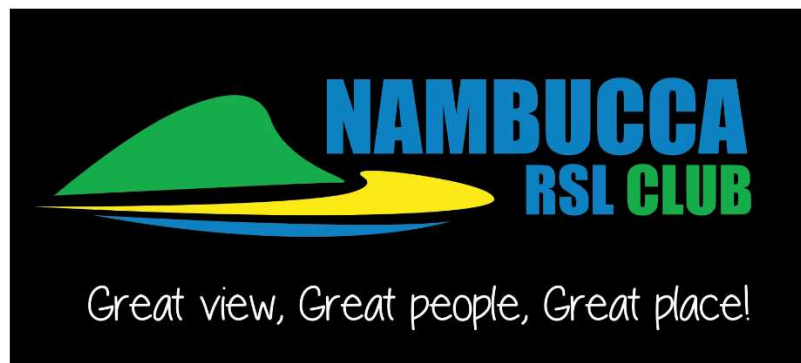


Nambucca Heads RSL Club Limited

ABN: 36 000 962 185

Financial Statements

For the year ended 30 June 2025



Nambucca Heads RSL Club Limited

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For the year ended 30 June 2025

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Nambucca Heads RSL Club Limited

Director's report

30 June 2025

The directors present their report on Nambucca Heads RSL Club Limited for the financial year ended 30 June 2025.

Information on directors

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

Terrie Hyslop

Qualifications: Retired
Experience: Previous Director
Responsibilities: President
Appointed: 24 November 2013

William Henderson

Qualifications: Retired
Experience: Previous Director
Responsibilities: Vice President, Sports Committee, Office Bearer
Appointed: 24 November 2002

Louis Barnes

Qualifications: Retired
Experience: Previous Director
Responsibilities: Vice President, Sports Committee, Office Bearer
Appointed: 30 October 2005

John Hopkins

Qualifications: Retired
Experience: Previous Director
Responsibilities: Director, Office Bearer
Appointed: 2 October 2017

Dennis Leigh

Qualifications: Retired
Experience: Previous Director
Responsibilities: Director
Appointed: 28 April 2021

Nambucca Heads RSL Club Limited

Director's report

30 June 2025

Judith Belbin

Qualifications: Retired
Experience: Previous Director
Responsibilities: Director, Bullying & Harassment Situations
Appointed: 28 November 2021

Tracey Suebert

Qualifications: Retired
Experience: 37 years working at the Club, Supervisor for 12 years
Responsibilities: Director
Appointed: 26 November 2023

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

Meetings of directors

During the financial year, 16 meetings of directors (including special meetings) were held. Attendances by each director during the year were as follows:

Director's Name	Directors' Meetings Eligible to attend	Directors' Meetings Number attended	Special Meetings Eligible to attend	Special Meetings Number attended
T. Hyslop	12	11	4	4
W. Henderson	12	11	4	4
L. Barnes	12	12	4	3
J. Hopkins	12	10	4	4
D. Leigh	12	12	4	4
J. Belbin	12	11	4	4
T. Seubert	12	12	4	4

Principal activities

The principal activities of Nambucca Heads RSL Club Limited during the financial year was the operation of a licensed club.

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

Nambucca Heads RSL Club Limited

Director's report

30 June 2025

Short term objectives

The Company's short term objectives are to:

- a. Provide entertainment, food and beverages for the community at reasonable prices;
- b. Encourage new membership;
- c. Derive income to support local sporting groups and charitable organisations;
- d. Improve profitability and efficiency of Club operations.

Long term objectives

The Company's long term objectives are to:

- a. Maintain the ethics and tradition of the RSL and continue to provide a place for Returned Servicemen and Women to meet;
- b. Maintain financial stability of the Club;
- c. Repay the debt incurred in modernising the Club's premises;
- d. Ensure facilities continue to cater for members' needs.

Strategy for achieving the objectives

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

- Provide best possible facilities to members;
- Provide entertainment and activities to attract patronage to the Club;
- Offer high quality, low priced meals and reasonably priced beverages;
- Annual development of a financial budget and monthly monitoring of financial performance to ensure the Club operates within its financial capabilities.

Performance measures

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

- Monitoring performance by comparing actual results to past performance and budget forecasts;
- Reviewing key performance indicators such as gross profit margins, wages to turnover ratios, net returns from trading and average return per poker machine.

Operating results

The (loss)/profit of the Company after providing for income tax amounted to (\$17,452) (2024: \$656,517).

Nambucca Heads RSL Club Limited

Director's report

30 June 2025

Events after the reporting date

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

Corporate information

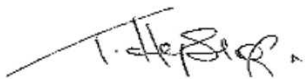
The Club is a "not-for-profit" entity, registered as a company limited by guarantee. Under its constitution the company is prohibited from the payment of dividends to its members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Company. At 30 June 2025 the collective liability was \$17,198 (2024: \$13,802).

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2025 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of directors made pursuant to Section 298(2) of the *Corporations Act 2001*.



Terrie Hyslop
President



William Henderson
Vice President

Dated: 24 September 2025

Nambucca Heads RSL Club Limited
3 Nelson Street
Nambucca Heads NSW 2448

To the Directors of the Nambucca Heads RSL Club Limited

Auditor's independence declaration under Section 307C of the Corporations Act 2001

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

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in dark ink that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in dark ink that reads 'Angela Holladay'.

Angela Holladay
Director
Nambucca Heads NSW

Dated: 24 September 2025

MACKSVILLE

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NAMBUCCA HEADS

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URUNGA

15 Bonville Street
URUNGA NSW 2455
P 02 6655 5530
E urunga@hlv.com.au

HLV AUDIT

ABN 70 606 296 431
AAC 478051
W www.hlv.com.au
E info@hlv.com.au
Liability limited by a Scheme approved
under Professional Standards Legislation.

Nambucca Heads RSL Club Limited

Statement of income and retained earnings

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	5.b	11,536,561	11,839,748
Finance income	6	47	63
Other income	5.c	286,531	84,132
Total income		11,823,139	11,923,943
Cost of goods sold		(3,407,795)	(3,030,820)
Advertising and marketing expenses		(74,870)	(71,299)
Depreciation and amortisation		(862,315)	(813,397)
Donations		(107,258)	(107,536)
Electricity and gas		(212,994)	(199,458)
Employee benefit expenses		(3,787,428)	(3,876,564)
Interest and finance charges	6	(258,752)	(211,323)
Insurance		(194,457)	(181,306)
Leases short-term, low value and variable expense		(31,661)	(33,395)
Legal and professional fees		(51,586)	(145,122)
Net loss on disposal of assets		(82,326)	(28,463)
Poker machine duty		(765,304)	(661,830)
Promotions and entertainment		(584,504)	(558,750)
Repairs and maintenance		(376,942)	(477,903)
Other operating expenses		(1,042,399)	(870,259)
Total expenses		(11,840,591)	(11,267,425)
Profit/(loss) before income taxes		(17,452)	656,518
Income tax	3.b	-	-
Profit/(loss) for the year		(17,452)	656,518

Retained earnings	Note	2025 \$	2024 \$
Profit for the year		(17,452)	656,518
Opening balance		3,809,872	3,153,354
Retained earnings at the end of the year		3,792,420	3,809,872

The accompanying notes form part of these financial statements.

Nambucca Heads RSL Club Limited

Statement of financial position

As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,061,727	715,130
Trade and other receivables	9	207,675	144,590
Inventories	10	261,596	222,984
Other assets	11	247,162	19,553
Total current assets		1,778,160	1,102,257
Non-current assets			
Property, plant and equipment	12	6,536,672	7,081,028
Intangible assets	13	8,334	8,334
Right-of-use assets	14	634,230	638,846
Total non-current assets		7,179,236	7,728,208
Total assets		8,957,396	8,830,465
Liabilities			
Current liabilities			
Trade and other payables	15	1,151,247	682,080
Borrowings	16	148,595	140,671
Employee benefits	19	591,817	655,689
Provisions	18	3,915	10,318
Lease liabilities	14	113,622	164,124
Other liabilities	17	72,017	60,041
Total current liabilities		2,081,213	1,712,923
Non-current liabilities			
Borrowings	16	2,371,089	2,525,218
Employee benefits	19	83,525	75,015
Lease liabilities	14	629,149	707,437
Total non-current liabilities		3,083,763	3,307,670
Total liabilities		5,164,976	5,020,593
Net assets		3,792,420	3,809,872
Equity			
Opening balance		3,809,872	3,153,354
Profit/(loss) for the year		(17,452)	656,518
Total equity		3,792,420	3,809,872

The accompanying notes form part of these financial statements.

Nambucca Heads RSL Club Limited

Statement of cash flows

For the year ended 30 June 2025

	2025	2024
	\$	\$
Cash flows from operating activities:		
Receipts from customers and members	12,946,998	11,151,480
Payments to suppliers and employees	(11,774,989)	(11,151,007)
Interest received	47	63
Interest paid	(260,582)	(211,322)
Receipts from grants	-	402,340
Net cash flows from/(used in) operating activities	911,474	191,554
Cash flows from investing activities:		
Purchase of property, plant and equipment	(264,831)	(2,549,442)
Net cash provided by/(used in) investing activities	(264,831)	(2,549,442)
Cash flows from financing activities:		
Proceeds from borrowings	186,000	252,250
Repayment of borrowings	(332,207)	(106,371)
Repayment of lease liabilities	(153,839)	(227,904)
Net cash provided by/(used in) financing activities	(300,046)	(82,025)
Net increase/(decrease) in cash and cash equivalents	346,597	(2,439,913)
Cash and cash equivalents at beginning of year	715,130	3,155,043
Cash and cash equivalents at end of financial year	1,061,727	715,130

The accompanying notes form part of these financial statements.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

1. Introduction

The financial report covers Nambucca Heads RSL Club Limited as an individual entity. Nambucca Heads RSL Club Limited is a not-for-profit proprietary Company, incorporated and domiciled in Australia. The functional and presentation currency of Nambucca Heads RSL Club Limited is Australian dollars. Comparatives are consistent with prior years, unless otherwise stated.

The financial report was authorised for issue by the Directors on 24 September 2025.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*. The financial statements 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 policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Material accounting policy information

a. Income tax

Income tax is not levied on the operations of the Company as they pertain to members, being exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*, but only in regard to activities concerning visitors as well as the Company's investment income. Therefore, normal company rates of tax are not based on the operating results for the year, but rather on the portion applicable to visitors and investment income. This is known as the principle of mutuality.

As at balance date, the Company has carried forward income tax losses of \$1,130,147. Although the Company may trade profitably in future years, after applying the principle of mutuality for taxation purposes, the probability of absorbing the entire balance of carried forward income tax losses is considered to be very low. Therefore, no deferred tax asset has been recognised in the financial statements as there is no certainty that the taxation losses will provide an economic benefit in the future.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

b. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the Statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

c. Impairment of non-financial assets

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

d. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

i. Financial assets

Classification

On initial recognition, the Company classifies its financial assets into those measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method (where material) less provision for impairment. Interest income impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables and contracts assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

ii. Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method (where material). The financial liabilities of the Company comprise trade payables, bank loans, chattel mortgages and lease liabilities.

e. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time for the year ending 30 June 2025. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

4. Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

a. Key estimates - impairment of non financial assets

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 fair value less cost to sell or value-in-use calculations which incorporate various key assumptions.

b. Key estimates - estimated useful lives

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

c. Key estimates - employee benefits

The Company provides for employee benefits as a liability arising from services rendered by employees to the end of the reporting period. In determining the liability, consideration is given to expected employee wage increases and the probability that the employee may satisfy vesting requirements. The effect of discounting is not considered material and has not been performed. Changes in the measurement of the liability are recognised in the profit or loss.

d. Key judgments - lease term

The Company is a party to a number of lease arrangements in relation to their poker machine and other equipment, as well as a licence to occupy the land on which the carpark and the Boatshed Café is constructed. Review of the minimum lease payments, lease terms, other terms and conditions in these agreements have been assessed against the criteria in AASB16 *Leases*. Agreements that meet the criteria have been classified as leases and recognised in the statement of financial position as right of uses assets with corresponding lease liabilities.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

The Company applies judgment in evaluating whether it is reasonably certain to project the continuation or renewal of long-term lease contracts with respect to Crown land. Changes to previously projected lease terms may result in a re-measurement of the right of use asset and related lease liability. The increase or decrease in the right of use asset and lease liability is recorded in the period in which the remeasurement occurs.

5. Revenue and other income

a. Accounting policy

i. 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. 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.

ii. Specific revenue streams

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

Sale of goods and provision of services

The Company usually recognises point-of-sale based revenues derived from the sale of goods and services, including bar sales, bistro sales, bottleshop sales and gaming revenues at a point in time, as the performance obligations inherent in these goods and services are generally satisfied at the time consideration is received. The Company may receive consideration for the provision of services in advance of those performance obligations being satisfied (such as function deposits). This timing difference may give rise to a temporary liability.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

Membership Subscriptions

Revenue from the provision of membership subscriptions are recognised in the year in which they relate to as this is deemed to be the point in time when the risks and rewards are transferred. Payments are generally received in advance. If paid prior to the year commencing, this is shown as a liability in the balance sheet and recognised as revenue on a straight-line basis over the period of membership.

Grant Income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Consideration received under agreements that are either not enforceable, or do not have sufficiently specific performance obligations, is recognised in accordance with AASB 1058, either as:

1. Income immediately in the profit or loss for the excess of the initial carrying amount of an asset over any related amounts recognised in accordance with other Standards; or
2. Where the transfer of those grants are to enable the acquisition or construction of a recognisable non-financial asset that is to be controlled by the entity, as income in the profit or loss when (or as) the entity satisfies its obligations under that transfer.

Gain on disposal of non-current assets

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

iii. Rental income

Rental 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.

iv. Other income

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

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

b. Revenue from continuing operations

	2025 \$	2024 \$
Revenue from contracts with customers		
Poker machines net takings	4,332,109	3,839,689
Bottleshop sales	2,412,413	2,233,369
Catering revenue	2,276,291	1,879,180
Bar sales	1,804,665	1,481,282
Entertainment and promotions	309,772	277,195
Keno commission	166,093	126,283
ATM rebates, TAB and other commission	125,438	103,371
Member subscriptions	34,240	43,410
Government grant	-	1,775,724
Total revenue from contracts with customers	11,461,021	11,759,503
Revenue from other sources		
Wage subsidies	9,182	10,844
Subclub Income	7,220	7,553
Room and Equipment Hire	23,324	21,274
Courtesy Bus	13,768	15,284
Prize Cabinet - Sales	4,866	8,110
Gaming Tax Rebate	17,180	17,180
Total revenue from other sources	75,540	80,245
Total revenue	11,536,561	11,839,748

c. Other income

	2025 \$	2024 \$
Rental income	69,519	49,837
Sundry income	67,012	34,295
Insurance Recovery	150,000	-
Total Sundry income	217,012	34,295
Total other income	286,531	84,132

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

6. Finance income and expenses

Finance income	2025	2024
	\$	\$
Interest income	47	63

Finance expenses	2025	2024
	\$	\$
Interest expense on loans	225,444	171,607
Interest expense on lease liabilities	33,308	39,716
Total finance expenses	258,752	211,323

7. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

8. Cash flow information

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

	2025	2024
	\$	\$
Profit/(loss) for the year	(17,452)	656,518
Add / (less) non-cash items:		
(Profit) / loss on disposal of assets	82,326	28,463
Depreciation and amortisation	862,315	813,397
Changes in assets and liabilities:		
(increase) / decrease in receivables	(63,085)	(68,364)
(increase) / decrease in inventories	(38,612)	35,834
(increase) / decrease in other assets	(227,609)	227,295
increase / (decrease) in payables	356,977	(149,171)
increase / (decrease) in employee benefits	(55,362)	33,384
increase/ (decrease) in provisions	-	(12,381)
increase / (decrease) in other liabilities	11,976	(37)
increase / (decrease) in contract liabilities	-	(1,373,384)
Cash flows from operations	911,474	191,554

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

9. Trade and other receivables

Current	2025 \$	2024 \$
Trade receivables	125,305	130,208
Rebates receivable	24,532	13,299
Other receivables	57,838	1,083
Total Trade and other receivables	207,675	144,590

10. Inventories

a. Accounting policy

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 estimated using the most reliable evidence available at the reporting date.

b. Inventory details

Current	2025 \$	2024 \$
Inventory - at cost		
Bar	54,251	43,664
Catering	25,126	26,269
Bottle Shop	174,547	148,670
Other	7,672	4,381
Total Inventory	261,596	222,984

11. Other assets

Current	2025 \$	2024 \$
Prepayments	247,162	19,553

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

12. Property, plant and equipment

a. Accounting policy

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

i. Depreciation

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

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

Fixed asset class	Depreciation rate
Buildings and improvements	2% - 30%
Leasehold improvements	4%
Capital works in progress	0%
Plant and equipment	10% - 30%
Furniture fixtures and fittings	7.5% - 30%
Motor vehicles	20% - 30%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

b. Property, plant and equipment details

Summary	2025 \$	2024 \$
Land	75,606	75,606
Buildings and improvements		
At cost	9,003,593	9,197,186
Accumulated depreciation	(4,308,119)	(4,192,458)
Total Buildings and improvements	4,695,474	5,004,728
Leasehold improvements		
At cost	414,558	419,746
Accumulated depreciation	(414,558)	(418,817)
Total Leasehold improvements	-	929
Capital works in progress	169,000	-
Plant and equipment		
At cost	5,005,244	5,474,413
Accumulated depreciation	(3,766,655)	(3,948,109)
Total Plant and equipment	1,238,589	1,526,304
Furniture, fixtures and fittings		
At cost	1,038,224	1,127,042
Accumulated depreciation	(700,186)	(680,855)
Total Furniture, fixtures and fittings	338,038	446,187
Motor vehicles		
At cost	78,165	83,977
Accumulated depreciation	(58,200)	(56,703)
Total Motor vehicles	19,965	27,274
Total Property, plant and equipment	6,536,672	7,081,028

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

Movement in carrying amounts

2025	Land \$	Buildings \$	Capital works in progress \$	Plant and equipment \$	Furniture, fixtures and fittings \$	Motor vehicles \$	Leasehold improve- ments \$	Total \$
Opening balance	75,606	5,004,728	-	1,526,304	446,187	27,274	929	7,081,028
Additions	-	-	169,000	192,492	-	-	-	361,492
Disposals	-	(3,318)	-	(69,363)	(9,416)	(1,199)	(721)	(84,017)
Depreciation	-	(305,936)	-	(410,844)	(98,733)	(6,110)	(208)	(821,831)
Closing balance	75,606	4,695,474	169,000	1,238,589	338,038	19,965	-	6,536,672

13. Intangible assets

a. Accounting policy

Poker machine entitlements are licenses purchased under current Government regulation that allow the Company to increase the number of poker machines it holds. It is considered that the life of the entitlement(s) is indefinite, so the cost cannot be amortised. However, under the applicable accounting standards, these intangible assets must be tested at least annually for impairment.

Impairment on an asset occurs when the carrying amount exceeds the recoverable amount. Where this occurs, the value of the asset must be reduced to the lower amount with the resulting loss being recorded to the profit or loss. Based on value in use calculations, the impairment write off for the year ended 30 June 2025 in \$NIL (2024: \$NIL).

b. Intangible asset details

Summary	2025 \$	2024 \$
Poker Machine Entitlements	16,978	16,978
Poker Machine Entitlements - Impairment	(8,644)	(8,644)
Total poker machine entitlements	8,334	8,334

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

14. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists.

i. Lessee accounting

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

The Company has chosen not to apply AASB 16 to leases of intangible assets.

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.

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.

b. Company as a lessee

The Company has leases over a range of assets including land and buildings, equipment and poker machines.

i. Terms and conditions of leases

The Company has lease agreements for various items of land and property, and plant and equipment used in its operations. The leases for plant and equipment are for terms of 3 to 5 years. The lease liabilities have been measured at amortised cost in accordance with AASB 16 Leases. The present value of future lease payments has been calculated using the rate implicit in the lease, or where this is not readily identifiable, the Company's incremental borrowing rate has been used.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

ii. Concessionary leases

The Company entered into a licence agreement with Nambucca Valley Council commencing 8 May 2022 for a period of 13 months to occupy the land and buildings on Lots 1 and 2 of DP 866932. The agreement contains a holding over clause which allows the Club, as the Licensee, to continue to occupy the premises under the terms of the licence on a month to month basis. The Company has assessed that it is reasonably certain that it will exercise this option to continue to occupy the premises. At 30 June 2024, the Company has measured the lease liability and corresponding right-of use asset at the present value of future lease payments using the current annual rent of \$46,008 for a period of 21 years after the expiration date of 7 June 2023.

iii. Right-of-use assets

2025	Land \$	Plant and equipment \$	Total \$
Opening balance	627,047	11,799	638,846
Depreciation charge	(30,949)	(9,533)	(40,482)
Additions	-	47,665	47,665
Disposals	-	(11,799)	(11,799)
Closing balance	596,098	38,132	634,230

The carrying amount for the right-of-use assets related to poker machine leases is included in the plant and equipment total in note 12 of these financial statements.

iv. Lease liabilities

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

	2025 \$	2024 \$
< 1 year	140,090	194,749
1 - 5 years	215,866	271,147
> 5 years	644,148	690,150
Total undiscounted lease liabilities	1,000,104	1,156,046
Less unexpired interest	(257,333)	(284,485)
Lease liabilities included in the statement of financial position	742,771	871,561

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

v. Variable payments based on sales or usage

The Company has a lease agreement for printing and copying equipment which contains variable rates depending on usage. These variable lease payments are recognised in the profit and loss as incurred. The future exposure relating to these variable rates is not considered a material risk for the Company.

vi. Statement of income and retained earnings

The amounts recognised in the statement of income and retained earnings relating to interest expense on lease liabilities, expense for short-term leases or leases of low value assets, and right of use depreciation are shown below:

	2025	2024
	\$	\$
Interest expense on lease liabilities	(33,308)	(39,716)
Variable lease payments not included in the measurement of lease liabilities	(2,021)	(5,465)
Expenses relating to short term leases	(29,640)	(27,930)
Land - Right of use depreciation	(30,949)	(30,949)
Plant and equipment - right if use depreciation	(9,533)	(7,844)

15. Trade and other payables

Current	2025	2024
	\$	\$
Trade payables	469,756	429,065
Accrued expenses	103,337	132,376
ATO liabilities	236,552	95,680
Insurance premium funding	243,173	-
Superannuation Payable	40,284	-
Other payables	58,145	24,959
Total trade and other payables	1,151,247	682,080

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

16. Borrowings

Current	2025 \$	2024 \$
Bank loans	130,398	121,208
Chattel mortgages	18,197	19,463
Total current borrowings	148,595	140,671

Non-current	2025 \$	2024 \$
Chattel mortgages	6,391	24,587
Bank loans	2,364,698	2,500,631
Total non-current borrowings	2,371,089	2,525,218

a. Summary of borrowings

Bank Loans

The Company has two secured bank loan facilities with the ANZ Bank , which includes two variable rate business loans of \$2,000,000 and \$687,953. These facilities are secured by a registered first mortgage of the Company's club premises located at Nelson Street, Nambucca Heads, along with a fixed and floating charge over all present and future assets.

The business loan for \$2,000,000 is for a five year term with monthly interest only payments from June 2023, payable in arrears and the balance payable at the end of the five year term. The loan for \$687,953 is for a five year term with interest only payments for the first 6 months from June 2023 and then monthly principal and interest payments until the expiry of the term. The variable interest rate for both loans at 30 June 2025 was 7.30%. At the end of the year, the Company held a total of \$270,000 in unrestricted cash balances within related loan offset accounts in order to reduce interest charges.

Chattel Mortgages

The Company had the following Chattel Mortgages with ANZ Bank during the year

- In November 2021 the Company entered into a Chattel Mortgage agreement for the purchase of a Kia Cerato with a term of 36 months. The total drawdown amount was \$23,000 with a total amount of interest payable of \$923.08 based on a rate of 2.72% per annum requiring repayments of \$664.53 per month. The mortgage is secured by the underlying asset and was paid in full during the year.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

- In November 2023 the Company entered into a Chattel Mortgage agreement for the purchase of furniture with a term of 36 months. The total drawdown amount was \$52,250 with a total amount of interest payable of \$6,214 based on a rate of 7.89% per annum requiring repayments of \$1,624 per month. The mortgage is secured by the underlying asset.

b. Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

17. Other liabilities

Current	2025 \$	2024 \$
Subscriptions in advance	32,842	31,163
Income in Advance	26,451	17,547
Gift Card Liability	12,724	11,331
Total Other liabilities	72,017	60,041

18. Provisions

a. Accounting policy

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

b. Provision details

Current	2025 \$	2024 \$
Provisions for Club Grants (Donations)	3,915	10,318
Total Provisions	3,915	10,318

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

19. Employee benefits

a. Accounting policy

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

b. Employee benefit details

Current	2025 \$	2024 \$
Long service leave	234,875	242,064
Annual leave	356,942	413,625
Total current employee benefits	591,817	655,689

Non-current	2025 \$	2024 \$
Long service leave	83,525	75,015
Total non-current employee benefits	83,525	75,015

20. Capital commitments

Since year end and up until the date of this report, the Club had committed to the following capital expenditure:

- the supply and installation of a new ice machine at a cost of \$11,745 (plus GST)
- the purchase of a new poker machine at a cost of \$26,497 (plus GST).
- the purchase of a commercial washing machine and dryer at a cost of \$6,019 (plus GST).
- the purchase of 4 poker machines under type 4 license agreements with a total cost of \$184,032 (plus GST) payable over 3 years.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

21. Financial risk management

Financial assets	2025	2024
	\$	\$
Cash and cash equivalents	1,061,727	715,130
Trade and other receivables	207,675	144,590
Total financial assets	1,269,402	859,720

Financial liabilities	2025	2024
	\$	\$
Trade and other payables	(1,151,247)	(682,080)
Lease liabilities	(742,771)	(871,561)
Borrowings	(2,519,684)	(2,645,889)
Total financial liabilities	(4,413,702)	(4,199,530)

22. Auditor's remuneration

	2025	2024
	\$	\$
Audit of the financial statements	33,000	35,600
Other remuneration of the auditor	5,490	14,400
Total auditor's remuneration	38,490	50,000

Other services included assistance with Xero, ASIC compliance, lodgement of the annual company income tax return, lodgement of the FBT return and completion of the BSBR Grant acquittal report.

23. Contingencies

At 30 June 2025 the Company had a insurance claim for roof restoration works to be completed and had received \$150,000 during the year ended 30 June 2025. At the time of this report the Company expects to receive an additional settlement of approximately \$344,000 as part of this claim to complete the roof restoration works.

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

24. Members' guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Company. At 30 June 2025 the number of members was 8,599 (2024: 6,901).

25. Related parties

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

Related parties include key management personnel and those charged with governance (the Directors of the Club). The remuneration paid to key management personnel of the Company is \$768,288 (2024: \$694,230).

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

b. Transactions with related parties

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

The following transactions occurred with related parties during the financial year:

- The Company transacted with Brian Hyslop for the provision of services to repair and upholster furniture. Brian Hyslop operates as a sole trader and is spouse to Terrie Hyslop, the President of Nambucca Heads RSL Club Limited. The Company expended a total of \$548 during the financial year in respect of these works with the amount charged at discount to normal commercial rates. No amounts remained outstanding at balance date.

26. Events occurring after the reporting date

Since year end and up until the date of this report, the Company has entered into discussions with Nambucca Valley Council regarding a shorter term license agreement than the agreement disclosed in note 15(b)(ii) of these financial statements. However, the outcome of this is yet to be determined, and therefore no adjustments to the lease accounting have been incorporated in to these financial statements.

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

Nambucca Heads RSL Club Limited

Notes to the financial statements

For the year ended 30 June 2025

27. Statutory information

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

Nambucca Heads RSL Club Limited

3 Nelson Street

Nambucca Heads NSW 2448

Nambucca Heads RSL Club Limited

Directors' declaration

In the directors opinion:

The financial statements and notes for the year ended 30 June 2025 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company.

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.



Terrie Hyslop
President



William Henderson
Director

Dated: 24 September 2025

Independent audit report to the members of Nambucca Heads RSL Club Limited

Report on the audit of the financial report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Nambucca Heads RSL Club Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of income and retained earnings and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

1. Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended; and
2. 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 Entity in accordance with the auditor independence requirements of 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.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this audit report is included in the Directors' report, but does not include the financial report and our audit report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of directors for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report 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 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 management either intends to liquidate the Company or to cease operations, or has 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

A handwritten signature in grey ink that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in grey ink that reads 'Angela Holladay'.

Angela Holladay

Director

Nambucca Heads NSW

24 September 2025