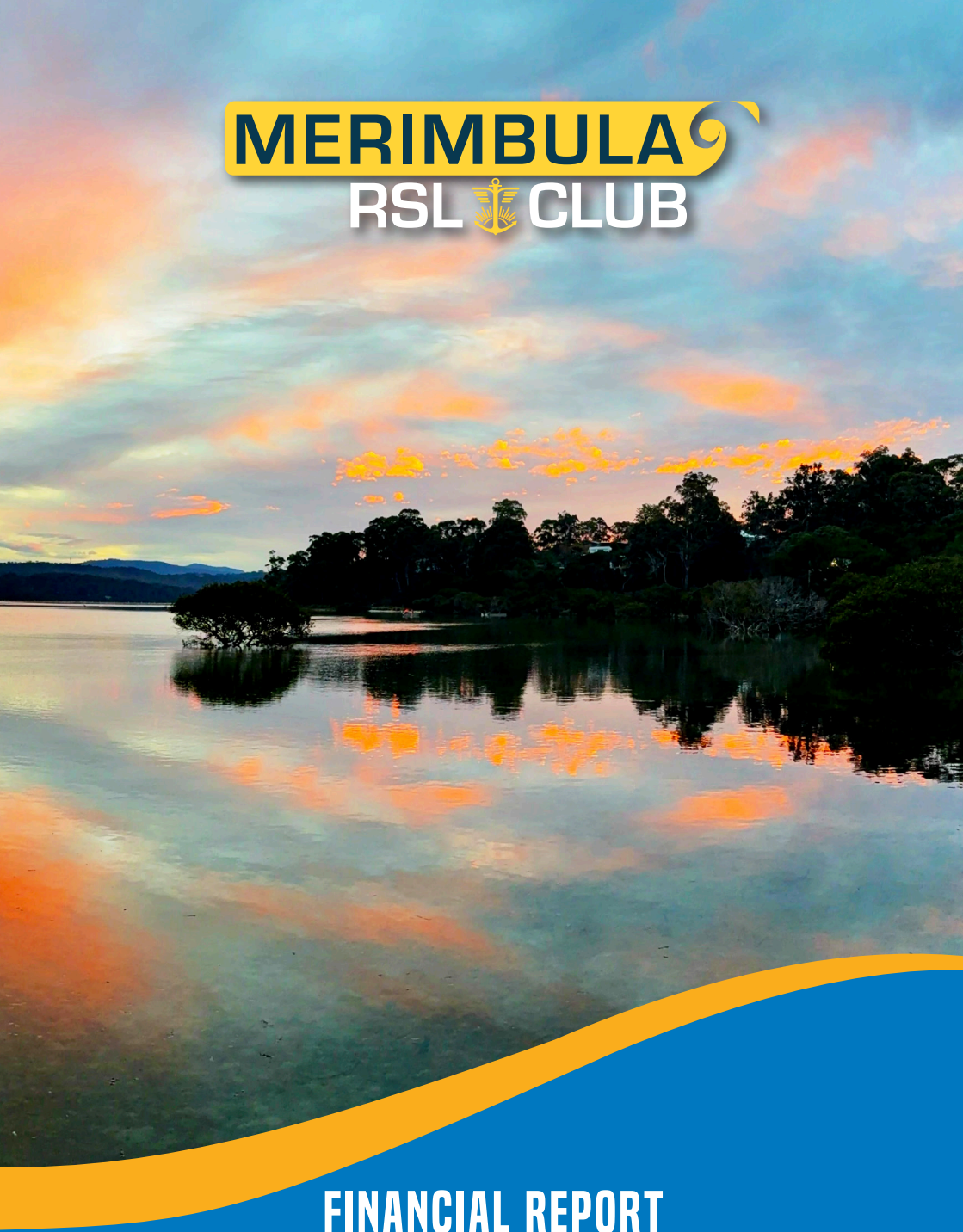


FINANCIAL REPORT
2025/2026

MERIMBULA RSL CLUB LIMITED
ABN 66 000 965 560

ANNUAL GENERAL MEETING

To be held in the Merimbula RSL Club on Wednesday, 25th November 2026, at 7.15 pm.

MEETING AGENDA:

1 Apologies.

2 Confirmation of Minutes for Annual General Meeting held on 12th November 2025.

3 To receive and consider the Financial Statement of the Company for the year ended 30th June 2026 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 ii of this Notice and Notes on the Ordinary Resolutions are printed on page iii of this Notice.

8 **General Business:** Notice of which was supplied to the Chief Executive Officer in writing prior to this meeting.

By order of the Board

S MacLean
Chief Executive Officer 26th October 2026

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, 25th November, 2026, 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 2026/27 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 2026/27 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."

MERIMBULA RSL CLUB LIMITED
ABN 66 000 965 560

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 2026/27 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 Expense**s
   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,

Scott MacLean
Chief Executive Officer 26th October 2026

MERIMBULA RSL CLUB LIMITED
ABN 66 000 965 560

PRESIDENT'S REPORT

Valued Members,

This is my third annual report to you as "President" or, perhaps more appropriately "Chairman of the Board". Titles do not mean a lot to me personally – we have a job to do and we just get on with it.

This year has been one of change and renewal for the Club. Changes to the composition of the Board and the appointment of Scott MacLean as our new Chief Executive Officer following the retirement of long-standing Secretary Manager Michael Mutsch. On behalf of the Board, I would like to thank Michael, for his leadership and dedication to the Club over the past 30 years.

The Board appointed Scott with a clear mandate to bring the Club into the future - we recognised our Club needed to modernise payroll, accounting systems and back of house operations; much of this work is not visible to members, and I thank management and staff for their commitment to it. The regulatory environment for clubs continues to evolve, and over the past year management has reviewed and updated the Club's policies and procedures to keep pace with these changes. This has included refreshing our policies to reflect the latest liquor and gaming requirements and updating our Anti-Money Laundering and Counter-Terrorism Financing program in line with the recent national reforms. The Board remains committed to ensuring the Club continues to meet its legal obligations and maintains the highest standards of governance for its members.

This was also the first full year under the Club's new auditor, Kothes. As part of their review of our accounts under the Australian Accounting Standards, adjustments were identified relating to the Club's provisions for annual leave, long service leave and other provisions. The need for these provisions had accumulated over a number of years and required a one-off correction. The Board supported recognising this correction in full in the current year, so that the Club's accounts accurately reflect its obligations and we can move forward on a sound footing.

As a result, the Club recorded a before-tax profit of $100,760. While this is an apparent reduction on the previous year's reported result, I want to assure members that these accounting adjustments do not materially affect the Club's trading performance or its cash position, which remains strong although business, like personal cost-of-living pressures, is increasingly challenging.

I would like to personally thank my fellow Directors, Management and all our great staff for the support and commitment you have shown during the year. I am pleased to report that the Board and management are continuing to work well together in a united and constructive way, with the wellbeing of the Club and its members at the centre of everything we do.

The Merimbula RSL Club Ltd remains very proud to continue its ongoing support of the Merimbula RSL Sub-Branch.

To those who have lost loved one's during the year please accept our heartfelt condolences.

My Very Best Regards,
Phil Cheek
President

MERIMBULA RSL CLUB LIMITED
ABN 66 000 965 560

CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to present my first report on behalf of the management team for this year's annual report.

The Club recorded a profit of $100,760 and EBITDA of $703,170. While this is a significant reduction on the previous year's result, there are a number of factors that contributed to this outcome. This was the first full year under the Club's new auditor, presenting accounts under their interpretation of the Australian Accounting Standards, which required a number of historical adjustments to be made. These changes in accounting policy do not affect trade or the cash position of the Club, which remains strong. Along with the changes in accounting principles, the auditors also identified the need to modernise the Club's payroll and bookkeeping software. This has required a significant amount of work by Club management and staff, a largely thankless job that members don't always see, despite the hard work and effort involved.

The Club undertook a number of projects to build our resilience and reduce our carbon footprint. The long-awaited backup generator was commissioned in January, and the 99kW solar panel system has begun reducing our electricity consumption. Through the next financial year, we will continue to invest in the Club's facilities and our staff to continue providing memorable experiences for members and guests.

I'd like to thank my predecessor, Michael Mutsch, for his leadership over the past 30 years at the Club, he has left large shoes to fill. I'd also like to thank the Board, management, staff and members for making me feel so welcome in my first year with the Club. I've been fortunate to live in the Merimbula area for the past 13 years, predominantly managing clubs, which has made the transition into the role incredibly smooth, and I look forward to continuing to build connections with members and staff.

The trading environment continues to be difficult due to the ongoing pressure on the country's fuel supply and associated price increases, along with the ever-changing regulatory environment. I have confidence in our team that the Club's solid foundations will continue to help us succeed and build on our strengths in the difficult times ahead.

Finally, on behalf of the Board, management and staff, I would like to extend our deepest condolences to the families and friends of those members who have sadly passed away over the past year. They were a valued part of our Club community, and they will be fondly remembered.

S MacLean
Chief Executive Officer

Merimbula RSL Club Ltd

ABN: 66 000 965 560

Financial Statements

For the year ended 30 June 2026

Appendix A

Merimbula RSL Club Ltd

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For the year ended 30 June 2026

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The directors present their report on Merimbula RSL Club Ltd for the financial year ended 30 June 2026.

Information on directors

Philip Cheek	
Appointed	24 October 2012
Qualifications / Experience	Retired
Special responsibilities	President & member of the Finance, Catering & House Committees

John Finn	
Appointed	29 October 2008
Qualifications / Experience	Retired
Special responsibilities	Member of Finance & Strategic Planning Committees

Donald Hassan	
Appointed	28 April 2025
Qualifications / Experience	Project Manager
Special responsibilities	Member of the House & Catering Committees

Ian Powell	
Appointed	25 October 2017
Qualifications / Experience	Retired
Special responsibilities	Member of the Finance & House Committees

Hannah Rossi	
Appointed	28 August 2017
Qualifications / Experience	Manager for The Commonwealth Bank
Special responsibilities	Member of the House & Strategic Planning Committees

Esther Colson	
Appointed	12 November 2025
Qualifications / Experience	Principal Solicitor of Colson Law Solicitors

Glenn Rowlands	
Appointed	12 November 2025
Qualifications / Experience	Branch Manager of Bega Steel, Director of Steel Supplies Bega

Graeme Williams	
Resigned	12 November 2025

Information on directors (continued)

Allan Browning	
Deceased	9 September 2025

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

Company Secretary

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

Mr Scott MacLean - Bachelor of Business (Accounting). Mr MacLean was appointed Company Secretary on 1st December, 2025.

Operating results

The profit/(loss) of the Company after providing for income tax amounted to $220,191 (2025: $968,392).

Principal activities

The principal activity of Merimbula RSL Club Ltd during the financial year was that of a Registered Club..

No significant changes in the nature of the Company's activity occurred during the financial year.

Review of operations

The Clubs net operating profit before income tax expense for the year was $100,760 which decreased by $965,570 on the 24/25 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

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

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.

Members' Guarantee

Merimbula RSL Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to unpaid membership fees subject to the provisions of the company's constitution. At 30 June 2026 the number of members was 10,791 (2025: 8,957). At 30 June 2026 the collective liability of members was $21,582 (2025: $17,914).

Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2026 has been received and can be found on the following page of the financial report.

Signed in accordance with a resolution of the Board of Directors.



Philip Cheek
Director



Ian Powell
Director

Dated: 26 October 2026

KOTHES
ACCOUNTING GROUP

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 30 June 2026, 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.

KOTHES ACCOUNTING GROUP



Simon Byrne
Partner
Registered Company Auditor # 153624
26 October 2026

Merimbula RSL Club Ltd

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026	2025
		$	$
Revenue	5	14,229,149	14,166,837
Finance income - interest received		239,142	252,611
Lease income - rent received		8,029	8,029
Other income	5	72,020	35,000
Depreciation and amortisation		(841,552)	(819,517)
Employee benefit expenses		(6,331,637)	(5,858,848)
Cost of sales		(2,989,970)	(2,884,249)
Electricity and gas		(393,915)	(355,323)
Insurance - general		(237,805)	(244,877)
Poker machine tax		(1,292,355)	(1,297,456)
Printing, postage and stationery		(26,662)	(20,776)
Promotions		(486,452)	(447,545)
Property expenses		(101,330)	(96,358)
Repairs and Maintenance		(419,853)	(282,552)
TAB and foxtel expenses		(76,894)	(75,199)
Other expenses		(1,249,155)	(1,013,447)
Profit/(loss) before income taxes		100,760	1,066,330
Income tax	6	119,431	(97,938)
Profit/(loss) for the year		220,191	968,392
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		220,191	968,392

Note: Prior year comparative balances have been adjusted to current year accounting system allocations.

The accompanying notes form part of these financial statements.

Merimbula RSL Club Ltd

Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	8	7,059,148	7,466,702
Trade and other receivables	9	11,245	12,764
Inventories	10	197,350	172,229
Current tax receivable	15	90,119	12,418
Other assets - prepayments		290,982	248,356
Total current assets		7,648,844	7,912,469
Non-current assets			
Property, plant and equipment	11	14,317,313	13,631,798
Total assets		21,966,157	21,544,267
Liabilities			
Current liabilities			
Trade and other payables	12	1,057,838	1,026,151
Employee benefits	14	855,008	748,510
Provisions	13	103,913	16,970
Member subscriptions in advance		122,391	88,665
Total current liabilities		2,139,150	1,880,296
Non-current liabilities			
Trade and other payables	12	120,472	-
Deferred tax liabilities	15	424,497	543,928
Employee benefits	14	7,954	66,150
Total non-current liabilities		552,923	610,078
Total liabilities		2,692,073	2,490,374
Net assets		19,274,084	19,053,893
Equity			
Retained earnings		18,937,841	18,717,650
Reserves		336,243	336,243
Total equity		19,274,084	19,053,893

Note: Prior year comparative balances and notes have been adjusted to current year accounting system allocations.

The accompanying notes form part of these financial statements.

Merimbula RSL Club Ltd

Statement of changes in equity
For the year ended 30 June 2026

2025	Retained earnings $	Revaluation reserve $	Capital profits reserve $	Total equity $
Opening balance	17,749,258	292,830	43,413	18,085,501
Profit for the year	968,392	-	-	968,392
Closing balance	18,717,650	292,830	43,413	19,053,893

2026	Retained earnings $	Revaluation reserve $	Capital profits reserve $	Total equity $
Opening balance	18,717,650	292,830	43,413	19,053,893
Profit for the year	220,191	-	-	220,191
Closing balance	18,937,841	292,830	43,413	19,274,084

The accompanying notes form part of these financial statements.

Merimbula RSL Club Ltd

Statement of cash flows

For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities:			
Receipts from customers		15,685,253	15,577,190
Payments to suppliers and employees		(14,876,902)	(14,255,290)
Interest received		239,142	253,049
Net cash flows from/(used in) operating activities	21	1,047,493	1,574,949
Cash flows from investing activities:			
Proceeds from sale of plant and equipment		72,020	35,000
Purchase of property, plant and equipment		(1,527,067)	(494,968)
Net cash provided by/(used in) investing activities		(1,455,047)	(459,968)
Net increase/(decrease) in cash and cash equivalents		(407,554)	1,114,981
Cash and cash equivalents at beginning of year		7,466,702	6,351,721
Cash and cash equivalents at end of financial year	8	7,059,148	7,466,702

The accompanying notes form part of these financial statements.

1. Introduction

The financial report covers Merimbula RSL Club Ltd as an individual entity. Merimbula RSL Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. It is registered with the Australian Business Register - Australian Business Number (#66 000 965 560) and is registered for Goods & Services Tax purposes.

The functional and presentation currency of Merimbula RSL Club Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 26 October 2026.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information is consistent with prior reporting periods unless otherwise stated.

3. Material accounting policy information

a. Revenue

i. Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control 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.

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.

ii. Specific revenue streams

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

3. Material accounting policy information (continued)

a. Revenue (continued)

ii. Specific revenue streams (continued)

1) 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.

2) 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.

iii. Other income

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

b. Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable in respect of the taxable profit for the year and is measured at the amount expected to be paid to the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax assets are measured at the amounts expected to be recovered from the relevant taxation authority.

c. Inventories

Inventories are measured at the lower of cost and net realisable value.

d. Property, plant and equipment

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

i. Depreciation

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

The estimated useful lives used for each class of depreciable asset are shown below:

3. Material accounting policy information (continued)

d. Property, plant and equipment (continued)

i. Depreciation (continued)

Fixed asset class	Depreciation rate
Buildings	2.5% to 5%
Plant and equipment	10% to 22%

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

e. Provisions

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

g. 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).

i. 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.

3. Material accounting policy information (continued)

g. Financial instruments (continued)

i. Financial assets (continued)

1) Classification

On initial recognition, the Company has only ever held financial assets measured at amortised cost.

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

2) Amortised cost

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 provision for impairment.

Interest income is recognised in profit or loss.

3) Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

When determining whether the credit risk of a 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.

Where the simplified approach to expected credit loss (ECL) is not applied, 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); or
- the financial assets is more than 90 days past due.

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

3. Material accounting policy information (continued)

g. Financial instruments (continued)

i. Financial assets (continued)

4) Trade receivables and contracts assets

Impairment of trade receivables and contract assets 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 contract asset and multiplied this by the amount of the expected loss arising from default.

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

Where the 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.

5) 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.

ii. Financial liabilities

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

The financial liabilities of the Company comprise of trade payables.

4. Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

4. Critical accounting estimates and judgements (continued)

The significant estimates and judgements made have been described below.

a. Key estimates - 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.

5. Revenue and other income

	2026	2025
	$	$
Revenue from contracts with customers		
Poker machine income	6,485,304	6,547,733
Catering income	4,458,195	4,390,256
Bar and bottleshop sales	3,000,186	2,890,463
TAB commission	27,547	49,886
Keno commission	138,933	141,171
Member subscriptions	33,000	43,128
Vending income	497	492
Other income	85,487	103,708
	14,229,149	14,166,837

6. Income tax expense

a. The major components of tax expense/(income) comprise:

	2026	2025
	$	$
Current tax expense	(119,431)	97,938

6. Income tax expense (continued)

b. Reconciliation of income tax to accounting profit:

Description	2026 $	2025 $
Operating profit before tax	100,760	1,066,330
Members Subscriptions	(33,000)	(43,128)
Direct Members Income	(305,026)	(213,989)
Non Apportionable Items	(488,725)	(494,962)
Non Allowable, Non Apportionable and Part Apportionable Expenses	55,211	1,275,301
	(670,780)	**1,589,552**
Portion attributable Non Members	(350,461)	930,703
Add: Non Apportionable Items	433,681	460,400
	83,220	**1,391,103**
Less: Non Apportionable and Part Apportionable Expense	(1,074,577)	(950,554)
Tax (loss) / profit	**(991,357)**	**440,549**

	2026 $	2025 $
Tax profit for the year		
Profit for the year	220,191	968,392
Mutual member income and expenses adjustments	1,092,117	625,781
Less carried forward income tax losses not accounted for	(991,357)	-
Add back income tax expense	(119,431)	97,938
Total Tax profit for the year	-	440,549
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2025: 25%)	-	110,137
Less tax effect of:		
Deferred tax	119,431	12,199
Income tax expense	(119,431)	97,938

7. Auditor's remuneration

	2026 $	2025 $
Remuneration of the auditor of the Company, Kothes Accounting Group, for: auditing the financial statements and preparation of income tax return based on information provided by the Company.	48,358	45,621

8. Cash and cash equivalents

a. Cash and cash equivalent details

	2026	2025
	$	$
Cash at bank and on hand	7,059,148	7,466,702

Restricited Cash - Bank Guarantee
Included in the above amount is in favour of the Totalisator Agency Board of NSW to the value of $5,000

b. 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:

	2026	2025
	$	$
Cash and cash equivalents	7,059,148	7,466,702

9. Trade and other receivables

Current	2026	2025
	$	$
Trade receivables	-	5,658
Other trade and other receivables	11,245	7,106
	11,245	12,764

10. Inventories

Current	2026	2025
	$	$
Trading stock - bar	107,360	100,294
Trading stock - catering	79,638	62,408
Staff uniforms	10,352	9,527
	197,350	172,229

11. Property, plant and equipment

a. Property, plant and equipment details

Summary	2026	2025
	$	$
Freehold Land & Improvements		
52-54 Main St, Merimbula - at cost	16,750,694	16,822,371
Less: accumulated depreciation	(6,873,257)	(6,607,107)
Total Freehold Land & Improvements	9,877,437	10,215,264
Freehold Carpark		
At cost	1,534,849	1,534,849
Less: accumulated depreciation	(219,414)	(203,254)
Total Freehold Carpark	1,315,435	1,331,595
Plant and equipment		
At cost	9,278,445	7,794,072
Less: accumulated depreciation	(6,154,004)	(5,709,133)
Total Plant and equipment	3,124,441	2,084,939
	14,317,313	13,631,798

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.

2026	Buildings	Car park	Plant and equipment	Total
	$	$	$	$
Opening balance	10,215,264	1,331,595	2,084,939	13,631,798
Additions	475	-	1,526,592	1,527,067
Transfers	(72,152)	-	72,152	-
Depreciation	(266,150)	(16,160)	(559,242)	(841,552)
Closing balance	9,877,437	1,315,435	3,124,441	14,317,313
As at 30 June 2026	9,877,437	1,315,435	3,124,441	14,317,313

Land and Buildings
An independent revaluation of land and buildings was undertaken on 30th June, 2024, by Mr M.E.Rix A.P.I. 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.

12. Trade and other payables

Current	2026	2025
	$	$
Trade payables	458,101	890,367
GST payable / (refundable)	194,305	(1,601)
Accrued expenses	326,456	132,733
Poker machine liability	65,712	-
Other trade and other payables	13,264	4,652
	1,057,838	1,026,151

Non-current	2026	2025
	$	$
Poker machine liability	120,472	-

Poker machine liability
This liability is for purchases of poker machines payable over a 3 year period. The liability is non-interest bearing. The assets associated with this liability are included in Fixed Assets in Note 11 to the financial statements. The book value amount of these assets is above the liability booked above. The security for this liability is the poker machines purchased through this agreement.

13. Provisions

Current	2026	2025
	$	$
Provision for poker machine jackpots	51,787	11,316
Provision for member bonus points	52,126	5,654
	103,913	16,970

14. Employee benefits

Current	2026	2025
	$	$
Long service leave	367,865	357,095
Annual leave	450,713	340,328
Personal leave	36,430	51,087
	855,008	748,510

Non-current	2026	2025
	$	$
Long service leave	7,954	66,150

15. Tax assets and liabilities

a. Tax assets and liabilities details

Current tax assets	2026	2025
	$	$
Current tax	90,119	12,418

2026	Opening balance	Charged to income	Closing balance
	$	$	$
Deferred tax liabilities			
Property, plant and equipment	1,177,834	(50,112)	1,127,722
Adjustment for member component	(488,197)	(50,327)	(538,524)
Provision for Annual Leave & Sick Leave	(97,854)	(23,932)	(121,786)
Provision for Long Service Leave	(105,811)	11,856	(93,955)
Link provision	(2,829)	(10,118)	(12,947)
Poker machine tax accrual	(24,741)	362	(24,379)
Accruals	(17,623)	(44,549)	(62,172)
Adjustment for member component	103,149	47,389	150,538
	543,928	(119,431)	424,497

16. 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.

Financial assets	2026	2025
	$	$
Cash and cash equivalents	7,059,148	7,466,702
Trade and other receivables	11,245	12,764
	7,070,393	7,479,466

Financial liabilities	2026	2025
	$	$
Trade payables	458,101	890,367
Goods and services tax	194,305	(1,601)
Poker machine liability	186,184	-
	838,590	888,766

17. Key management personnel remuneration

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.

18. Members' guarantee

The Company is registered with the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $2 each towards meeting any outstanding obligations of the Company. At 30 June 2026 the number of members was 10,791 (2025: 8,957).

19. Contingencies

Bank Guarantee
The Company has a bank guarantee in favour of the Totalisator Agency Board of NSW to the value of $5,000.

In the opinion of the directors, apart from the bank guarantee above, there were no other contingencies as at 30 June 2026 (30 June 2025: None).

20. Related parties

a. The Company's main related parties are as follows:

The names of persons who were directors of the company at any time during the year are:

Philip Cheek, John Finn, Don Hassan, Ian Powell, Hannah Rossi, Esther Colson, Glen Rowlands, Graeme Williams & Allan Browning.

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

b. Transactions with related parties

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 Don Hassan for Project Management services.

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

21. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2026 $	2025 $
Profit for the year	220,191	968,392
Add/(less) non-cash items:		
(Profit)/loss on sale of assets	(72,020)	(35,000)
Depreciation and amortisation	841,552	819,517
Changes in assets and liabilities:		
(increase)/decrease in receivables	1,519	(3,909)
(increase)/decrease in inventories	(25,121)	(4,696)
(increase)/decrease in other assets	(42,626)	10,355
increase/(decrease) in payables	152,159	(24,962)
increase/(decrease) in provisions	86,943	(50)
increase/(decrease) in tax provision	(77,701)	-
increase/(decrease) in employee benefits	48,302	(139,453)
increase/(decrease) in other liabilities	33,726	(3,046)
increase/(decrease) in deferred tax liabilities	(119,431)	(12,199)
Cash flows from operations	1,047,493	1,574,949

22. Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

23. Statutory information

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

Merimbula RSL Club Ltd
52-54 Main Street
Merimbula NSW Australia
2548

24. Registered Clubs Act information

CORE AND NON-CORE PROPERTIES

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 2026.

(a) The following properties are core properties of the Club;
- 52 – 54 Main Street
- Carpark Cnr of Alice & Main Street

No property of the Club is alassified as Non-core.

Notes to Members:

1. Section 41J (2) of the Registered Clubs Act requires the annual 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.
2. 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 Full members of the Club to be core property of the Club.
3. 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 Full members of the Club not to be core property.
4. 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 Full members of the Club at which the majority of the votes cast support the approval; and
   (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself.

EMPLOYEES RELATED TO DIRECTORS AND TOP EXECUTIVES

A close relative is defined in Section 41B of the Registered Clubs Act and includes immediate family. In the reporting period, the Club did not employ anyone who was a close relative of a Director or Top Executive of the Club.

Merimbula RSL Club Ltd

Consolidated entity disclosure statement

30 June 2026

Merimbula RSL Club Ltd does not have any controlled entities and therefore the financial statements presented are for a standalone entity. Consequently the Consolidated Entity disclosure required by s295(3A)(a) of the *Corporations Act* is not required.

Merimbula RSL Club Ltd

Directors' Declaration

30 June 2026

In the directors opinion:

1. the financial statements and notes for the year ended 30 June 2026 are in accordance with the *Corporations Act 2001* and:
    - comply with Australian Accounting Standards - Simplified Disclosures; and
    - give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Company.
    - the consolidated entity disclosure statement required by the *Corporations Act 2001* is true and correct.

2. 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 a resolution of the Board of Directors.



Philip Cheek
Director



Ian Powell
Director

Dated: 26 October 2026

KOTHES
ACCOUNTING GROUP

Independent Audit 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 2026, 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 Company 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 2026 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters 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.

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

DIRECTORS
Simon Byrne
Fiona Dunham
Gary Skelton
Deni Tomat

BEGA
MERIMBULA
EDEN
BOMBALA
BERMAGUI
COOMA
JINDABYNE

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Independent Regional Member of Walker Wayland Australasia Limited

Independent Audit Report to the members of Merimbula RSL Club Limited (Continued)

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 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.

KOTHES ACCOUNTING GROUP



Simon Byrne
Partner
Registered Company Auditor # 153624
26 October 2026

KOTHES
ACCOUNTING GROUP

Supplementary Information

For the Year Ended 30 June 2026

The additional financial data presented on the following pages in accordance with the books and records of the Company which have been subjected to the audit procedures applied in our statutory audit of the Company for the year ended 30 June 2026. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Merimbula RSL Club Limited) in respect of such data, including any errors of omissions therein however caused.

KOTHES ACCOUNTING GROUP



SIMON BYRNE
Partner
Registered Company Auditor (#153624)
26 October 2026

MERIMBULA RSL CLUB LIMITED
ABN 66 000 965 560

DONATIONS
For the year ended 30th June 2026

Bega Valley Lotus
Bega Valley Meals on Wheels Cooperative
Bemboka Garden Club
Connections Plus Australia
Eden Marine High School
Eden Swimming Club
Foodbank NSW & ACT
Garden Club Committee
Kameruka Estate Debutant Ball Committee
Koori Kids
Lifeline South Coast
Marine Rescue Bermagui
Marine Rescue Merimbula
Merimbula Arts Group
Merimbula Big Game and Lakes Angling Club
Merimbula Digger Australian Rules Football Club
Merimbula Grasshoppers
Merimbula Indoor Bowlers
Merimbula Jazz Festival
Merimbula Line Dancers
Merimbula Pambula Bulldogs
Merimbula Public School
Merimbula RSL Sub Branch
Merimbula-Imlay Historical Society
Pambula Surf Life Saving Club
Pearls Place
Rock n Rollers
Rotary Club of Pambula
Sapphire Coast Orchid Club Inc
Sapphire Coast Pickleball Association Inc
Sapphire Coast Youth Development Fund
Sapphire Jiu-Jitsu Inc
Southern Women's Group Inc.
St Vincent de Paul Society
Stewart House
Tanja Hall School of Arts
Tura Indoor Carpet Bowlers
U3A Sapphire Coast
Volunteer Rescue Association - Bega Branch
Wolumla Football Club

Total: $150,282



Merimbula RSL Club
52-54 Main St, Merimbula NSW 2548
02 6495 1502 www.merimbularsl.com.au