

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Financial Statements

For the Year Ended 31 December 2025

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Financial Statements

For the Year Ended 31 December 2025

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Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Directors' Report

31 December 2025

The Directors present their report on Corrimal R S L Memorial Club Ltd ("the Company") for the financial year ended 31 December 2025.

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Qualifications</u>	<u>Resigned/Appointed</u>
Michael Hough	President	Professorial Fellow, University of Wollongong	
Ian Warren	Director	Training Consultant	
Paul Boultonwood	Director	Community Leader	
Henri Johnson	Director	Retired Police Officer	
Harry Bassett	Director	Retired	
Clinton Murphy	Director	Serving Naval Chief Petty Officer	
Joshua Warren	Director	Personal Banker	Appointed 14 April 2025

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

Review of operations

The surplus of the Company after providing for income tax amounted to \$119,314 (2024: deficit after tax of \$166,840).

Principal activities

The principal activity of Corrimal R S L Memorial Club Ltd during the financial year was to operate a registered club for its members and their guests including all of the usual facilities of a club.

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

Short term objectives

The Company's short term objective is to provide facilities to members and guests that exceed their expectations.

Corrimal R S L Memorial Club Ltd

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Directors' Report

31 December 2025

Long term objectives

The Company's long term objectives are to:

- ensure the company is a viable club for use by members and guests for many years; and
- repay the Company's loans.

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- implement cost cutting measures to areas that are deemed non value added; and
- membership drives to increase the Company's membership base.

Performance measures

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

- ability to generate positive operating cash flows;
- overall result for the year; and
- quality of the service and facilities provide to members and guests.

Members' guarantee

Corrimal R S L Memorial 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 \$5, subject to the provisions of the Company's constitution.

At 31 December 2025 the collective liability of members was \$40,650 (2024: \$38,700).

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Directors' Report

31 December 2025

Meetings of directors

During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Michael Hough	7	7
Ian Warren	7	6
Paul Boulwood	7	5
Henri Johnson	7	5
Harry Bassett	7	6
Clinton Murphy	7	5
Joshua Warren	5	5

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2025 has been received and can be found on page 4 of the financial report.

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


.....

Michael Hough
Director

Dated: 16 April 2026



Auditor's Independence Declaration under Section 307C of the to the Directors of Corrimal R S L Memorial Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been:

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

Daley & Co.
Daley & Co
Chartered Accountants

Michael Mundt
Michael Mundt
Partner

Dated: 16 April 2026

Wollongong

Corrimal R S L Memorial Club Ltd

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2025

	Note	2025 \$	2024 \$
Revenue	4	5,095,409	4,409,221
Other income	4	121,334	182,232
Changes in inventories of finished goods and work in progress		(494,687)	(503,835)
Employee benefits expense		(1,638,891)	(1,527,200)
Club operation expense		(1,502,526)	(1,319,973)
Poker machine expense		(784,584)	(645,797)
Depreciation expense	13(a)	(369,700)	(336,674)
Lease expenses	11	(210,611)	(233,709)
Finance expenses		(10,740)	(11,485)
Rental property expenses		(27,903)	(28,383)
Other expenses		(65,472)	(83,574)
Surplus/(deficit) before income tax		111,629	(99,177)
Income tax benefit/(expense)	6	7,685	(67,663)
Surplus/(deficit) for the year		119,314	(166,840)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		119,314	(166,840)

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Balance Sheet

As at 31 December 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,103,661	1,178,417
Trade and other receivables	8	42,463	23,339
Inventories	9	57,208	42,479
Financial assets	10	750	750
Prepayments		33,465	19,874
TOTAL CURRENT ASSETS		<u>1,237,547</u>	<u>1,264,859</u>
NON-CURRENT ASSETS			
Right-of-use assets	11	63,964	259,610
Intangible assets	12	420,000	420,000
Property, plant and equipment	13	5,101,590	4,958,219
TOTAL NON-CURRENT ASSETS		<u>5,585,554</u>	<u>5,637,829</u>
TOTAL ASSETS		<u>6,823,101</u>	<u>6,902,688</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	334,745	347,877
Lease liabilities	11	40,940	184,478
Employee benefits	15	232,834	266,402
TOTAL CURRENT LIABILITIES		<u>608,519</u>	<u>798,757</u>
NON-CURRENT LIABILITIES			
Lease liabilities	11	18,275	24,070
Employee benefits	15	15,561	10,744
Deferred tax liabilities	16	474,576	482,261
TOTAL NON-CURRENT LIABILITIES		<u>508,412</u>	<u>517,075</u>
TOTAL LIABILITIES		<u>1,116,931</u>	<u>1,315,832</u>
NET ASSETS		<u>5,706,170</u>	<u>5,586,856</u>

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Balance Sheet

As at 31 December 2025

	Note	2025 \$	2024 \$
EQUITY			
Reserves	21	1,629,732	1,629,732
Retained earnings		4,076,438	3,957,124
TOTAL EQUITY		<u>5,706,170</u>	<u>5,586,856</u>

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Statement of Changes in Equity

For the Year Ended 31 December 2025

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2025	3,957,124	1,629,732	5,586,856
Result for the year	119,314	-	119,314
Balance at 31 December 2025	<u>4,076,438</u>	<u>1,629,732</u>	<u>5,706,170</u>
Balance at 1 January 2024	4,123,964	1,629,732	5,753,696
Result for the year	(166,840)	-	(166,840)
Balance at 31 December 2024	<u>3,957,124</u>	<u>1,629,732</u>	<u>5,586,856</u>

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Statement of Cash Flows

For the Year Ended 31 December 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,712,043	5,081,123
Payments to suppliers and employees	(5,159,955)	(4,471,040)
Interest income	2	226
Finance costs	(10,740)	(11,485)
Net cash provided/(used) by operating activities	<u>541,350</u>	<u>598,824</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(466,773)</u>	<u>(475,518)</u>
Net cash (used)/provided by investing activities	<u>(466,773)</u>	<u>(475,518)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	<u>(149,333)</u>	<u>(238,636)</u>
Net cash provided/(used) by financing activities	<u>(149,333)</u>	<u>(238,636)</u>
Net movement in cash and cash equivalents held	(74,756)	(115,330)
Cash and cash equivalents at beginning of year	<u>1,178,417</u>	<u>1,293,747</u>
Cash and cash equivalents at end of financial year	<u>7</u> <u>1,103,661</u>	<u>1,178,417</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2025

The financial report covers Corrimal R S L Memorial Club Ltd as an individual entity. Corrimal R S L Memorial Club Ltd is a not-for profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Corrimal R S L Memorial Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

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.

Material accounting policy information adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The Company has adopted the amendments to AASB 101 Presentation of Financial Statements which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

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

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

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

Bar sales and poker machine income

Revenue is recognised at the point the customer purchases the goods and services at the venue. Payment of the transaction price is due immediately at the time of purchase.

Commissions

Commissions income is recognised over the period in which the related services are rendered.

Membership subscriptions

Membership services requires the annual subscription payment to be made upfront. A contract liability is recognised on receipt of the payment and recognised on a straight-line basis as revenue as the services are provided.

Interest revenue

Interest is recognised using the effective interest rate method.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(a) Revenue and other income

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

(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 (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) 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 liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(c) **Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

(d) **Leases**

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(i) ***Right-of-use asset***

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(d) Leases

(ii) *Lease liability*

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(iii) *Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(e) Inventories

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

Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

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

Financial assets

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

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost; or
- fair value through profit or loss (FVTPL)

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the balance sheet.

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

Interest income and impairment are recognised in profit or loss.

Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(f) Financial instruments

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

Net gains or losses, including any interest income are recognised in profit or loss.

Impairment of financial assets

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

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

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

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

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

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

Trade receivables

Impairment of trade receivables has 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.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(f) Financial instruments

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.

Financial assets measured at amortised cost

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

Financial liabilities

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

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

(g) Property, plant and equipment

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

Land and buildings

Freehold land and buildings are carried at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model; or on a 3-5 year basis.

In periods when the freehold land and buildings are not subject to an independent valuation, the Directors conduct appropriate enquiries and analysis to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(g) Property, plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss.

Depreciation

Property, plant and equipment, is depreciated on either a straight-line or diminishing value basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life, other than the leasehold improvements, as per note 3(a).

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

Fixed asset class	Depreciation rate
Buildings	2 - 20%
Plant and equipment	9 - 30%
Poker machines	25 - 50%
Leasehold improvements	2.5%
Kitchen/bistro equipment	6 - 20%
Bar equipment	6 - 20%

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.

(h) Intangible assets

Gaming machine licence entitlements

Entitlements to gaming machine licences can be traded between Registered Clubs and therefore have a value. Entitlements initially granted free of charge have not been recognised on the balance sheet. Entitlements subsequently acquired have been capitalised and disclosed as "Gaming machine entitlements – at cost" at note 12 and are initially recorded:

- at cost, where purchased; or
- at fair value, where acquired at no cost or substantially below market value.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(h) Intangible assets

In accordance with Australian Accounting Standards, these entitlements are not amortised, as they have an indefinite life under their licence terms, but rather tested for impairment annually.

Intangibles are measured at the lower of cost and net realisable value. The cost of intangibles is determined using the first-in-first-out basis.

(i) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is any evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(j) Mortality fund payments

Payments relating to mortality fund are recognised as an expense in the period that they are paid.

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of the 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.

Notes to the Financial Statements

For the Year Ended 31 December 2025

3 Critical Accounting Estimates and Judgements

The significant estimates and judgements made have been described below:

(a) *Key estimates - leasehold improvements (impairment and depreciation)*

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company, that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

The Company continues to assess that the benefits provided by its leasehold improvements will be realised over the remaining useful lives of the assets [as opposed to the remaining term of the property lease agreement, refer note 11(a)], and accordingly the depreciation rates expressed at note 2(g) are appropriate.

(b) *Key estimates - useful lives of depreciable assets*

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

(c) *Key estimates - employee entitlements*

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made after taking into account a range of possible outcomes, probabilities and assumptions and will vary as further information is obtained.

(d) *Key judgements - deferred tax assets*

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgements as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

(e) *Key estimates - property held at fair value*

An independent valuation of property (land and buildings) carried at fair value was obtained in February 2023. The directors have reviewed this valuation as at balance date, utilising independent advice in relation to market values in the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

Notes to the Financial Statements

For the Year Ended 31 December 2025

3 Critical Accounting Estimates and Judgements

(e) *Key estimates - property held at fair value*

Note 2(g) and 13 provides further information on the accounting policy and relevant disclosures.

4 Revenue and Other Income

	2025	2024
	\$	\$
Revenue from contracts with customers		
- Poker machine revenue	3,291,946	2,794,188
- Bar sales revenue	1,420,111	1,268,203
- Commissions	169,352	152,449
- Raffle income	142,605	125,808
- Bingo income	27,861	26,993
- Member subscriptions	33,334	31,330
- Function income	10,200	10,250
	<u>5,095,409</u>	<u>4,409,221</u>
Other revenue		
- Rental income	74,983	96,453
- GST gaming rebate	17,180	17,180
- Other income	29,169	68,373
- Interest income	2	226
	<u>121,334</u>	<u>182,232</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated and the following table shows this breakdown:

Timing of revenue recognition		
- At a point in time	5,062,075	4,377,891
- Over time	33,334	31,330
	<u>5,095,409</u>	<u>4,409,221</u>
Revenue from contracts with customers		
	<u>5,095,409</u>	<u>4,409,221</u>

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2025

5 Result for the Year

Expenses

	2025	2024
	\$	\$
Superannuation contributions	150,093	139,299

6 Income Tax Expense

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

Current tax expense	-	-
Deferred tax expense		
Recognition of previously unrecognised tax losses	(7,685)	67,663
Total income tax expense/(benefit)	(7,685)	67,663

(b) Reconciliation of income tax to accounting profit:

Prima facie tax payable on profit/(loss) from ordinary activities before income tax at 25% (2024: 25%)	27,907	(24,795)
Tax effect of:		
- Non-deductible member only income	(82,770)	(73,393)
- Income and expenditure subject to mutuality and not assessable	62,105	103,648
- Sundry items	(14,927)	62,203
Income tax expense/(benefit)	(7,685)	67,663

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

7 Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash on hand	161,600	111,600
Cash at bank	942,061	1,066,817
	<u>1,103,661</u>	<u>1,178,417</u>

8 Trade and Other Receivables

Trade and other receivables	<u>42,463</u>	<u>23,339</u>
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The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses incorporate forward looking information.

9 Inventories

Inventories	<u>57,208</u>	<u>42,479</u>
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10 Financial Assets

Financial assets held at FVTPL	<u>750</u>	<u>750</u>
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Notes to the Financial Statements

For the Year Ended 31 December 2025

11 Leases

(a) Right-of-use assets

	Property*	Plant and Equipment	Total
	\$	\$	\$
Year ended 31 December 2025			
Balance at beginning of year	89,991	169,619	259,610
Additions to right-of-use assets	-	46,008	46,008
Revaluation of lease liabilities	2,819	-	2,819
Transfer to property, plant and equipment	-	(46,298)	(46,298)
Depreciation charge	(92,810)	(105,365)	(198,175)
Balance at end of year	-	63,964	63,964

* the property from which the Company operates from, was subject to a formal registered lease agreement, which expired on 30 November 2025. As at the date of signing this financial report, the Company is in the final stages of finalising a new long-term lease, and has been paying rent on a month-to-month basis in accordance with the updated proposed lease terms. The Directors have no reason to believe that the new agreement will not be signed. As a result, consistent with note 2(d)(iii), this is currently treated as a short-term lease. Furthermore, given the expectation that the lease will be renewed, the leasehold improvements will continue to be amortised in accordance with note 3(a).

(b) Statement of profit or loss and other comprehensive income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2025	2024
	\$	\$
Interest expense on lease liabilities	3,195	10,492
Expenses relating to short-term leases	9,241	-
Depreciation of right-of-use assets	198,175	223,217
	210,611	233,709

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

11 Leases

(c) Lease liabilities

	2025	2024
	\$	\$
Current	40,940	184,478
Non-current	18,275	24,070
	<u>59,215</u>	<u>208,548</u>

(d) Maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Balance Sheet
	\$	\$	\$	\$	\$
2025					
Lease liabilities	42,601	16,614	-	59,215	59,215
2024					
Lease liabilities	187,492	24,070	-	211,562	208,548

12 Intangible Assets

	2025	2024
	\$	\$
Gaming machine entitlements - at cost	<u>420,000</u>	<u>420,000</u>

Purchased gaming machine licences are initially recognised at cost, and the above represents the purchase of 12 licences. In accordance with the terms of the licence, they have an indefinite life and are carried at cost, less any impairment losses. In addition to these purchased licences, the Company holds 60 gaming machine licences which were acquired at no cost.

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

13 Property, Plant and Equipment

	Note	2025 \$	2024 \$
Land and buildings			
At fair value	2(g)	2,500,000	2,500,000
Accumulated depreciation		(32,059)	(21,375)
		<u>2,467,941</u>	<u>2,478,625</u>
Capital works in progress			
At cost		172,730	205,195
Plant and equipment			
At cost		1,026,118	907,437
Accumulated depreciation		(681,635)	(620,606)
		<u>344,483</u>	<u>286,831</u>
Poker machines			
At cost		2,023,752	1,796,310
Accumulated depreciation		(1,640,218)	(1,507,204)
		<u>383,534</u>	<u>289,106</u>
Leasehold improvements			
At cost		4,668,083	4,471,826
Accumulated amortisation		(2,935,181)	(2,773,364)
	3(a)	<u>1,732,902</u>	<u>1,698,462</u>
Total property, plant and equipment		<u><u>5,101,590</u></u>	<u><u>4,958,219</u></u>

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

13 Property, Plant and Equipment

(a) Movements in carrying amounts

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

	Capital Works in Progress	Land and Buildings	Plant and Equipment	Poker machines	Leasehold improvements	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2025						
Balance at the beginning of year	205,195	2,478,625	286,831	289,106	1,698,462	4,958,219
Additions	121,730	-	118,681	184,300	42,062	466,773
Transfers from right-of-use assets	-	-	-	46,298	-	46,298
Transfers from works in progress	(154,195)	-	-	-	154,195	-
Depreciation expense	-	(10,684)	(61,029)	(136,170)	(161,817)	(369,700)
Balance at the end of the year	172,730	2,467,941	344,483	383,534	1,732,902	5,101,590

Notes to the Financial Statements

For the Year Ended 31 December 2025

13 Property, Plant and Equipment

(b) Core and non-core property

As required under section 41J of the Registered Clubs Act 1976, the Club is required to specify the core property and non-core properties owned as at the end of the financial year. Accordingly, the Directors' consider as core property the leased licensed premises from which the Club operates at 168 Princes Highway, Corrimal, including all freehold land referred to in the title deeds of the main licensed premises site (predominantly the car parking area).

The properties at 148 & 152 Princes Highway, Corrimal, are not considered to be core properties of the Club given that they are not the defined premises of the Club, nor any facility provided to the Club for the use of its members and their guests, nor any other property declared, by a resolution passed by the majority of the members present at a general meeting of the ordinary members of the Club.

(c) Revaluation of land and buildings

The Company revalues its land and buildings in accordance with the Accounting Policy set out at note 2(g). The most recent valuation was performed in February 2023. Having made relevant appropriate enquiries as at balance date, the Directors believe that carrying value of the land and building assets continue to remain materially consistent with their fair value.

14 Trade and Other Payables

	2025	2024
	\$	\$
Trade payables	41,190	69,715
Other payables	293,555	278,162
	<u>334,745</u>	<u>347,877</u>

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

15 Employee Benefits

	2025	2024
	\$	\$
CURRENT		
Other employee benefits	175,733	191,057
Long service leave	57,101	75,345
	<u>232,834</u>	<u>266,402</u>
NON-CURRENT		
Long service leave	<u>15,561</u>	<u>10,744</u>

16 Tax Assets and Liabilities

	Opening Balance	Charged to Income	Charged directly to Equity	Changes in Tax Rate	Closing Balance
	\$	\$	\$	\$	\$
Deferred tax liability					
Property, plant and equipment	549,719	-	-	-	549,719
Deferred tax assets attributable to tax losses	(55,515)	(5,461)	-	-	(60,976)
Right of use assets	96,005	(90,079)	-	-	5,926
Lease liabilities	(111,796)	107,036	-	-	(4,760)
Provisions	(63,815)	57,489	-	-	(6,326)
Trade and other payables	-	(1,322)	-	-	(1,322)
Balance at 31 December 2024	<u>414,598</u>	<u>67,663</u>	<u>-</u>	<u>-</u>	<u>482,261</u>
Property, plant and equipment	549,719	-	-	-	549,719
Deferred tax assets attributable to tax losses	(60,976)	(7,243)	-	-	(68,219)
Right of use assets	5,926	(4,466)	-	-	1,460
Lease liabilities	(4,760)	3,409	-	-	(1,351)
Provisions	(6,326)	656	-	-	(5,670)
Trade and other payables	(1,322)	(41)	-	-	(1,363)
Balance at 31 December 2025	<u>482,261</u>	<u>(7,685)</u>	<u>-</u>	<u>-</u>	<u>474,576</u>

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2025

17 Key Management Personnel Disclosures

Remuneration paid to key management personnel of the Company was \$211,619 (2024: \$179,829).

Key Management Personnel are provided with and/or reimbursed for meals, drinks and other expenses incurred in the course of undertaking the Company's business. These costs are not considered to be remuneration and hence have not been included in this disclosure; notwithstanding that they are within the approved limits set by members at the Annual General Meeting for each term of the Board.

18 Contingencies

Contingent liabilities

Corrimal R S L Memorial Club Ltd has a bank guarantee of \$5,000 at 31 December 2025 (2024: \$5,000). This bank guarantee is in respect of guarantees to third parties arising out of normal business.

19 Auditors' Remuneration

	2025	2024
	\$	\$
Remuneration of the auditor Daley Audit, for:		
- audit of financial statements	16,660	16,050
- other services*	35,194	27,708
	<u>51,854</u>	<u>43,758</u>

* *Other services are for accounting, secretarial and taxation services*

20 Related Parties

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

21 Reserves

Asset revaluation surplus

The property, plant and equipment asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2(g) for details.

Notes to the Financial Statements

For the Year Ended 31 December 2025

22 Events Occurring After the Reporting Date

The financial report was authorised for issue on 16 April 2026 by the Board of Directors.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has 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 subsequent financial periods.

23 Statutory Information

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

168 Princess Highway
Corrimal NSW 2518

24 Consolidated Entity Disclosure Statement

Corrimal R S L Memorial Club Ltd does not have any controlled entities and is therefore not required by the Australian Accounting Standards to prepare consolidated financial statements. Therefore, Section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 31, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 31 December 2025 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Michael Hough
Director

Wollongong

Dated: 16 April 2026



Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Corrimal R S L Memorial Club Ltd ("the Company"), which comprises the balance sheet as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, 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 31 December 2025 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* ("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.



Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

Other Information

The Directors are responsible for the other information. The other information comprises any information that does not form part of the financial report, as defined in the Opinion section of this Independent Audit Report for the year ended 31 December 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed 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.

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.



Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

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 auditors report.

Daley & Co.

Daley & Co
Chartered Accountants

Michael Mundt

Michael Mundt
Partner

Wollongong

Dated: 16 April 2026

Liability limited by a scheme approved under the Professional Standards Legislation.