

MERIMBULA

RSL **CLUB**



financial report
2024/2025

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

ANNUAL GENERAL MEETING

To be held in the Merimbula RSL Club on Wednesday, 12th November, 2025, at 7.15pm.

MEETING AGENDA:

1. Apologies.
2. Confirmation of Minutes for Annual General Meeting held on 14th November, 2024.
3. To receive and consider the Financial Statement of the Company for the year ended 30th June, 2025, and the Reports by Directors and Auditors thereon.
4. **First Ordinary Resolution:** President's Honorarium.
5. **Second Ordinary Resolution:** Director's Honorarium.
6. **Third Ordinary Resolution:** Expenditure on Directors' food, beverages and other expenses.
7. **Fourth Ordinary Resolution:** Expenditure on Directors' educational and seminar expenses.
Note: The Ordinary Resolutions 1 to 4 are printed on page 1 of this Notice and Notes on the Ordinary Resolutions are printed on page 2 of this Notice.
8. **Notice of Special Resolutions:** Adoption of the updated Constitution.
(Refer to explanatory memorandum)
9. Election of Directors.
10. **General Business:** Notice of which was supplied to the Secretary Manager in writing prior to this meeting.

NOTE TO MEMBERS:

Re: Item 8 – Notice of Special Resolutions: To be passed, the special Resolution must receive votes in favour from not less than 75% of those Members who, being so entitled to do so vote in person at the Meeting.

Amendments (other than minor typographical corrections which do not change the substance or effect the Resolution) will not be permitted from the floor of the meeting

The Board of the Club recommends to members the adoption of the proposed changes to the constitution.

By order of the Board,

MICHAEL MUTSCH
Secretary Manager

29th September, 2025

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

ORDINARY RESOLUTIONS

NOTICE is hereby given that at the Annual General Meeting of the MERIMBULA RSL CLUB LIMITED to be held on Wednesday, 12th November, 2025, commencing at 7.15pm, on the Club premises at 52-54 Main Street, Merimbula, New South Wales, the Members will be asked to consider, and if thought fit, pass the following resolutions.

FIRST ORDINARY RESOLUTION:

Item 4 of the Agenda: President's Honorarium:

That pursuant to the Registered Clubs Act 10 (6) (b):

"The Members hereby approve an amount of \$9,000 be paid to the President as an Honorarium for the 2025/26 Financial Year."

SECOND ORDINARY RESOLUTION:

Item 5 of the Agenda: Directors' Honorarium:

That pursuant to the Registered Clubs Act 10 (6) (b):

"The Members hereby approve an amount of \$6,000 to each of the two (2) Vice-Presidents and \$3,000 to each of the four (4) other Directors as a Directors' Honorarium for the 2025/26 Financial Year."

THIRD ORDINARY RESOLUTION:

Item 6 of the Agenda: Directors' Food, Beverages and Other Expenses:

That pursuant to the Registered Clubs Act:

- (a) "The Members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities of Directors:
 - (i) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee Meeting where the Meeting corresponds with a normal meal time.
 - (ii) Reasonable expenses incurred by Directors in relation to such duties including the entertainment of special guests to the Club and other promotional activities performed by Directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other documentary evidence of such expenditure.
 - (iii) Reasonable expenditure on food and beverages for Directors and their spouses on one dinner per year and other functions where appropriate and required to represent the Club."
- (b) "The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only for those who are Directors of the Club."

FOURTH ORDINARY RESOLUTION:

Item 7 of the Agenda: Directors' Educational and Seminar Expenses:

That pursuant to the Registered Clubs Act:

- (a) "The Members hereby approve and agree to reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting of the Club and being:
 - (i) The reasonable cost of Directors attending the Clubs NSW Annual General Meeting.
 - (ii) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
 - (iii) The reasonable cost of Directors attending other Registered Clubs or similar types of businesses for the purpose of observing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
 - (iv) Attendance at functions with spouses where appropriate and required to represent the Club."
- (b) "The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only to those who are Directors of the Club and those Members directly involved in the above activities."

NOTES TO MEMBERS ON ORDINARY RESOLUTIONS

These notes are to be read in conjunction with the proposed Resolutions.

1. Item 4: President's Honorarium

The purpose of the first resolution is to seek Members approval in a General Meeting, an Honorarium to the President of no more than \$9,000 for the 2025/26 Financial Year.

2. Item 5: Directors' Honorarium

The purpose of the second resolution is to seek Members approval in a General Meeting, the recommended amount of \$6,000 for the two (2) Vice Presidents and \$3,000 for the four (4) Directors pursuant to point (8.6) of the Club's Constitution and 10 (6) (b) of the Registered Clubs Act.

3. Item 6: Directors' Food, Beverages and Other Expenses

The third resolution is to have Members in a General Meeting approve reasonable expenditure by the Club in relation to duties performed by the Club's Directors.

4. Item 7: Directors' Educational and Seminar Expenses

The fourth resolution is to have Members in a General Meeting approve reasonable expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events including the Clubs NSW Annual General Meeting and to visit other clubs to enable the Club's governing body to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.

5. Each of the resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate resolutions.

6. To be passed, each Ordinary Resolution must receive votes in its favour from not less than a simple majority of those Members, who being entitled to do so, vote in person at the meeting.

By order of the Board,

MICHAEL MUTSCH
Secretary Manager

29th September, 2025

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

PRESIDENT'S REPORT

Dear Members,

This year, whilst satisfying in a business sense, has been bittersweet in many regards.

Firstly, it is my very melancholy duty to report on the recent passing of Mr. Allan Browning. Allan was a valued Vice-President of the Board, President of the Merimbula RSL Sub-Branch and, very much, a great mate and genuine character. He passed quietly at home and for that we can be grateful – he will be missed by many. Lest we Forget.

The second thing to reflect on is the Board's reluctant acceptance of the resignation of our long term Secretary Manager, Mr Michael Mutsch. Michael has served our Club with distinction for almost 30 years. It is worth taking a moment to consider that Michael has consistently and conscientiously served our Club. He has provided sound leadership and management through the up's and down's of the business of our Club. Occasionally there were tough, and sometimes unpopular, decisions to be made – he always made them in the best interest of the Club. Most importantly, he leaves the Club in a very sound financial state, sometimes a rare position when a manager leaves a club these days.

Our Club's financial state is evident within the detail of this report, however Members should note the 'bottom line.' Our Net Cash position, provided by Operating Activities was \$1,574,949 resulting in a Net Operating Profit (after Income Tax Expense) of \$968,393. A very good result.

Following a protracted search and extensive scrutiny of candidates, I and your Board have pleasure in advising that Mr. Scott MacLean will shortly assume the role of Secretary Manager. Scott will certainly have big shoes to fill but he will have the full support of the Board and, I hope, the Members of our great Club.

To my fellow Directors, Management and all our great staff, I personally thank you for the support and commitment you have shown during the year. The Board continues to operate effectively in a unified manner.

As always the Club is proud to continue supporting the Merimbula RSL Sub-Branch. To those Members who have lost loved ones during the year, please accept my condolences.

Finally, to all our valued Members, Board, Management and Staff I wish you good health and happiness for the following year.

Best regards,

PHIL CHEEK

President

SECRETARY MANAGER'S REPORT

Dear Members,

It is with both pride and a touch of sadness that I present my final report as Secretary Manager of the Merimbula RSL Club. After almost thirty years of service, I have decided that the time is right to step aside and allow new leadership to guide the Club into its next chapter. This decision has not been made lightly, but it comes with the confidence that the foundations laid over the years will continue to support the growth and success of this wonderful Club.

Over the past year, despite some ongoing challenges facing our industry, the Club has continued to perform very strongly. We have seen steady patronage across our bar, dining, entertainment, and gaming facilities, as well as healthy growth in our membership base. None of this would have been possible without the hard work and dedication of the Club's Management team, department heads and our staff, who have consistently gone above and beyond to deliver outstanding service. I also extend my gratitude to the Clubs past and present Board of Directors for their support, guidance, and commitment to ensure the Club remains a cornerstone of our community. With a special thank you going to the Club's President Phil Cheek.

On a personal note, I wish to especially thank my wife, Lesley, who has been beside me through the good times and the not-so-good times. Her patience, encouragement, and support have meant more to me than words can say, and I could not have undertaken this journey without her by my side.

As I hand over the reins, I am deeply proud of what we have achieved together – modern facilities, a vibrant entertainment offering, and a Club that continues to give back to the community through sponsorships, donations, and support of local initiatives. While I will no longer be here in an official capacity, I remain a passionate supporter of the Club and its future. I leave with immense gratitude to our members, and directors for allowing me the privilege to serve. I am confident that the Merimbula RSL Club is in a strong position to prosper for many years to come.

MICHAEL MUTSCH
Secretary Manager

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

DIRECTORS' REPORT

Your Directors present their report on the company for the year ended 30th June, 2025.

Directors:

Names of Directors in office at any time during or since the end of the year are: Mr Allan F. Browning, Mr Philip J. Cheek, Mr John F. Finn, Mr Donald T. Hassan (appointed 31/3/25), Mr Ian J. Powell, Mr David J. Rankin (resigned 31/3/25), Ms Hannah L. Rossi, Mr Graeme N. Williams.

Directors have been in office since the start of the financial year to the date of this Report unless otherwise stated.

Company Secretary:

The following person held the position of Company Secretary at the end of the financial year.

Mr Michael Mutsch – Diploma in Club Management. Mr Mutsch has worked for the Merimbula R.S.L Club for the past (29) twenty nine years in a Management role. Mr Mutsch was appointed Company Secretary on 4th September, 1998.

Principal Activities:

The principal activities of the Company in the course of the year were that of a Registered Club. There were no significant changes in the nature of the company's activities during the year.

Short Term Objectives:

The short term objectives remain constant with the emphasis on revenue of gaming, beverage sales, provision of meals and entertainment to members and their guests. The Medium term strategies are centred on the identification of threats to our Club and industry which is monitored through our most recent "Risk Analysis and Strategic Plan."

Long Term Objectives:

In the long term, the Company's primary objective is to investigate and implement successful alternate revenue streams that complement the Club's core business whilst still maintaining the principle activities of the company.

The Company adopts current registered club industry practices and strategies to ensure that the short and long term objectives are met.

Measurement of Performance:

The Company assesses its performance in terms of its achievement of strategic and financial objectives with reference to:

- the quality of the service and facilities provided to members;
- the ability to generate strong cash flows from its operating activities;
- the trading and overall financial result; and
- the stability of the statement of financial position with respect to the Company's liquidity.

Result:

The net profit after providing for income tax expense is made up as follows:

Net Profit before Income Tax Expense	\$1,066,330
Minus: Income Tax Expense	(\$97,938)
Net Operating Profit	<u>\$968,393</u>

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

DIRECTORS' REPORT *(continued)*

Review of Operations:

The Club's net operating profit before income tax expense for the year was \$1,066,330 which increased by \$147,123 on the 23/24 financial year. The Clubs main sources of revenue came from food, beverage and gambling operations which serviced the social requirements of the members and visitors.

Significant Changes in State of Affairs:

No significant changes in the state of affairs of the Company occurred during the financial year.

After Balance Date Event:

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the Company.

Members' Details and Guarantee:

The number of registered members of the Club as at the 30th June 2025 is 8,957 (last year 8,472) consisting of 103 Service Members, 8,853 Club Members and 1 Honorary Life Member.

As a Company Limited by guarantee, every member of the Company has undertaken to contribute an amount not exceeding \$2.00 on the event of the Company being wound up. Such contribution will only be required in the event that assets of the Company are insufficient to meet the payments of the debt and liabilities of the Company at the time of winding up, including the costs, charges and expenses of the winding up. The amount will be payable by all existing members at the time of winding up and those members ceasing membership one year prior to that date.

Additional Information on Directors:

Mr Allan F. Browning: Garden Centre owner, member of House and Catering Committees, Service Board member since 30/8/10, no other Directorships held.

Mr Philip J. Cheek: Retired, President and member of the Finance, House and Catering Committees, Service Board Member since 24/10/12, no other Directorships held.

Mr John F. Finn: Retired, member of Finance and Strategic Planning Committees, Service Board member since 29/10/08, no other Directorships held.

Mr Donald T. Hassan: Project Manager, member of the House and Catering Committees, Club Board Member since 28/4/25, no other Directorships held.

Mr Ian J. Powell: Retired, member of the Finance and House Committees, Club Board Member since 25/10/17, no other Directorships held.

Mr David J. Rankin: Retired, member of the House and Catering Committees, Club Board Member since 28/7/14, no other Directorships held. (Resigned 31/03/25).

Ms Hannah L. Rossi: Manager for The Commonwealth Bank, member of the House and Strategic Planning Committees, Club Board Member since 28/8/17, no other Directorships held.

Mr Graeme N. Williams: CPA, Retired, member of the Catering, Finance and Strategic Planning Committees, Service Board Member since 27/10/99, no other Directorships held.

Each Director is a financial Member of the Merimbula RSL Club Limited.

DIRECTORS’ REPORT
(continued)

Meetings of Directors:

During the financial year 25 meetings of Directors (including committees) were held. Attendances were:

	<i>Directors’ Meetings:</i>		<i>Committee Meetings:</i>	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Allan F. Browning	13	13	0	0
Philip J. Cheek	13	12	12	11
John F. Finn	13	13	12	12
Donald T. Hassan	3	3	0	0
Ian J. Powell	13	13	12	12
David J. Rankin	10	10	0	0
Hannah L. Rossi	13	11	0	0
Graeme N. Williams	13	12	12	11

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 in the following page of the financial report.

This report is made in accordance with a resolution of the directors on 29th September, 2025.

G.N. WILLIAMS, Director
P.J. CHEEK, Director

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

AUDITOR'S INDEPENDENCE DECLARATION

to the Directors of Merimbula RSL Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30th June, 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 307C of 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.

SIMON BYRNE

Registered Company Auditor (153624)

Kothes Accounting Group

29th September, 2025

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The Financial Statements and Notes for the year ended 30th June, 2025, are in accordance with the *Corporations Act 2001*.
 - (a) Comply with Australian Accounting Standards – Simplified Disclosures; and
 - (b) Give a true and fair view of the financial position of the Company as at 30th June, 2025, and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the resolution of the Board of Directors and is signed for and on behalf of the Directors by:

G.N. WILLIAMS, Director
P.J. CHEEK, Director

*Dated at Merimbula,
29th September, 2025*

BOARD OF DIRECTORS 2024/25



*Back from left: John Finn, Michael Mutsch (Secretary Manager), Don Hassan, Hannah Rossi;
Front from left: Ian Powell, Phil Cheek (President), Graeme Williams (Vice Presiden);
Inset: Allan Browning (Vice President)*

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30th June, 2025

2024 \$		Note	2025 \$
13,803,428	Revenue		14,209,862
253,894	Finance Income	1(c)	252,611
(2,919,611)	Cost of Sales		(2,884,248)
(5,380,474)	Employees Expenses		(5,604,513)
(53,535)	Financial Expenses		(23,788)
(5,756)	Members' Amenities		(5,063)
(89,014)	Property Expenses		(96,358)
(786,309)	Depreciation		(819,516)
(1,245,795)	Poker Machine Tax		(1,297,456)
(440,901)	Promotions		(447,544)
(341,476)	Electricity and Gas		(355,323)
(237,097)	General Insurance		(244,877)
(28,579)	Printing, Postage and Stationery		(20,720)
(293,411)	Repairs and Maintenance		(282,552)
(168,845)	TAB Expense		(172,421)
(1,147,312)	Other Expenses		(1,141,764)
919,207	Operating Profit before Income Tax	2	1,066,330
0	Other Comprehensive Income		0
919,207	Profit for the Year		1,066,330
(166,594)	Income Tax Attributable to Profit	4	(97,938)
752,613	Profit Attributable to Members of the Company		968,393

The accompanying Notes form part of the above Statement

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

STATEMENT OF FINANCIAL POSITION

As at 30th June, 2025

2024 \$		Note	2025 \$
	Current Assets:		
6,351,722	Cash	6	7,466,704
1,749	Receivables	7	5,658
167,533	Inventories	8	172,229
258,711	Other	9	248,356
6,779,715	Total Current Assets		7,892,946
	Non Current Assets:		
13,956,346	Property, Plant and Equipment	10	13,631,798
13,956,346	Total Non Current Assets		13,631,798
20,736,061	Total Assets		21,524,744
	Current Liabilities:		
556,127	Deferred Tax	4a	543,928
655,908	Payables	11	606,020
880,893	Provisions	12 & 12a	759,826
31,800	Income in Advance	13	36,749
389,048	Current Tax Liabilities	14	406,263
2,513,776	Total Current Liabilities		2,352,786
	Non Current Liabilities:		
76,874	Provisions	12	66,150
59,911	Income in Advance	13	51,916
136,785	Total Non Current Liabilities		118,066
2,650,561	Total Liabilities		2,470,852
18,085,500	Net Assets		19,053,893
	Members' Funds:		
336,242	Reserves	17	336,242
17,749,258	Retained Profits		18,717,651
18,085,500	Total Members' Funds		19,053,893

The accompanying Notes form part of the above Statement of Financial Position

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2025

2024 \$		2025 \$
17,332,887	Total Equity at the beginning of the Financial Year	18,085,500
752,613	Operating surplus attributable to the members of the Company	968,393
18,085,500	Total Equity at the end of the Financial Year	19,053,893

STATEMENT OF CASH FLOWS

For the year ended 30th June, 2025

2024 \$		Note	2025 \$
	Cash Flow from Operating Activities:		
13,614,761	Receipts from Customers		15,534,062
(12,574,620)	Payments to Suppliers and Employees		(14,255,289)
43,983	Members' Subscriptions		43,128
260,595	Interest Received		253,049
1,344,719	Net Cash provided by Operating Activities	5	1,574,949
	Cash Flow from Investing Activities:		
(1,271,523)	Payment for Property, Plant and Equipment		(494,968)
0	Proceeds from Sale of Plant and Equipment		35,000
(264,714)	Payment for Property Club Renovations		0
(1,536,237)	Net Cash used in Investing Activities		(459,968)
(191,518)	Net (Decrease)/Increase in Cash held		1,114,981
6,543,240	Cash at Beginning of Financial Year		6,351,722
6,351,722	Cash at End of Financial Year	6	7,466,704

The accompanying Notes form part of the above Cash Flow Statement

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2025**

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

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 (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the 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 are in Australian dollars and have been rounded to the nearest dollar.

The financial statements were authorised for issue on 29th September, 2025, by the directors of the company.

Accounting Policies:

Critical accounting estimates and judgements

Management is required to make judgements, estimates and assumptions about reported amounts of assets, liabilities, Incomes and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next period are disclosed where applicable, in the relevant notes to the financial statements:

Estimations of useful lives of non-current assets – The useful life of property, plant and equipment and lease assets, (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

MERIMBULA RSL CLUB LIMITED

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NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

Accounting Policies:

(a) **Inventories:** Inventories are measured at the lower of cost and net realisable value.

(b) **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 losses.

1. **Property:**

Freehold land and buildings are shown at cost less subsequent depreciation for buildings. It is the policy of the economic entity to have an independent valuation every three years, by external independent valuer, with annual appraisals being made by Directors – refer Note 10.

2. **Plant and Equipment:**

Plant and Equipment are measured on the cost basis and are therefore carried at cost, less where applicable, accumulated depreciation and any accumulated impairment.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present – refer Note 1(m).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

3. **Depreciation:**

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

The depreciation rates used for each class of depreciable assets are:-

<i>Class of Fixed Asset:</i>	<i>Depreciation Rate:</i>
Buildings	2.5% to 5%
Plant and Equipment	10% to 22.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) **Revenue Recognition:**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Donations:

Donations and bequests are recognised as revenue when received.

MERIMBULA RSL CLUB LIMITED

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NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

(c) **Revenue from contracts with customers:**

For current year:

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 Company 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
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.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams:

The revenue recognition policies for the principal revenue streams of the Company are:

Sales Revenue:

Sale revenue includes bar sales, poker machine income, catering income, Keno and TAB income. All of the services and goods for these revenue items are provided to customers at the time of the sale and income is accounted for at that time. If deposits are held for any of these revenue items a liability is booked until the service or goods have been provided to the customer and then for as income.

Membership Income:

Membership income is received in advance for the period of membership paid for. A liability is booked for membership income if received in advance with the income spread over the membership period paid for.

Other Income:

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

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES *(continued)*

(1c) Revenue from continuing operations:

2024 \$	Revenue from contracts with customers	2025 \$
6,324,538	Poker Machine Takings	6,547,733
4,238,369	Catering	4,390,254
2,788,975	Bar and Bottleshop	2,890,461
42,549	Members' Subscriptions	43,128
154,195	Keno	141,171
560	Vending Commission	492
92,461	Other Income	103,708
47,819	TAB Commission	49,886
13,689,466	Total Operating Revenue	14,166,833
	Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations)	
7,304	Rent Received	8,029
106,658	Sale of Assets	35,000
113,962	Total Non Operating Revenue	43,029
13,803,428	TOTAL REVENUE	14,209,862
	Disaggregation of Revenue from Contracts with Customers:	
	Revenue from contracts with customers has been disaggregated into revenue recognised at a point in time and over time which is only applicable to membership subscriptions, and the following table shows this breakdown:	
	Timing of Revenue Recognition	
13,646,917	– At a point in time	14,123,705
42,549	– Over time – Membership Subscriptions	43,128
13,689,466	Revenue from Contracts with Customers	14,166,833
	Finance Income:	
253,894	Interest received	252,611

(d) Employee Provisions:

Short-term employee provisions:

Provision is made for the company's obligation for short-term employee benefits. Short-term employees benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee render the related service, including wages, salaries and sick leave. Short-term employees benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions:

Provision is made for employees long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payment to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES *(continued)*

(d) Employee Provisions: *(continued)*

Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlements for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions:

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) Income Tax:

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of offset exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of offsets exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES *(continued)*

(f) 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, and bank overdraft. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(g) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an on-going basis. Debts which are known to be uncollectable are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(h) Trade and other Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(i) Members' Subscriptions in Advance:

Subscriptions received in advance for the financial year have been carried forward as a current or non-current liability.

(j) Comparative Figures:

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(k) Goods and Services Tax (GST):

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item 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 taxation authority is included with other receivables or 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 taxation authority are presented as operating cash flows.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES *(continued)***(l) Financial Instruments:**

Financial instruments are recognised initially on the date that the Company 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 Company has only ever held financial assets categorised as at “amortised cost” financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost:

Assets measured at amortised cost are financial assets where:

- the business 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 interest on the principal amount outstanding.

The company'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 provisions for impairment.

Interest income, losses and impairment are recognised in profit and 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) for financial assets measured at amortised cost. When determining whether the credit risk for financial assets has increased significant since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

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

The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held).

Credit losses are measured as the present value of the difference between the cash flows due to the Company 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 have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company 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 expenses. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company 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.

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NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES *(continued)*

Other financial assets measured at amortised cost:

Impairment of other financial assets measured at amortised cost are 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 Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised costs using the effective rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

(m) Impairment of Assets:

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and other Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(n) Superannuation:

Employee superannuation is paid as per regulatory requirements and is recognised as an expense and current liability as incurred.

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NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION

2024 \$	(a) Profit from ordinary activities before Income Tax expense:	2025 \$
3,537,618	Poker Machines	3,628,295
731,249	Bar and Bottle Shop	869,313
(96,939)	Catering and Coffee Shop	(115,565)
705,440	Other Income	634,025
4,877,368		5,016,068
	(b) Operating Profit has been determined after charging as expenses:	
1,977,845	Indirect Labour and Overheads	1,990,444
53,535	Financial Expenses	23,788
5,756	Members' Amenities	5,063
278,684	Property Expenses	266,300
382,066	Depreciation	380,733
1,260,275	Administration Expenses	1,283,410
3,958,161		3,949,738
919,207	Profit from ordinary activities before Income Tax Expense	1,066,330
	(c) Trading Profit from Poker Machines has been determined after:	
6,324,538	Crediting as Income	6,547,733
	Charging as Expenses:	
77,326	CMS Costs	81,921
1,245,795	Poker Machine Tax	1,297,456
435,307	Direct Labour	455,068
18,380	Payroll Tax	19,686
22,242	Workers' Compensation	20,389
43,096	Superannuation	46,860
62,400	Electricity	62,400
95,325	Repairs and Maintenance	98,082
440,901	Promotions	447,544
346,148	Depreciation	390,032
2,786,920		2,919,438
3,537,618		3,628,295
	Trading Profit from Bar and Bottle Shop has been determined after:	
2,788,975	Crediting as Income	2,890,461
	Charging as Expenses:	
1,161,688	Cost of Goods Sold	1,109,426
641,252	Direct Labour	661,876
28,990	Payroll Tax	29,448
18,501	Workers' Compensation	15,417
66,731	Superannuation	70,177
54,000	Electricity	54,000
28,410	Discounts and Promotions	29,279
29,097	Bar Requirements	23,891
1,800	Bar Laundry	1,800
8,278	Freight Inwards	8,907
18,979	Staff Uniforms	16,927
2,057,726		2,021,148
731,249		869,313

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NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2024 \$	Trading Profit/(Loss) from Catering and Coffee Shop has been determined after:	2025 \$
4,238,369	Crediting as Income	4,390,254
	Charging as Expenses:	
1,757,923	Cost of Goods Sold	1,774,822
1,953,257	Direct Labour	2,101,750
19,715	Cleaning	24,802
79,872	Electricity and Gas	78,503
5,886	Freight Inwards	5,531
8,416	General	14,528
5,593	Laundry	2,894
36,996	Discounts and Promotions	35,357
93,555	Payroll Tax	95,746
0	Printing and Stationary	56
65,728	Replacements	65,245
212,631	Superannuation	223,209
36,201	Workers' Compensation	33,185
1,440	Telephone	1,440
58,095	Depreciation	48,751
4,335,308		4,505,819
(96,939)		(115,565)
	Other Income:	
42,549	Members' Subscriptions	43,128
7,304	Rent Received	8,029
253,894	Interest Received	252,611
154,195	Keno Commission	141,171
47,819	TAB Commission	49,886
93,021	Other Income	104,200
106,658	Profit on Sale of Fixed Asset	35,000
705,440		634,025
	(d) Indirect Labour and Overheads:	
671,244	Administration Wages	656,983
395,684	Door Wages	377,875
80,202	Security Wages	74,974
237,551	Cleaning Wages	237,795
79,185	Courtesy Bus Wages	81,095
86,142	Payroll Tax	95,840
50,133	Workers' Compensation	75,164
97,171	Staff and Directors' Training	86,862
70,343	Staff Meals	71,880
210,190	Superannuation	231,976
1,977,845		1,990,444

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NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2024 \$	Financial Expenses:	2025 \$
53,535	Bank Charges	23,788
53,535		23,788
	Members' Amenities:	
2,186	ANZAC Day Expenses	1,587
2,202	Members' Cards	2,426
1,218	Members' Reports	750
150	Mortality Payment	300
5,756		5,063
	Property Expenses:	
189,670	General Maintenance and Repairs	169,942
89,014	Rates – Bega Valley Shire	96,358
278,684		266,300
	Depreciation:	
282,252	Freehold Buildings and Carpark	282,252
99,814	Plant and Equipment	98,481
382,066		380,733
	Administration Expenses:	
3,096	Accountancy	3,096
95,678	Advertising	85,644
42,526	Audit	42,525
25,465	General Cleaning	32,181
2,350	Consulting	0
11,051	Courtesy Bus	9,692
18,971	Directors' Expenses	19,069
88	Discounts and Promotions	43
102,172	Donations	102,526
145,204	Electricity and Gas	160,420
3,176	Float Variances	2,190
1,345	Freight Inwards	1,551
3,985	Fringe Benefits Tax	3,144
41,597	General Expenses	34,776
237,097	General Insurance	244,876
3,118	Legal Expenses	0
84,603	Licences and Permits	83,213
28,579	Printing, Postage and Stationery	20,720
33,000	President's and Directors' Allowance	33,000
57,309	Security	86,277
82,353	Sky Channel/Foxtel	73,357
168,845	TAB Expenses	172,421
7,454	Telephones	8,201
61,213	Waste Removal	64,488
1,260,275		1,283,410

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NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2024 \$	NOTE 3: AUDITOR'S REMUNERATION	2025 \$
	Amounts received or due and receivable by the Auditor for:	
42,525	Audit	42,525
3,096	Tax Preparation	3,096
155	Other Services	0
45,776		45,621

NOTE 4: INCOME TAX EXPENSE

The components of tax expense comprises:

134,060	Current Tax	110,137
32,534	Deferred Tax	(12,200)
166,594		97,938

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows.

Prima facie tax payable on profit from ordinary activities, after adjusting for the non-taxable components attributed to members, before income tax at 25% (2024: 25%).

919,207	Operating Profit before Tax	1,066,330
(42,549)	Less: Members' Subscriptions	(43,128)
(215,523)	Direct Members' Income	(213,989)
(615,074)	Non Apportionable Items	(494,962)
46,061		314,251
1,671,550	Add: Non Allowable, Non Apportionable and Part Apportionable Expenses	1,275,301
1,717,611		1,589,552
1,013,048	Portion attributable Non Members	930,703
501,713	Add: Non Apportionable Items	460,400
1,514,761		1,391,103
(978,523)	Less: Non Apportionable and Part Apportionable Expense	(950,554)
536,238	Tax (Loss)/Profit	440,549

MERIMBULA RSL CLUB LIMITED

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NOTE 4A: DEFERRED TAX ASSET

2024 \$ The amount and nature of the deferred tax liability for the financial year ended 30th June, 2025 is: 2025 \$

Deferred tax assets and liabilities for each type of temporary difference

Deferred Tax Assets:

493,597	Provision for Annual Leave and Sick Leave	391,415
453,121	Provision for Long Service Leave	423,245
0	Link Provision	11,316
0	Poker Machine Tax Accrual	98,963
98,357	Audit Accrual and Wage Accrual	70,490
1,045,075		995,429
(428,690)	Adjustment for Member Component	(412,593)
616,385		582,836

Deferred Tax Liabilities:

4,816,703	Property, Plant and Equipment	4,711,335
4,816,703		4,711,335
(1,975,812)	Adjustment for Member Component	(1,952,789)
2,840,891		2,758,546

Deferred tax amounts recognised in income tax expense

Deferred Tax Assets:

123,399	Provision for Annual Leave and Sick Leave	97,854
113,280	Provision for Long Service Leave	105,811
0	Link Provision	2,829
0	Poker Machine Tax Accrual	24,741
24,589	Audit Accrual and Wage Accrual	17,623
261,268		248,857
(107,172)	Adjustment for Member Component	(103,148)
154,096		145,709

Deferred Tax Liabilities:

1,204,176	Property, Plant and Equipment	1,177,834
1,204,176		1,177,834
(493,953)	Adjustment for Member Component	(488,197)
710,223		689,637
(556,127)	Net Deferred Tax Asset/(Liability)	(543,928)

MERIMBULA RSL CLUB LIMITED

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NOTE 5: CASH FLOW INFORMATION

2024 \$		2025 \$
	1. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax:	
752,613	Profit from Ordinary Activities after Income Tax	968,393
	Non-Cash Flows in Operating Profit:	
786,309	Depreciation	819,516
(106,658)	(Profit)/Loss on Sale of Asset	(35,000)
	Changes in Assets and Liabilities:	
981	(Increase)/Decrease in Debtors	(3,909)
17,166	(Increase)/Decrease in Other Assets	10,355
7,360	(Increase)/Decrease in Inventories	(4,696)
26,549	Increase/(Decrease) in Creditors and Accruals	(44,873)
(141,035)	Increase/(Decrease) in Provisions	(131,791)
1,434	Increase/(Decrease) in Advance Subscriptions	(3,046)
1,344,719		1,574,949

NOTE 6: CASH

130,000	Cash on Hand	150,000
378,641	Cash at Bank – Current Account	537,735
40,643	– TAB Account	31,214
28,045	– Keno Account	20,714
1,477,374	– 'At Call' Cash Deposit Account	2,216,266
4,297,019	– Term Deposit	4,510,775
6,351,722		7,466,704

Reconciliation of Cash:

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:

6,351,722	Cash	7,466,704
6,351,722		7,466,704

NOTE 7: RECEIVABLES

1,749	Trade Debtors	5,658
1,749		5,658

NOTE 8: INVENTORIES

77,922	Trading Stock – Bar	100,294
77,843	– Dining Room	62,408
11,768	Staff Uniforms	9,527
167,533		172,229

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NOTE 9: OTHER

2024 \$		2025 \$
258,711	Prepayments	248,356
258,711		248,356

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

16,774,357	Freehold Land and Improvements at cost 52-54 Main Street, Merimbula	16,822,371
(6,341,008)	Less: Depreciation	(6,607,107)
10,433,349		10,215,264
1,534,849	Freehold Carpark	1,534,849
(187,101)	Less: Depreciation	(203,254)
1,347,748		1,331,595
64,402	Motor Vehicle at cost	64,402
(64,402)	Less: Depreciation	(64,402)
0		0
7,708,480	Plant and Equipment at cost	7,729,670
(5,533,231)	Less: Depreciation	(5,644,731)
2,175,249		2,084,939
13,956,346		13,631,798

1. Movements in Carrying Amounts:

Movement in the carrying amounts for each class of property and plant and equipment between the beginning and the end of the current financial year.

Economic Entity:	Freehold Land and Buildings \$'000		Plant and Equipment \$'000		Total \$'000	
	2024	2025	2024	2025	2024	2025
Balance at the beginning of year	11,798	11,781	1,781	2,175	13,579	13,956
Add: Additions	265	48	898	447	1,163	495
Less: Depreciation	(282)	(282)	(504)	(537)	(786)	(819)
Disposals	0	0	0	0	0	0
Carrying amount at the end of year	11,781	11,547	2,175	2,085	13,956	13,632

An independent revaluation of land and buildings was undertaken on 30th June, 2024, by Mr M.E. Rix A.PI. Registered Valuer No. 67215. The revaluation was undertaken as part of a policy to value land and buildings every three years and was based on fair value as part of a going concern basis. The valuation revealed a fair value as a going concern of \$11,500,000.

NOTE 11: PAYABLES

Unsecured Liabilities

649,936	Creditors – Trade	600,366
5,972	Bonus Points Unredeemed	5,654
655,908		606,020

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NOTE 12: EMPLOYEE PROVISIONS

2024 \$		2025 \$
965,740	Opening Balance at the beginning of the Financial Year	946,719
437,044	Additional provisions raised during year	355,660
(456,065)	Amount used	(487,719)
946,719	Balance at the finish of the Financial Year	814,660
Analysis of Total Provisions:		
(a) Current		
493,597	Annual Leave and Sick Leave Entitlements	391,415
376,248	Long Service Leave Entitlements	357,095
869,845		748,510
(b) Non-Current		
76,874	Long Service Leave Entitlements	66,150
76,874		66,150

Employee Provision:

Employee Provisions represent amounts accrued for annual leave, sick leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements, sick leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Based on past experiences, the company does not expect the full amount of annual leave, sick leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTE 12a: LINK PROVISION

11,048	Link Provision	11,316
11,048		11,316

NOTE 13: INCOME IN ADVANCE

(a) Current		
31,800	Members' Fees	36,749
31,800		36,749
(b) Non Current		
59,911	Members' Fees for future years after 2024/25	51,916
59,911		51,916

NOTE 14: CURRENT TAX LIABILITIES

324,409	Goods and Services Tax and Withholding Tax	319,718
91,251	Poker Machine Tax	98,963
(26,612)	Income Tax	(12,418)
389,048		406,263

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NOTE 15: FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management:

The entity's financial instruments consist mainly of deposits with the banks, accounts receivable and payables. The entity relies on this working capital as its source of funds. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial reports, are as follows:

2024 \$	Financial Assets	Note	2025 \$
447,329	Cash at Bank	6	589,663
5,774,393	Short Term Deposit	6	6,727,041
130,000	Cash on Hand	6	150,000
1,749	Trade Debtors	7	5,658
6,353,471	Total Financial Assets		7,472,362
	Financial Liabilities:		
655,908	Trade Creditors	11	606,020
389,048	Current Tax Liabilities	14	406,263
1,044,956	Total Financial Liabilities		1,012,283

NOTE 16: FAIR VALUE MEASUREMENTS

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

Recurring fair value measurements:

Property, Plant and Equipment

11,781,097	Freehold Land and Improvements	11,546,859
2,175,249	Plant and Equipment	2,084,939
13,956,346		13,631,798

For freehold land and buildings, the fair values are based on a directors' valuation taking into account an external independent valuation performed in previous years, which used comparable market data for similar properties.

NOTE 17: RESERVES

43,413	Revaluation Reserve	43,413
292,829	Capital Profit Reserve	292,829
336,242		336,242

NOTE 18: MEMBERS' LIABILITY

The number of registered members of the Club as at the 30th June, 2025, is 8,957 (last year 8,472) consisting of 103 Service Members, 8,853 Club Members and 1 Honorary Life Member.

As a Company Limited by Guarantee, every member of the Company has undertaken to contribute an amount not exceeding \$2.00 on the event of the Company being wound up. Such contribution will only be required in the event that assets of the Company are insufficient to meet the payments of the debt and liabilities of the Company at the time of winding up, including the costs, charges and expenses of the winding up. The amount will be payable by all existing members at the time of winding up and those members ceasing membership one year prior to that date.

MERIMBULA RSL CLUB LIMITED

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NOTE 19: RELATED PARTY TRANSACTIONS

(a) **Directors:**

The names of persons who were directors of the company at any time during the year are: Mr Allan F. Browning, Mr Philip J. Cheek, Mr John F. Finn, Mr Donald T. Hassan (appointed 31/3/25), Mr Ian Powell, Mr David J. Rankin (resigned 31/3/25), Ms Hannah L. Rossi and Mr Graeme N. Williams.

(b) **Director Remuneration:**

The directors did not receive any remuneration from the company during the year other than any approved honorarium and reimbursement of out of pocket expenses that have been fully substantiated except for Mr David Rankin who received benefits for the provision of Accounting Services and Mr Donald Hassan for Project Management.

(c) **Transactions with directors and director related entities:**

There were no transactions with directors, other than those at normal commercial terms and conditions, and other benefits approved by the members at the annual general meeting.

(d) **Other transactions with related parties:**

There were no other transactions with related parties.

NOTE 20: BANK GUARANTEE

At the request of the company, the Merimbula RSL Club Ltd bank is holding a bank guarantee in favour of the Totalisator Agency Board of NSW to the value of \$5,000.

NOTE 21: KEY MANAGEMENT PERSONNEL

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosure are deemed appropriate.

NOTE 22: CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year. The strategy of the entity is to maintain a gearing ratio below 10%.

At the years ending 30th June, 2024, and 30th June, 2025, there was no net debt.

NOTE 23: STATEMENT OF OPERATIONS BY SEGMENTS

The company operates in the Licensed Registered Clubs' sector within New South Wales.

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NOTE 24: COMPANY DETAILS

The registered office of the company is:

Merimbula RSL Club Limited,
52-54 Main Street,
MERIMBULA NSW 2548
Unlisted Company Limited by Guarantee.

NOTE 25: DISPOSAL OF CLUB PROPERTY – CORE OR NON CORE

That pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30th June, 2025:

(a) The following properties are core property of the Club:

- (i) 52-54 Main Street
- (ii) Carpark corner Alice and Main Street

(b) The following properties are non-core property of the Club:

Nil

- (i) Section 41J(2) of the Registered Clubs Act requires the Financial Report to specify the core property and non core property of the Club as at the end of the financial year to which the report relates.
- (ii) Core property is any real property owned or occupied by the Club that comprises
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
- (iii) Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
- (iv) The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval;
 - (c) any sale is by way of public auction or open tender conducted by any independent real estate agent or auctioneer.
- (v) These disposal provisions and what constitutes a disposal for the purpose of section 41J are to some extent modified by regulation made under the Registered Clubs Act and by section 41J itself. For example, the requirements in paragraph 4 above do not apply to:

Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer; Core property that is leased or licensed to a telecommunications provider for the purpose of a telecommunication tower.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERIMBULA RSL CLUB LIMITED

Report on the Audit of the Financial Report

Opinion:

We have audited the accompanying financial report, being a simplified disclosure financial report of Merimbula RSL Club Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Merimbula RSL Club 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 the 30th June, 2025 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion:

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information:

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (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 on the other information obtained prior to the date of this auditor's report, 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.

INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Members of the Merimbula RSL Club Ltd.

Report on the Audit of the Financial Report *(continued)*

Responsibilities of the Directors' for the Financial Report:

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (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 on the other information obtained prior to the date of this auditor's report, 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 Responsibility 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 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

SIMON BYRNE

Registered Company Auditor (153624)
Kothes Accounting Group

29th September, 2025

MERIMBULA RSL CLUB LIMITED

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DONATIONS

For the year ended 30th June, 2025

Bega Valley Lotus
Bega District Softball Association
Bemboka Garden Club
Bega Valley Shire Council
Candelo Show
Connect Plus Austalia
ESSCI
Far South Coast Tennis Association
Kameruka Estate Deb Ball Committee
Koori Kids
Lions Club of Pambula Merimbula
Lumen Christi Catholic College
Marine Rescue Merimbula
Mens Shed Merimbula Inc.
Merimbula Chamber of Commerce
Merimbula Diggers Football Club
Merimbula Grasshoppers Soccer Club
Merimbula Jazz Festival Committee
Merimbula Pambula Junior Rugby League
Merimbula Public School
Merimbula Sharks Basketball Association
Merimbula Tennis Club
Merimbula Tourism Inc.
Merimbula-Pambula Dolphins Softball Club
Pambula Community Swimming Club

Pambula Mens Shed
Pambula Merimbula Lions Club
Pambula/Merimbula Bulldogs
Pearl's Place
Playability Incorporated
Police Citizens Youth Club
Road Safety Education Ltd.
Rotary Club of Pambula
RSL Staff Social Club
Sapphire Coast Adult Swimming
Sapphire Coast Netball
Sapphire Coast Orchid Club
Sapphire Life Opportunities
Southern Womens Group
Something Blue Wedding Fair
South East Axeman's Association
St Vincent De Paul, Bega
St Vincent De Paul, Merimbula
Stewart House
Stroke Recovery Association, NSW
Tathra Branch United Hospital Auxiliary
Towamba Rural Fire Brigade

Total: \$102,526.00



Merimbula RSL Club

52-54 Main St, Merimbula NSW 2548

02 6495 1502 www.merimbularsl.com.au

