024</i>)	

PRINCIPAL ACTIVITIES

The principal activities of the Company is commercial operations focused on advancing the sustainable economic prosperity of Lake Macquarie City through working with business, government, the community and other partners.

There were no other significant changes in the nature of the activities of the entity occurred during the year.

SHORT TERM OBJECTIVES

The Company's short term objectives are to continue positioning Lake Macquarie as a thriving regional city, attract new investment, and increase jobs and economic activity, through the delivery of actions outlined in the Operational Plan.

LONG TERM OBJECTIVES

The Company's long-term objectives include advancing and enhancing Lake Macquarie's economy to benefit both new and existing businesses and residents. This will be achieved by facilitating employment opportunities and facilitating economic growth through attracting investments, promoting innovation, advocating for infrastructure development, and solidifying Lake Macquarie's distinctive identity. By employing a proactive and decisive approach, Dantia engages in collaborative efforts with a diverse range of partners spanning government, business, and industry sectors. Dantia's long-term goals and objectives are outlined in the 2024-2032 Economic Development Strategy.

STRATEGY FOR ACHIEVING THE OBJECTIVES

The Company has identified four strategic drivers that will drive the City's future local economy: Identity, Investment, Infrastructure and Innovation. Together these form the strategic platform from which the Company will seek to enhance and grow Lake Macquarie's economy.

HOW PRINCIPAL ACTIVITIES ASSISTED IN ACHIEVING THE OBJECTIVES

The Company's principal activities assisted in advancing the economic growth of Lake Macquarie working with businesses, government, the community and other partners.

PERFORMANCE MEASURES

The following measures are used within the Company to monitor performance:

- Number of new investment leads;
- Jobs created and pathways identified;
- Market reach across the region and broader NSW;
- Businesses assisted with project assessment and economic modelling;
- Delivery of annual operational plan;
- The successful operation of Dashworks; and
- The number of events and business profiles.

MEMBERS GUARANTEE

The Lake Macquarie Economic Development Company Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of company, the amount capable of being called from each member and any person or association who ceased to be a member in the period prior to the winding up, is limited to \$10 for members subject to the provisions of the company's constitution.

As at 30 June 2025 the collective liability of members was \$10.

DIRECTORS' REPORT

INFORMATION ON DIRECTORS



Name: Jonathan Vandervoort

Title: Board Chair, Lake Macquarie Economic Development Company, Member, Audit & Risk Committee, Member Remuneration and Nominations Committee

Experience and expertise:

Jonathan has extensive business and leadership skills developed from over ten years in Executive and Director roles with major listed mining companies and export shipping terminals, and a further five years as a Group Executive with a Federal Government national rail infrastructure provider. Jonathan, as CEO, also coordinated the strategic establishment of a small innovative logistics supply chain entity which quickly became internationally recognised as the model of supply chain management.

For ten years Jonathan was a volunteer director of Business Hunter including two years as Board President/Chair. Jonathan is a keen boating enthusiast and has always called Lake Macquarie home. He competes regularly at our local amateur sailing clubs and is a volunteer boat crew member with Marine Rescue Lake Macquarie.



Name: Jonathan Milgate

Title: Board Member, Lake Macquarie Economic Development Company, Chair, Audit & Risk Committee

Qualifications:

Information Services and System Engineering (University of Newcastle), Masters of Business Administration and also studied Design Thinking at the Massachusetts Institute of Technology (MIT)

Experience and expertise:

Jonathan is the Head of Digital Transformation, Umwelt.

He has over a decade of experience in leadership roles in software and product development, working across a wide range of organisations in the area, from startups to billion-dollar multi-nationals. Scaling engineering teams with a focus on data analytics and the user experience.

Jonathan is a well known figure in the local tech scene, building and fostering a community of engaged technologists. He was a key member of the team that brought DevOps Days to Newcastle, the region's largest technology conference to date.



Name: Annie Jiang

Title: Board Deputy Chair, Lake Macquarie Economic Development Company, Member, Audit & Risk Committee

Qualifications:

Australian Institute of Company Directors graduate

Experience and expertise:

Annie is a systematic and strategic leader focused on the value and importance of every organisation's role in the transition to a circular economy and the benefits of long-term sustainability.

Annie has held executive roles in Australia and China with a focus in the information technology, international trade, and education sectors. With decades of experience behind her and feeling comfortable with her professional success Annie has sought to diverge her career path towards environmental, social and governance (ESG) related challenges and opportunities. Annie completed environmental studies and combined this with her entrepreneurial skills, giving rise to her start up Go Circular, a for-purpose organisation focusing on instilling circular economics values and ideals in the Hunter and across Australia.

Her success has recently been recognised through becoming a finalist in two categories of the Hunter Business Awards including Outstanding Business Leader.

Annie brings to the Dantia Board a wealth of experience in international business, organisational growth, economic sustainability and a passion for the long-term success of the local region.

DIRECTORS' REPORT



Name: Zee Upton

Title: Board Member, Lake Macquarie Economic Development Company

Qualifications:

Bachelor's Degree, Science (Biochemistry and Genetics) Graduating with Honours, Doctor of Philosophy (Ph.D.), Biochemistry

Experience and expertise:

Professor Zee Upton, a biochemist by training, is the Deputy Vice-Chancellor of Research & Innovation at the University of Newcastle and has extensive experience facilitating interdisciplinary technology programs focused on skin and tissue repair. Before joining the University in 2021, she was the Executive Director of the Skin Research Institute of Singapore and the (A*STAR) Institute of Medical Biology in Singapore. She also spent 15 years at the Queensland University of Technology where she established the Wound Management Innovation Cooperative Research Centre and founded a start-up that listed on the Australian Stock Exchange.

Professor Upton's work includes collaboration with industry and overseeing the development of many highly successful technology programs.



Name: Andrew Hutton

Title: Board Member, Lake Macquarie Economic Development Company

Qualifications:

Andrew holds formal qualifications in MNCG1002A - Risk Management & Facilitation.

Experience and expertise:

Andrew is the Managing Director and founder of Integrated Environmental Management Australia (IEMA) a specialist Environmental Management Advisory consultancy. Opening its doors in 2018, IEMA was the winner of the "Start Up Superstar" category at the 2019 Lake Macquarie Business Awards. Today IEMA has 30 staff and works across the mining, extractives, port, infrastructure, and agricultural sectors. Prior to starting IEMA, Andrew was a Technical Director with a global environment consultancy fulfilling roles as an Executive member of the Asia Pacific Regional Management Team (RMT) and the Asia Pacific Regional Sector Leader for Mining and Minerals.

Andrew is recognised as a leader in Mine Closure Planning with experience across a range of commodities preparing closure plans from concept plans through to detailed plan and execution.



Name: Josh Jeffress

Title: Board Member, Lake Macquarie Economic Development Company

Qualifications:

Bachelor Industrial Design (with Hons), Mechanical Engineering (Trade)

Experience and expertise:

Josh is the Founder and Managing Director at Design Anthology, developing customer-focused, innovative, and commercially viable products for a wide range of industries. He has over 23 years experience in product/industrial design and R&D and 33 years experience in manufacturing and engineering.

Josh has received awards for design and innovation including Lake Macquarie Young Business Person of the Year Award, multiple Lake Macquarie Excellence in Innovation Awards, as well as several International Good Design awards.

DIRECTORS' REPORT



Name: Morven Cameron

Title: Board Member, Lake Macquarie Economic Development Company, Member, Remuneration and Nominations Committee

Qualifications:

Various qualifications in graduate and post graduate areas specialising in leadership.

Experience and expertise:

Morven is the Chief Executive Officer of the Lake Macquarie City Council. In 2019 Morven was awarded as the Hunter Business Person of the year and received the Minister's Awards for Women in Local Government.



Name: Stephen Barr

Title: Board Member, Lake Macquarie Economic Development Company, Chair, Remuneration and Nominations Committee

Qualifications:

Bachelor of Surveying (Honours), Master of Planning, Master of Business, Registered Planner PIA

Experience and expertise:

Stephen has been involved in the development industry since 1992. He is the principal and founder of Barr Property and Planning providing advice on environmental, social, and economic impacts of development. He has previously worked as a surveyor and lead planner on various large scale greenfield residential projects, industrial developments.



Name: Wayne Lowe

Title: Board Member, Lake Macquarie Economic Development Company.

Qualification:

Bcom(Accounting) and Financial Planning

Experience and expertise:

Wayne has founded and managed a number of financial services companies and is now the Managing Director of FNZ Australia which is a part of the Global technology and wealth management firm the FNZ Group. Wayne has been a Director of the Lake Macquarie Foundation, Hunter Founders Forum and the Hunter Angels Trust, which were established to support local businesses and charitable causes in Lake Macquarie and the greater Hunter Region.



Name: Adam Shultz

Title: Board Member, Lake Macquarie Economic Development Company.

Qualification:

Degrees in Business and Commerce and a Masters of Public Policy. Adam has also attained a Graduate Diploma in Applied Corporate Governance and Risk Management, a Diploma of Financial Services and is a Graduate of the Australian Institute of Company Directors (AICD).

Experience and expertise:

Adam has served as a Labor Councillor on Lake Macquarie City Council since 2016 and previously as Deputy Mayor of Lake Macquarie. Adam believes Lake Macquarie can achieve economic growth and strategic diversification while maintaining the lifestyle and wellbeing of residents. He is passionate about facilitating policy settings that will promote job opportunities while enhancing the natural environment that residents enjoy.

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Attended	Held
Jonathan Vandervoort (Chair)	6	6
Annie Jiang (Deputy Chair)	6	6
Andrew Hutton	5	6
Adam Shultz (appointed 3 October 2024)	4	5
Josh Jeffress	5	6
Jonathan Milgate	6	6
Morven Cameron	4	6
Stephen Barr	6	6
Wayne Lowe	5	6
Zee Upton	6	6
Kay Fraser (resigned 3 October 2024)	1	1

Held: represents the number of meetings held during the time the director held office.

DIVIDENDS

There were no dividends paid during the year or declared at year end.

REVIEW OF OPERATIONS

The surplus for the year after income tax was \$4,740 (2024: surplus of \$25,657).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the directors there are no significant developments or expected results of operations that have occurred or expected to occur subsequent to year end.

INDEMNIFYING OFFICERS OR AUDITOR

During the year, the Company held a director's and officer's liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the Company. This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

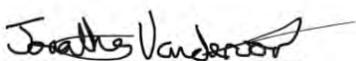
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor or the company.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Jonathan Vandervoort
Director - Chair

28 August 2025

INDEPENDENT AUDITOR'S DECLARATION

HEAD OFFICE
Suite 6, 6 Reliance Drive
Tuggerah NSW 2259



ALL CORRESPONDENCE
PO Box 3686
Tuggerah NSW 2259

W: <https://www.bishopcollinsaudit.com.au>

E: audit@bcaudit.com.au

T: (02) 4314 8020

INDEPENDENT AUDITOR'S DECLARATION TO THE MEMBERS OF THE LAKE MACQUARIE ECONOMIC DEVELOPMENT COMPANY LIMITED

We hereby declare that to the best of our knowledge and belief during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm	Bishop Collins Audit Pty Ltd Chartered Accountants
Name of Registered Company Auditor	 Martin Le Marchant
Auditor's Registration No.	431227
Address	Suite 6, 6 Reliance Drive, Tuggerah, NSW 2259
Dated	28 August 2025



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Directors: Martin Le Marchant CA,
Johan Van Der Westhuizen CA

Associate Director: Cecille Capucao CA

INDEPENDENT AUDITOR'S REPORT

HEAD OFFICE
Suite 6, 6 Reliance Drive
Tuggerah NSW 2259



ALL CORRESPONDENCE
PO Box 3686
Tuggerah NSW 2259

W: <https://www.bishopcollinsaudit.com.au>

E: audit@bcaudit.com.au

T: (02) 4314 8020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE MACQUARIE ECONOMIC DEVELOPMENT COMPANY LIMITED

Audit Opinion

We have audited the accompanying financial report of The Lake Macquarie Economic Development Company Limited ("the Company") which comprises the statement of financial position as at 30 June 2025, 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 including material accounting policy information and other explanatory information and the Directors' Declaration.

In our opinion, the financial report of The Lake Macquarie Economic Development Company Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures (including the Australian Accounting Interpretations) 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 ethical requirements of the Accounting Professional & 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 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 of our opinion.



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Directors: Martin Le Marchant CA,
Johan Van Der Westhuizen CA

Associate Director: Cecille Capucac CA

INDEPENDENT AUDITOR'S REPORT



Directors' Responsibility 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 to the extent described in Note 2 to the financial report, 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 related 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.

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

The directors are responsible for the other information. The other information comprises the information included in the entities annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

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

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.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 in the preparation of the financial report. We also conclude, 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 disclosures in the financial report about

INDEPENDENT AUDITOR'S REPORT



the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Name of Firm	Bishop Collins Audit Pty Ltd Chartered Accountants
Name of Registered Company Auditor	 Martin Le Marchant
Auditor's Registration No.	431227
Address	Suite 6, 6 Reliance Drive, Tuggerah, NSW 2259
Dated	28 August 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDING 30 JUNE 2025

	NOTE	2025 \$	2024 \$
REVENUE	4	1,137,054	858,960
Other income	5	431,441	426,121
Total revenue		<u>1,568,495</u>	<u>1,285,081</u>
EXPENSES			
Accounting expenses		(33,820)	(30,480)
Advertising and promotion expense		(29,158)	(40,173)
Auditor's remuneration	22	(17,700)	(15,000)
Consulting and professional fees		(226,004)	(62,469)
Depreciation and amortisation expense	6	(204,626)	(191,981)
Employee benefits expense		(680,633)	(608,628)
Events Expense		(65,930)	(86,122)
Insurance expense		(22,411)	(15,918)
Interest expense		(32,339)	(19,559)
Lease rentals on operating lease expense		(20,064)	(21,498)
Legal fees		(6,465)	(4,746)
Occupancy expense		(46,741)	(43,503)
Repairs and maintenance expense		(14,960)	(5,825)
Subscription expense		(37,468)	(29,861)
Telephone and fax expense		(13,711)	(24,643)
Training expenses		(29,992)	(4,072)
Website expenses		(37,381)	-
Other expenses		(49,092)	(44,008)
Total expenses		<u>(1,568,495)</u>	<u>(1,248,486)</u>
SURPLUS BEFORE INCOME TAX (EXPENSE)/ BENEFIT		-	36,595
Income tax (expense)/benefit		4,740	(10,938)
SURPLUS AFTER INCOME TAX (EXPENSE)/BENEFIT FOR THE YEAR	20	4,740	25,657
Other comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>4,740</u></u>	<u><u>25,657</u></u>

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 30 JUNE 2025

	NOTE	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	196,249	130,608
Trade and other receivables	8	30,595	20,597
Other assets	9	68,505	90,093
Total current assets		<u>295,349</u>	<u>241,298</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	82,799	75,487
Right-of-use assets	11	674,806	867,608
Intangibles	12	1,893	2,366
Deferred tax	13	41,336	36,596
Total non-current assets		<u>800,834</u>	<u>982,057</u>
TOTAL ASSETS		<u>1,096,183</u>	<u>1,223,355</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	73,758	58,669
Lease liabilities	15	185,039	171,615
Provisions	16	27,319	15,248
Other liabilities	17	312,810	304,682
Total current liabilities		<u>598,926</u>	<u>550,214</u>
NON-CURRENT LIABILITIES			
Lease liabilities	18	525,458	710,497
Provisions	19	4,956	541
Total non-current liabilities		<u>530,414</u>	<u>711,038</u>
TOTAL LIABILITIES		<u>1,129,340</u>	<u>1,261,252</u>
NET LIABILITIES		<u>(33,157)</u>	<u>(37,897)</u>
EQUITY			
Accumulated deficits	20	<u>(33,157)</u>	<u>(37,897)</u>
TOTAL DEFICIENCY IN EQUITY		<u>(33,157)</u>	<u>(37,897)</u>

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

STATEMENT OF CHANGES IN EQUITY

YEAR ENDING 30 JUNE 2025

	ACCUMULATED DEFICIT \$	TOTAL DEFICIENCY IN EQUITY \$
Balance at 1 July 2023	(63, 554)	(63, 554)
Surplus after income tax expense for the year	25, 657	25, 657
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	25, 657	25, 657
Balance at 30 June 2024	(37, 897)	(37, 897)

	ACCUMULATED DEFICIT \$	TOTAL DEFICIENCY IN EQUITY \$
Balance at 1 July 2024	(37, 897)	(37, 897)
Surplus after income tax benefit for the year	4, 740	4, 740
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	4, 740	4, 740
Balance at 30 June 2025	(33, 157)	(33, 157)

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

STATEMENT OF CASH FLOWS

YEAR ENDING 30 JUNE 2025

	NOTE	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from funding/sponsorship/rent (inclusive of GST)		1,712,033	1,658,077
Payments to suppliers and employees (inclusive of GST)		(1,447,613)	(1,348,050)
		264,420	310,027
Interest received		23,474	697
Interest paid		(32,339)	(19,599)
Net cash from operating activities	21	255,555	291,125
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	10	(18,663)	(4,054)
Proceeds from disposal of property, plant and equipment		364	82
Net cash used in investing activities		(18,299)	(3,972)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for leases		(171,615)	(174,327)
Net cash used in financing activities		(171,615)	(174,327)
Net increase in cash and cash equivalents		65,641	112,826
Cash and cash equivalents at the beginning of the financial year		130,608	17,782
Cash and cash equivalents at the end of the financial year	7	196,249	130,608

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

GENERAL INFORMATION

The financial report covers The Lake Macquarie Economic Development Company Limited as a for profit individual entity.

The Lake Macquarie Economic Development Company Limited is a company by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Principal place of business

The Lake Macquarie Economic Development Company Limited
1/63 Ridley Street
Charlestown NSW 2290

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The functional and presentation currency of The Lake Macquarie Economic Development Company Limited is Australian dollars.

NOTE 2

MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparatives

Certain comparative figures have been reclassified to better conform to the current year's presentation.

Excess of current liabilities over current assets and deficiency in equity

The Company's ability to continue as a going concern is dependent upon the grant funding being received from Lake Macquarie City Council. The Company has received confirmation of continuing financial support from Lake Macquarie City Council to the year ended 30 June 2032. The funding agreement was executed on 7 June 2021.

This agreement states that the Council must ensure its funding is available (within the confines for each year's grant) for:

- payment of the Company's salary, wages, group tax and superannuation guarantee obligations;
- payment of workers compensation insurance and other necessary insurance premiums;
- payment of contractual obligations lawfully incurred by the Company, including rent of its business premises.

However, the agreement also allows for the funding to be terminated, with notice, if certain clauses of the agreement are not met. The funding agreement requires management to meet several requirements on performance reporting, governance and key performance indicators which are set up by the Company. The Council generally measures the

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

performance of the Company and the value the Council and its stakeholders receive for its funding by the Company's success in attracting and supporting new businesses to the City and supporting existing business in the City to ensure they are in a strong position to grow and develop.

As a result of these matters, a material uncertainty exists that may cause significant doubt on the Company's ability to continue as a going concern. This risk has been identified in the Company Risk Register. As articulated in the Risk Register although the Council may decide to wind up the Company's operations, this poses no real risk to the Company realising its assets or liabilities at the amounts stated in the annual report for the following reasons:

1. Council will need to give 36 months' notice of discontinuing funding;
2. Council will need to take over:
 - payment of the Company's salary, wages, group tax and superannuation guarantee obligations as per contract terms;
 - payment of workers compensation insurance and other necessary insurance premiums as per contract terms;
 - payment of contractual obligations lawfully incurred by the Company, including rent of its business premises.

Furthermore the likelihood of such an event is mitigated and considered highly unlikely given:

- the Council CEO and Mayor sit on the Company board;
- three briefings conducted with the Council annually;
- approval of the Lake Macquarie City Economic Development Strategy 2024-2032;
- years of successful performance reporting and delivery of governance and key performance indicators.

Accordingly, the Directors believe the Company will be able to satisfy the conditions under the agreement such that it will not be terminated and, accordingly have prepared the financial report on going concern basis.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Grants

Grants are recognised in the statement of profit or loss and other comprehensive income in accordance with AASB120 whereby government grant revenue is recognised in the profit and loss statement on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity 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 grant is recognised as income on receipt

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Rent income

Rent income is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense for the period comprises current income tax expense and deferred tax expense whether, for the purposes of preparing the financial statements, it is a for-profit entity.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amount expected to be paid to (recovered from) the relevant taxation authority.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	6 years
Plant and equipment	2 -10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on those assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2

MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NOTE 3

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income Tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

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.

Economic Dependence

The Lake Macquarie Economic Development Company Limited is dependent upon the Lake Macquarie City Council for the majority of its revenue to operate the business at the date of this report. The Board of Directors have no reason to believe the Lake Macquarie City Council will not continue to support The Lake Macquarie Economic Development Company Limited.

NOTE 4 REVENUE

	2025 \$	2024 \$
Government grants	1,137,054	858,960

NOTE 5 OTHER INCOME

	2025 \$	2024 \$
Management Fee income	-	20,833
Interest income	23,474	697
Sponsorship income	-	50,000
Rental income	407,603	354,509
Other income	364	82
Other income	431,441	426,121

NOTE 6 DEPRECIATION AND AMORTISATION

	2025 \$	2024 \$
Depreciation of property, plant and equipment	11,351	15,588
Depreciation of right-of-use assets	192,802	175,802
Amortisation of intangibles	473	591
	204,626	191,981

NOTE 7 CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2025 \$	2024 \$
Cash at bank and on hand	196,249	130,608

NOTE 8 CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2025 \$	2024 \$
Trade receivables	8,913	13,048
BAS receivable	19,621	7,549
Other receivables	2,061	-
	30,595	20,597

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9 CURRENT ASSETS - OTHER

	2025 \$	2024 \$
Prepayments	28,505	50,093
Operating lease deposit	40,000	40,000
	68,505	90,093

NOTE 10 NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	2025 \$	2024 \$
Leasehold improvements - at cost	258,049	258,049
Less: Accumulated depreciation	(256,586)	(255,147)
	1,463	2,902
Office equipment - at cost	189,921	171,258
Less: Accumulated depreciation	(108,585)	(98,673)
	81,336	72,585
	82,799	75,487

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Leasehold improvements \$	Office equipment \$	Total \$
Balance at 1 July 2024	2,902	72,585	75,487
Additions	-	18,663	18,663
Depreciation expense	(1,439)	(9,912)	(11,351)
Balance at 30 June 2025	1,463	81,336	82,799

NOTE 11 NON-CURRENT ASSETS - RIGHT-OF-USE ASSETS

	2025 \$	2024 \$
Land and buildings - right-of-use	964,009	964,009
Less: Accumulated depreciation	(289,203)	(96,401)
	674,806	867,608

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and Buildings \$	Total \$
Balance at 1 July 2024	867,608	867,608
Depreciation expense	(192,802)	(192,802)
Balance at 30 June 2025	674,806	674,806

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12 NON-CURRENT ASSETS - INTANGIBLES

	2025 \$	2024 \$
Website development - at cost	14,840	14,840
Less: Accumulated amortisation	(12,947)	(12,474)
	1,893	2,366

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Website Development \$	Total \$
Balance at 1 July 2024	2,366	2,366
Amortisation expense	(473)	(473)
Balance at 30 June 2025	1,893	1,893

NOTE 13 NON-CURRENT ASSETS - DEFERRED TAX

	2025 \$	2024 \$
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Amounts recognised in profit or loss:		
Employee benefits	9,683	4,737
Superannuation payable	1,583	1,897
Property, plant and equipment	27,250	27,262
Accruals	2,820	2,700
Deferred tax asset	41,336	36,596

NOTE 14 CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
Trade payables	44,462	27,306
Other payables	29,296	31,363
	73,758	58,669

NOTE 15 CURRENT LIABILITIES - LEASE LIABILITIES

	2025 \$	2024 \$
Lease liability	185,039	171,615

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16

CURRENT LIABILITIES - PROVISIONS

	2025 \$	2024 \$
Annual leave	27,319	15,248

NOTE 17

CURRENT LIABILITIES - OTHER

	2025 \$	2024 \$
Revenue received in advance	46,251	63,169
Unearned grants and subsidies	266,559	241,513
	312,810	304,682

NOTE 18

NON-CURRENT LIABILITIES - LEASE LIABILITIES

	2025 \$	2024 \$
Lease liability	525,458	710,497

NOTE 19

NON-CURRENT LIABILITIES - PROVISIONS

	2025 \$	2024 \$
Long service leave	4,956	541

NOTE 20

EQUITY - ACCUMULATED DEFICITS

	2025 \$	2024 \$
Accumulated deficits at the beginning of the financial year	(37,897)	(63,554)
Surplus after income tax (expense)/benefit for the year	4,740	25,657
Accumulated deficits at the end of the financial year	(33,157)	(37,897)

NOTE 21

RECONCILIATION OF SURPLUS AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	2025 \$	2024 \$
Surplus after income tax (expense)/benefit for the year	4,740	25,657
Adjustments for:		
Depreciation and amortisation	204,626	191,981
Net gain on disposal of property, plant and equipment	(364)	(82)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(9,998)	17,285
Decrease/(increase) in deferred tax assets	(4,740)	10,939
Decrease/(increase) in prepayments	21,588	(39,809)
Increase/(decrease) in trade and other payables	15,089	(142,799)
Increase/(decrease) in employee benefits	16,486	(10,597)
Increase in other liabilities	8,128	238,550
Net cash from operating activities	255,555	291,125

NOTES TO THE FINANCIAL STATEMENTS

NOTE 22

REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by the auditor of the company, and its network firms:

	2025 \$	2024 \$
<i>Bishop Collins Audit Pty Ltd</i>		
Assurance services	15,400	13,000
<i>Network firm - Bishop Collins Pty Ltd</i>		
Preparation of the tax return	2,300	2,000

NOTE 23

KEY MANAGEMENT PERSONNEL DISCLOSURES

	2025 \$	2024 \$
The aggregate compensation made to members of key management personnel of the company is:	315,850	297,773

NOTE 24

RELATED PARTY TRANSACTIONS

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

Key management personnel

Disclosures relating to key management personnel are set out in note 23.

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
Revenue:		
Government grants from Lake Macquarie City Council	1,137,053	858,960
Rental income from Lake Macquarie City Council	-	2,652
Management fee income from Circular Economy Living Lab	-	20,833
Payment for other expenses:		
Stipends paid to Directors	46,275	46,538
Other expenses paid to Lake Macquarie City Council	21,960	84,097
Other expenses paid on behalf of Circular Economy Living Lab Ltd and not reimbursed	6,379	-
Other expenses paid to related party of a Director	6,000	-

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2025 \$	2024 \$
Current receivables:		
Trade receivables from Circular Economy Living Lab Ltd	1,390	-
Current payables:		
Director fees	-	1,097

NOTES TO THE FINANCIAL STATEMENTS

NOTE 24

RELATED PARTY TRANSACTIONS (CONTINUED)

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 25

CONTINGENT LIABILITIES

The Company has a contingent liability as at 30 June 2025 in respect of a bank guarantee totalling \$40,000 (2024: \$40,000).

This guarantee may give rise to liabilities to the Company if the obligations under the terms and conditions of related contracts are not met. The guarantee is secured by the \$40,000 interest bearing investment.

NOTE 26

EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 30 JUNE 2025

The Lake Macquarie Economic Development Company Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

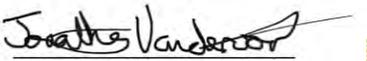
DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Jonathan Vandenberg", is written over a horizontal line. To the right of the signature, there is a vertical dashed line.

Director - Chair

28 August 2025

OPERATIONAL REPORT

OPERATIONAL REPORT



STATUS

Met



Partially Met



Not Met



IDENTITY

Task	Status End June 2025
Develop and deliver consistent messaging on what differentiates Lake Macquarie for both business and residents	→ ●
Identify public transport gaps for the City including where public transport is most needed to connect people and jobs	→ ●
Build and share the narrative regarding the current business environment of Cardiff, Charlestown, Glendale and Morisset	→ ●
Prepare case studies on manufacturing, health and allied services, knowledge and services to allow Dantia to tell the stories of successful industries	→ ●
Deliver two business forums on import and export opportunities	→ ●
Promote the Lake Macquarie Business community through the Lake Macquarie Business Awards.	→ ●

OPERATIONAL REPORT

INVESTMENT

Task		Status End June 2025
Identify and approach four businesses about relocating to Lake Macquarie including an economic assessment	→	●
Finalise Lake Macquarie invest portal and prospectus	→	●
Determine the likelihood / viability of another University Campus in Lake Macquarie	→	●
Facilitate investment through approvals process concierge service	→	●
Provide support to local business seeking external funding for projects	→	●
Review the Lake Macquarie City Concept Masterplan identifying a revised vision for the area	→	●
Prepare a concept Masterplan for a post heavy industrial site in the Cockle Creek Area	→	●

INNOVATION

Task		Status End June 2025
Prepare a business case for a Dashworks/coworking expansion	→	●
Hold four innovation theme events	→	●
Investigate the feasibility of a virtual innovation cluster	→	●
Undertake one trial of an emerging technology	→	●
Connect four Lake Macquarie businesses to international opportunities	→	●

OPERATIONAL REPORT

INFRASTRUCTURE

Task		Status End June 2025
Undertake a baseline of digital infrastructure in Lake Macquarie	→	●
Participate in the TfNSW Hunter regional transport plan consultation and advocate for projects that unlock employment sites	→	●
Develop a strategy to maximise the opportunity for Lake Macquarie from the Port of Newcastle container terminal	→	●
Secure an adventure tourism event for Lake Macquarie	→	●

BOARD AND STRATEGY

Task		Status End June 2025
Deliver 100 per cent of board calendar tasks and funding agreement obligations	→	●
Keep the Economic Development Strategy, investment prospectus and Operational Plan updated, current and relevant	→	●
Ensure external audits are completed where applicable	→	●
Ensure all board positions are filled and inductions complete	→	●

RISK AND COMPLIANCE

Task		Status End June 2025
Maintain up to date risk register and conduct reviews	→	●
Ensure appropriate insurances are current and in place	→	●
Ensure annual audit is completed on time and actions delivered	→	●
Maintain obligations under the Corporations Act 2001 and any other applicable law	→	●

OPERATIONAL REPORT

RISK AND COMPLIANCE (CONTINUED)

Task		Status End June 2025
Review company policies as per established annual timetable	→	●
Maintain efficient financial and accounting procedures and systems	→	●
Monitor budget to maximise organisational capacity	→	●
Maintain statutory superannuation and guarantee obligations	→	●

PEOPLE AND CULTURE

Task		Status End June 2025
Implement performance reviews and development plans for all staff	→	●

REPORTING

Task		Status End June 2025
Complete Annual Report as per the Funding Agreement	→	●
Complete and present to Lake Macquarie City Councillors on Economic Development Strategy (current), Operational Plan and briefings as per the Funding Agreement	→	●



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