

ANNUAL FINANCIAL REPORT

OF

PADSTOW RSL CLUB LIMITED
ABN 22 001 034 126

FOR THE YEAR ENDED

30 JUNE 2026

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PADSTOW RSL CLUB LIMITED
ABN 22 001 034 126

DIRECTORS' REPORT

The Directors of Padstow RSL Club Limited submit herewith the annual report for the financial year ended 30 June 2026. In order to comply with the provision of the Corporations Act 2001, the directors report as follows:

DIRECTORS - The names of the directors in office at any time during or since the end of the financial year are:

John Evans, AAI

President from 11 November 2020. Director since 2018. Retired, Head of Compliance Financial Services. Club member 16 years. Chair of Executive Committee. Member of Anti Money Laundering and Counter-Terrorism Financing, Finance, Gaming, Grants and Marketing and Events Committees. Member of Club Directors' Institute. Ex President of the Golf Club, now Captain of Golf Club.

Michael Ferguson, B.Bus., CTA., IPA

Vice President to 22 December 2021, Senior Vice President from 22 December 2022. Director since 2014. Accountant and chartered tax advisor, registered tax agent and ASIC registered agent. Club member 18 years. Chairman of Finance and Gaming Committees. Member of Executive and Anti Money Laundering and Counter-Terrorism Financing Committees. Treasurer of the Golf Club. Member of the Club Directors' Institute.

Neil Garrard

Director since 2018. Retired, IT Support Provider. Club member 14 years. Member of WHS Committee. Sports Director. Member of Club Directors' Institute. Secretary of the Fishing Club.

Scott Milham

Director since 2019. Service Manager. Club member 36 years. Chair of Property Committee. Member of Club Directors' Institute.

Amanda Mercer B.N., M.HM, JP

Vice President from 30 November 2023. Director since 2021. Currently working as Nurse Unit Manager. Club Member 13 years. Member of Executive Committee. Chair of Marketing and Events Committee. Member of Club Directors' Institute.

James Wallace, Bed, GradCert Bus Admin, GradCertOHS

Director since 2023. Safety Manager. Bachelor of Education (Bed), Graduate Certificate in Business Administration (Grad CertBA) Graduate Certificate in Occupational Health and Safety (GradCertOHS). Club Member 15 years. Chairman Sports Committee. Member of Marketing and Events Committee. Member of Club Directors' Institute.

Sany Lehete (appointed November 2024)

Director since 2024. Unit Security Officer with the Dept. Defence. Club Member 6 years. Member of Property Committee. Member of Club Directors' Institute.

Board Committees

The following committees assist the Board with the performance of its responsibilities for the management of the business and affairs of the club under Rule 56 of the constitution. The President is an ex-officio member of all committees but may nominate a Director to represent him on such committees (Rule 56 (c)).

Executive Committee: J Evans, M Ferguson, A Mercer
Anti Money Laundering and Counter-Terrorism Financing Committee (AML/CTF): J Evans, M Ferguson
Finance Committee: J Evans, M Ferguson
Gaming Committee: J Evans, M Ferguson
Grants Committee: J Evans
Discipline Committee: 3 Directors as required
Marketing and Events Committee: J Evans, A Mercer, J Wallace
Property Committee: S Milham, S Lehele
Sporting Clubs Liaison: Sports Director J Wallace, Fishing Club N Garrard, Golf Club J Evans, Table Tennis Club J Wallace

MEETINGS OF COMPANY DIRECTORS

In compliance with the Corporations Law the number of meetings held during the financial year and the number of those meetings attended by each Director:

	Board Meetings		Special Meetings	
	Eligible to Attend	Number Attended	Eligible to Attend	Number Attended
J Evans	12	11	1	1
M Ferguson	12	9	1	1
N Garrard	12	11	1	1
S Milham	12	11	1	1
A Mercer	12	12	1	1
J. Wallace	12	12	1	1
S. Lehele	12	12	1	1

Leave of Absence granted to the following Directors: J. Evans, M. Ferguson, A. Mercer & N. Garrard

CLUB SECRETARY

The following person held the position of club secretary at the end of the financial year:

Mitch Nakic has been employed at Padstow RSL Club since 3 February 2021 as the Club's General Manager and is a member of CMA (Club Managers Association).

MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up the constitution of the company states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. The total amount contributed would be \$12,960 (2025 - \$12,056)

REVIEW OF OPERATIONS

The club had an operating profit of \$625,996 (2025: \$413,038) before depreciation of \$467,350 (2025: \$474,538) and finance costs of \$74,870 (2025: \$91,225).

	2026	2025
	\$	\$
Profit/(Loss) attributable to members	83,776	(152,725)
Add back:		
Depreciation	467,350	474,538
Finance costs	74,870	91,225
Operating profit for the year	<u>625,996</u>	<u>413,038</u>

Club membership was 6481 as at 30 June 2026 (6,032 as at 30 June 2025) and was made up as follows:

	2026	2025
Life Members	4	4
Ordinary Members	<u>6,480</u>	<u>6,028</u>
	<u>6,484</u>	<u>6,032</u>

VISION

To ensure the club's enduring prosperity by maintaining the club's inherent community values and providing the best possible services and facilities for members and guests.

MISSION

To be the best medium size club in our community.

OBJECTIVES

- Promote the club to the community as an inclusive club and the club of preferred choice.
- Develop a strong marketing and membership campaign.
- Establish strong relations with the local community and corporate sector.
- Build a practical operations plan and continually review and monitor the implementation, outcomes and results.
- Design and implement best management practice throughout the club's operations ensuring quality decision making and maximum workforce productivity.
- Provide the highest level of service and facilities to our members and their guests and visitors.

KEY STRATEGIES

1. Refurbish the premises.
2. Provide a high standard dining facility.
3. Encourage members to make greater use of the club.
4. Develop and maintain a strong marketing strategy.
5. Ensure the enduring viability of the club.
6. Annual review of goals, outcomes and results.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of a Licensed Club conducted for Members and Members' Guests according to the Constitution.

HOW THESE ACTIVITIES ASSIST IN ACHIEVING THE OBJECTIVES

The principal activities of the club contributed to achieving the objectives by providing a stable base of operations. This ensured the financial stability and generated funds to meet the demands of the company and maintain high levels of service to members and guests.

PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

The financial performance of the club is measured against the budget set and benchmark data for the industry.

Some of the specific areas reported on and monitored include:

- Earnings before Interest Tax Depreciation and Amortisation (EBITDA)
- Gross Profit Margins
- Expense Ratios and Analysis
- Cash Flow
- Members' Feedback
- Staff Turnover

GOING CONCERN

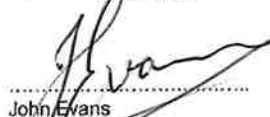
GOING CONCERN

The financial report has been prepared on a going concern basis, which assumes the continuity of normal business operations, and the realisation of assets and settlement of liabilities in the ordinary course of business. The company has completed a comprehensive forecast for the next twelve months operations and remains confident that it will be able to continue as a going concern.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration follows and forms part of the directors' report for the financial year ended 30 June 2026.

Dated at Padstow this *1st* day of *October* 2026
Signed in accordance with a resolution of the Directors.


.....
John Evans
President


.....
Michael Ferguson
Director

W L BROWNE & ASSOCIATES FCA PTY LTD

ABN 28 240 035 156

JOHN CHEADLE F.C.A.

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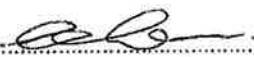
AUDITOR'S INDEPENDENCE DECLARATION

Lead Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of Padstow 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 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.


John C Cheadle
Registered Company Auditor

Dated: 1st October 2026

PADSTOW RSL CLUB LIMITED
ABN 22 001 034 126

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
Revenue	2	3,589,635	3,200,670
Other income	2	109,348	93,813
Raw materials and consumables used	3	(340,345)	(347,658)
Employee costs		(1,146,450)	(1,098,044)
Entertainment and membership promotions		(508,881)	(445,908)
Insurance expense		(105,791)	(100,894)
Poker machine duty		(377,532)	(307,334)
Rates and utilities		(166,668)	(152,933)
Repairs and maintenance expense		(90,814)	(78,733)
Security		(18,658)	(16,315)
Cleaning		(59,706)	(62,024)
Other expenses		<u>(258,142)</u>	<u>(271,602)</u>
Earnings before depreciation expense and finance costs		625,996	413,038
Less			
Depreciation expense	3	(467,350)	(474,538)
Finance costs	3	<u>(74,870)</u>	<u>(91,225)</u>
Profit/(loss) before income tax		83,776	(152,725)
Income tax expense		<u>-</u>	<u>-</u>
Net Profit/(Loss) from continuing operations after income tax attributable to members		83,776	(152,725)
Other Comprehensive Income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>83,776</u></u>	<u><u>(152,725)</u></u>

The Statement of Comprehensive Income should be read in conjunction with
the accompanying notes to the financial statements

PADSTOW RSL CLUB LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026 \$	2025 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,094,690	847,803
Trade and other receivables	6	(4,453)	(2,260)
Inventories	7	31,627	31,193
Other current assets	8	60,612	52,677
TOTAL CURRENT ASSETS		<u>1,182,476</u>	<u>929,413</u>
NON-CURRENT ASSETS			
Financial assets	9	750	750
Property, plant and equipment	10	8,509,873	8,701,137
TOTAL NON-CURRENT ASSETS		<u>8,510,623</u>	<u>8,701,887</u>
TOTAL ASSETS		<u>9,693,099</u>	<u>9,631,300</u>
CURRENT LIABILITIES			
Trade and other payables	11	258,700	176,839
Borrowings	12	-	123,960
Provisions	13	64,506	64,835
Other current liabilities	14	-	-
TOTAL CURRENT LIABILITIES		<u>323,206</u>	<u>365,634</u>
NON-CURRENT LIABILITIES			
Borrowings	12	1,986,647	1,986,647
Long-term provisions	13	127,429	106,978
TOTAL NON-CURRENT LIABILITIES		<u>2,114,076</u>	<u>2,093,625</u>
TOTAL LIABILITIES		<u>2,437,282</u>	<u>2,459,259</u>
NET ASSETS		<u>7,255,817</u>	<u>7,172,041</u>
EQUITY			
Reserves	15	5,379,851	5,379,851
Retained profits		1,875,966	1,792,190
TOTAL EQUITY		<u>7,255,817</u>	<u>7,172,041</u>

The Balance Sheet should be read in conjunction with
the accompanying notes to the financial statements

PADSTOW RSL CLUB LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Note	Retained Earnings \$	Asset Revaluation Reserve \$	Total Equity \$
Balance at 1 July 2024		1,944,915	5,379,851	7,324,766
Loss for the year		<u>(152,725)</u>	<u>-</u>	<u>(152,725)</u>
Balance at 30 June 2025		<u>1,792,190</u>	<u>5,379,851</u>	<u>7,172,041</u>
Balance at 1 July 2025		1,792,190	5,379,851	7,172,041
Profit/(Loss) for the year		<u>83,776</u>	<u>-</u>	<u>83,776</u>
Balance at 30 June 2026		<u>1,875,966</u>	<u>5,379,851</u>	<u>7,255,817</u>

PADSTOW RSL CLUB LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
Cash from operating activities:			
Receipt from customers		3,698,983	3,294,473
Payments to suppliers and employees		<u>(3,052,051)</u>	<u>(2,967,005)</u>
Net cash provided by operating activities	19 (b)	<u>646,932</u>	<u>327,468</u>
Cash flows from investing activities:			
Expenditure on building and improvements		-	(4,679)
Acquisition of property, plant and equipment		<u>(276,085)</u>	<u>(61,690)</u>
Net cash (used in) investing activities		<u>(276,085)</u>	<u>(66,369)</u>
Cash flows from financing activities:			
Additional loans HP Contracts		-	-
Repayment of HP Contracts		<u>(123,960)</u>	<u>(108,986)</u>
Net cash (used in) financing activities		<u>(123,960)</u>	<u>(108,986)</u>
Net increase/(decrease) in cash and cash equivalents		246,887	152,113
Cash and cash equivalents at the beginning of the financial year		<u>847,803</u>	<u>695,690</u>
Cash at the end of the financial year	19 (a)	<u><u>1,094,690</u></u>	<u><u>847,803</u></u>

The Statement of Cash Flows should be read in conjunction with
the accompanying notes to the financial statements

PADSTOW RSL CLUB LIMITED
ABN 22 001 034 126

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summary explains the significant accounting policies that have been adopted in the preparation of the accounts. Unless otherwise stated, such accounting policies are consistent with those used in previous years.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001.

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements 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.

(b) Income Tax

The company is subject to income tax on its investment income and on the income derived from non-members less all allowable deductions applicable to this assessable income.

Income derived from members is not subject to income tax in accordance with the principle of mutuality.

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(d) Property, Plant and Equipment

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

(i) Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

The company's properties are now classified as either "Core" or "Non-Core property. Core property is property occupied by the club as licensed premises. The club can only dispose of its core property if the disposal has been approved by a resolution passed by the majority of members. The property must be sold at public auction after valuation by a registered valuer. These requirements do not apply to non-core property, ie, investment properties.

PADSTOW RSL CLUB LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Property, Plant and Equipment (continued)

(i) Property (continued)

As the revalued buildings are depreciated the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

(ii) Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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.

(iii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis or diminishing value basis over the assets useful life to the entity commencing from the time the asset is held ready 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.

(iv) Depreciation Rates

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

Clubhouse & Property	2% - 5%
Plant & Equipment	10% - 20%
Clubhouse Furniture & Fittings	10% - 30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

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

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of Assets

At the end of each reporting period, the entity 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 comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

When an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(f) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the Club to employee superannuation funds and are charged as expenses when incurred.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

(i) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Revenue (continued)

Membership subscriptions income is recognised as income in the year to which it relates. Revenue from the rendering of services is recognised upon the delivery of service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the club.

PADSTOW RSL CLUB LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
2. REVENUE		
Operating activities:		
- Sale of goods	939,412	927,617
- Commissions	85,140	75,178
- Promotions revenue	143,386	125,108
- Poker machine revenue	2,404,517	2,055,561
- Gaming tax rebate	17,180	17,206
Total Revenue	<u>3,589,635</u>	<u>3,200,670</u>
Non-operating activities:		
- Commissions	28,836	30,232
- Rent Optus Tower	40,094	37,232
- Sundry income	40,418	26,349
Total Other Income	<u>109,348</u>	<u>93,813</u>
3. EXPENSES		
Surplus has been determined after the following specific expenses:		
- Raw materials and consumables used	340,345	347,658
- Finance costs	74,870	91,225
- Depreciation of property, plant and equipment	467,350	474,538
- Defined contribution superannuation expenses	114,909	107,235
- Auditor's remuneration	9,382	9,037
4. INCOME TAX		
(a) Income Tax Expense:		
The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities. In view of these special circumstances, it is not appropriate to compare income tax payable with the net profit disclosed in the Income Statement. No income tax is payable.		
5. CASH AND CASH EQUIVALENTS		
Cash on hand	160,000	140,000
Cash at bank	<u>934,690</u>	<u>707,803</u>
	<u>1,094,690</u>	<u>847,803</u>
6. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	<u>(4,453)</u>	<u>(2,260)</u>
	<u>(4,453)</u>	<u>(2,260)</u>

PADSTOW RSL CLUB LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
7. INVENTORIES		
Current		
Finished Goods	<u>31,627</u>	<u>31,193</u>
8. OTHER ASSETS		
Current		
Prepayments	<u>60,612</u>	<u>52,677</u>
9. FINANCIAL ASSETS		
Shares in Independent Liquor Group Co-operative - At cost	<u>750</u>	<u>750</u>
10. PROPERTY, PLANT AND EQUIPMENT		
LAND & BUILDINGS		
Freehold land at valuation	<u>3,940,000</u>	<u>3,940,000</u>
Clubhouse and surrounds at valuation	7,905,376	7,893,283
Less accumulated depreciation	<u>(3,740,617)</u>	<u>(3,506,627)</u>
	<u>4,164,759</u>	<u>4,386,656</u>
Total land and buildings - Core Property - see note 1 (d)(i)	<u>8,104,759</u>	<u>8,326,656</u>
PLANT AND EQUIPMENT		
Plant and equipment at cost	3,537,866	3,548,572
Less accumulated depreciation	<u>(3,132,752)</u>	<u>(3,174,091)</u>
	<u>405,114</u>	<u>374,481</u>
Total property, plant and equipment	<u>8,509,873</u>	<u>8,701,137</u>

Revaluation of land and buildings - see note 1 (l)

The Board of Directors have reviewed the key assumptions adopted in the valuation and believe the value reflected in the company's books at present is appropriate.

Notice of Valuations from the NSW Valuer General dated 01/07/22 values the land at \$5,020,000.

PADSTOW RSL CLUB LIMITED
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

Movements in Carrying Amounts

	Freehold Land at Valuation \$	Building at Valuation \$	Plant and Equipment at cost \$	Total \$
Balance at the beginning of year	3,940,000	4,386,656	374,482	8,701,138
Additions at cost	-	12,093	263,993	276,086
Depreciation	-	(233,990)	(233,360)	(467,350)
Carrying amount at the end of year	<u>3,940,000</u>	<u>4,164,759</u>	<u>405,115</u>	<u>8,509,873</u>
			2026 \$	2025 \$

11. TRADE AND OTHER PAYABLES

Current

Poker Machine Tax Levy	30,610	23,504
Rent In Advance	21,248	18,846
Trade payables - unsecured	<u>206,842</u>	<u>134,489</u>
	<u>258,700</u>	<u>176,839</u>

12. BORROWINGS

Current

Bank loans - secured (ANZ)	-	-
Other loans - unsecured	<u>-</u>	<u>123,960</u>
	<u>-</u>	<u>123,960</u>

Non-Current

Bank loans - secured (ANZ)	1,986,647	1,986,647
Other loans - unsecured	<u>-</u>	<u>-</u>
	<u>1,986,647</u>	<u>1,986,647</u>

- (i) The club has Bank Loan Facilities with ANZ Banking Group. The loan is \$1,986,647 interest only, expiring 1 November 2026.
- (ii) Bank loans are secured by a registered mortgage over the Club's property at 24-28 Howard Road, Padstow.
- (iii) A Registered Company Charge over all the assets and undertakings of Padstow RSL Club Ltd.
- (iv) Other loans utilised for the purchase of gaming machines.

13. PROVISIONS - EMPLOYEE ENTITLEMENTS

(a) Movement in carrying amounts

Opening balance - 1 July	171,813	152,741
Additional provisions	41,687	71,600
Amounts used	<u>(21,566)</u>	<u>(52,528)</u>
Closing balance - 30 June	<u>191,935</u>	<u>171,813</u>

(b) Analysis of Total Provisions

Current	64,506	64,835
Non-current	<u>127,429</u>	<u>106,978</u>
	<u>191,935</u>	<u>171,813</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	2026	2025
	\$	\$

Provision for Short-term Employee Benefits

A provision has been recognised for employee benefits relating to current long service leave and annual leave. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

Provision for Long-term Employee Benefits

A provision has been recognised for employee benefits relating to long service leave. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

14. OTHER LIABILITIES

Current

Subscriptions in advance

-	-
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15. RESERVES

Asset Revaluation Reserve

Asset revaluation reserve

Opening balance - 1 July

5,379,851	5,379,851
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Increase in value Club land

-	-
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Closing balance - 30 June

<u>5,379,851</u>	<u>5,379,851</u>
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The asset revaluation reserve records revaluations of non current assets.

16. CONTINGENT ASSETS AND LIABILITIES

The directors are not aware of any contingent liabilities as at the date of this report.

17. KEY MANAGEMENT PERSONNEL

Names and positions held of key management personnel in office at any time during the financial year are:

John Evans	Director
Michael Ferguson	Director
Neil Garrard	Director
Scott Milham	Director
Amanda Mercer	Director
James Wallace	Director
Sany Lehete	Director
Mitch Nakic	General Manager

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
18. RELATED PARTY TRANSACTIONS		
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
There were no transactions with related parties during the financial year.		
19. CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of the financial year as showing in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash - Floats	160,000	140,000
Cash at Bank	934,690	707,803
	<u>1,094,690</u>	<u>847,803</u>
(b) Reconciliation of net cash provided by operating activities to operating profit:		
Net Income/(loss) for the period	83,776	(152,725)
Add back non-cash outlays		
Depreciation, amortisation and impairments	467,350	474,538
Changes in assets and liabilities		
(Increase)/decrease in other assets	(5,742)	(13,919)
(Increase)/decrease in inventories	(434)	3,117
Increase/(decrease) in trade payables	81,860	(2,615)
Increase/(decrease) in provisions	20,122	19,072
Net cash provided by operating activities	<u>646,932</u>	<u>327,468</u>
(c) Financing Facilities		
The company has a secured arrangement with the ANZ Banking Group Ltd to provide the following credit standby facilities:		
(i) Bank Loan Facility		
- \$1,986,647 Interest only		
- Amount used	1,986,647	1,986,647
(ii) ANZ On-Line Facility - limit \$11,500		
- Amount used	-	-
(iii) ANZ Business One - limit \$15,000		
- Amount used	-	-
(iv) The Bank Loan Facility is secured over the Club's Freehold Land and Buildings at 24/28 Howard Street, Padstow.		
The Bank Loan Facility has been provided for a term of 5 years and is subject to review in October 2026.		

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	2026	2025
	\$	\$
20. CAPITAL AND FINANCIAL COMMITMENTS		
(a) Finance Commitments		
Payable		
- Not later than 12 months	-	123,960
- Between 12 months and 5 years	-	-
(b) Capital Expenditure Commitments - there were no capital expenditure commitments as at 30 June 2026	-	-

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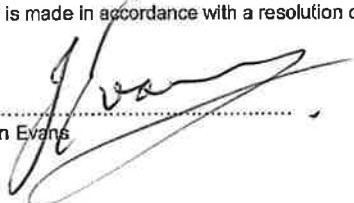
DIRECTORS' DECLARATION

The directors of the Club declare that:

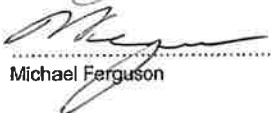
1. The financial statements and notes, as set out on pages 6 to 19, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position of the Club as at 30 June 2026 and of the performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Club 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.

Director:


.....
John Evans

Director:


.....
Michael Ferguson

Sydney

Dated this 1st day of October 2026

W L BROWNE & ASSOCIATES FCA PTY LTD

ABN 28 240 035 156

JOHN CHEADLE F.C.A.

john@wlbrowne.com.au

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Telephone: 02 9498 5250

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PADSTOW RSL CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

I have audited the accompanying financial report of Padstow RSL Club Limited (the Company), which comprises the Statement of Financial Position as at 30 June 2026, Statement of profit or loss and other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my 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 on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am 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 (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the Independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

The directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in the company's annual report for the year ended 30 June 2026, but does not include the financial report and my auditor's report thereon.

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

In connection with our audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibility 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 - Reduced Disclosure Requirements 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 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



John C Cheadle
Registered Company Auditor

Dated: 1st October 2026