



Sussex Inlet RSL Club Ltd

ABN 38 001 026 535

Annual Report - 30 June 2026

Sussex Inlet RSL Club Ltd
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General information

The financial statements cover Sussex Inlet RSL Club Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Sussex Inlet RSL Club Ltd's functional and presentation currency.

Sussex Inlet RSL Club Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

C/- Morton & Cord
70 North Street
NOWRA NSW 2541

Principal place of business

200 Jacobs Drive
SUSSEX INLET 2540

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 September 2026. The directors have the power to amend and reissue the financial statements.

Sussex Inlet RSL Club Ltd
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the Club for the year ended 30 June 2026.

Directors

The following persons were directors of the Club during the whole of the financial year and up to the date of this report, unless otherwise stated:

Richard Blagrove
Tracey Rizzi
Joanne Pendlebury
Stephen Robb
David Durant
Lynn Webber
John Kinsey
Lorraine Penman (from October 2025)
Ron McLean (from October 2025)
Ron Clarke-Bruce (to October 2025)
Terry Valentine (to October 2025)

Objectives

Short term objectives

- Increasing the level of membership and visitation of the Club.
- Maintaining its overall viability in terms of liquidity, credit control, legislative and regulatory compliance.
- Debt management and financial controls.
- Sound cash management.
- Provide members and visitors the best possible amenity and experience.

Long term objectives

- Asset replacement and capital investment.
- Increased member services through diversification of facilities and services.
- Investigation and diversification into non-traditional revenue streams.

Strategy for achieving the objectives

The Club continues to develop policies and procedures listed below to ensure the finances are managed appropriately and in consideration of the current economic climate.

- Develop a comprehensive master plan with cash-flow forecasts, adopted by the board annually and adjusted as needed.
- Forecasting planned capital works programs.
- Renewal program for Clubhouse assets
- Risk management processes to identify cash-flow effects from the current high inflationary economic environment
- Investment plan implementation of excess cash into term deposits at market-competitive rates
- Development and implementation of a conservative cash management policy.

Principal activities

During the financial year the principal continuing activities of the company consisted of:

- Trading as a Licensed Club

Operating Result/EBITDA

The table below shows a reconciliation of Sussex Inlet RSL Club Ltd earnings before interest, income tax, depreciation, amortisation, gains and impairment losses. This is referred to as EBITDA.

	2026 \$	2025 \$	Change \$	Change %
Net profit attributable to members after tax	793,940	1,105,215	(311,275)	(28%)
Less: Fair value adjustments from the revaluation of Sussex Shores	-	(345,854)	345,854	(100%)
Net profit after tax and before revaluations	793,940	759,361	34,579	
Add back:				
Interest expense	4,085	6,610	(2,525)	(38%)
Depreciation expense	739,355	690,632	48,723	7%
Tax expenses	56,389	124,221	(67,832)	(55%)
EBITDA	1,593,769	1,580,824	12,945	

Through its budgeting process, the board and management have achieved a result in excess of its forecasted profit

For the purposes of assessing trading profit for the year, the trading result before any fair value adjustments for 2026 was \$793,940 (2025: \$759,361)

Future developments

During the next 12 to 24 months, the Director's foreshadow significant capital investment. At the time of this report, these capital upgrades have yet to be firmed up or committed to. These capital upgrades include:

- Development of a staged facility master plan with considered long-term financial planning
- Sussex Shores upgrades/renovation
- Joining, expansion and upgrade of front decks

Information on directors

Name: **Richard Blagrove**
 Title: Director
 Experience and expertise: SIRSL board member since 2020
 Special responsibilities: **President**

Name: **Tracey Rizzi**
 Title: Director
 Experience and expertise: SIRSL board member since 2021
 Special responsibilities: **Senior Vice President**

Name: **Joanne Pendlebury**
 Title: Director
 Experience and expertise: SIRSL board member since 2021
 Special responsibilities: **Junior Vice President**

Name: **Stephen Robb**
 Title: Director
 Experience and expertise: SIRSL board member since 2017

Sussex Inlet RSL Club Ltd
Directors' report
30 June 2026

Name: **David Durant**
Title: Director
Experience and expertise: SIRSL board member since 2023. Previously served on the board.

Name: **John Kinsey**
Title: Director
Experience and expertise: SIRSL board member since 2023

Name: **Lynn Webber**
Title: Director
Experience and expertise: SIRSL board member since 2025
Sussex Inlet RSL sub-Branch Ltd board member

Name: **Lorraine Penman**
Title: Director
Experience and expertise: SIRSL board member since 2025

Name: **Ron McLean**
Title: Director
Experience and expertise: SIRSL board member since 2025. Previously served on the board.

Meetings of directors

The number of meetings of the Club's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		Executive Committee	
	Attended	Held	Attended	Held
Richard Blagrove	12	12	4	4
Tracey Rizzi	12	12	4	4
Joanne Pendlebury	6	12	3	3
Stephen Robb	11	12	-	-
David Durant	12	12	-	-
Lynn Webber	11	12	1	1
John Kinsey	12	12	-	-
Lorraine Penman	9	9	-	-
Ron McLean	9	9	-	-
Ron Clarke-Bruce (to October 2025)	3	3	-	-
Terry Valentine (to October 2025)	3	3	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

State of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Club that occurred during the financial year under review.

Membership

The Company is a company limited by guarantee and does not have share capital. Details of the number of members as at 30 June 2026, compared with the prior year, are set out below.

Sussex Inlet RSL Club Ltd
Directors' report
30 June 2026

	2026	2025
Ordinary	5,256	4,630
Life Member	3	3
Patrons	1	1
	5,260	4,634

Members liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he or she is a member or within one year thereafter. The total liability in the event of winding up is \$10,520 (2025: \$9,268)

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Richard Blagrove
President



Tracey Rizzi
Senior Vice President

28 September 2026

Auditor's Independence Declaration to the Directors of Sussex Inlet RSL Club Ltd

As lead auditor for the audit of the financial report of Sussex Inlet RSL Club Ltd for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

Morton & Cord

Morton & Cord



Michael Lees

Partner

Nowra

28 September 2026

Sussex Inlet RSL Club Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue	3	7,489,827	6,973,443
Other income	4	494,714	430,498
Interest revenue		126,936	117,759
Fair value adjustment - Sussex Shores		-	345,854
Expenses			
Cost of sales		(1,025,300)	(902,535)
Depreciation and amortisation expense		(739,355)	(690,632)
Employee benefits expense		(2,449,839)	(2,271,400)
Finance costs		(4,085)	(6,610)
Loss on disposal of assets		(22,958)	-
Other operating expenses	5	(3,019,611)	(2,766,941)
Surplus before income tax expense		850,329	1,229,436
Income tax expense	7	(56,389)	(124,221)
Surplus after income tax expense for the year attributable to the members of Sussex Inlet RSL Club Ltd	22	793,940	1,105,215
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land and buildings		-	1,676,529
Other comprehensive income for the year, net of tax		-	1,676,529
Total comprehensive income for the year attributable to the members of Sussex Inlet RSL Club Ltd		<u>793,940</u>	<u>2,781,744</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Sussex Inlet RSL Club Ltd
Statement of financial position
As at 30 June 2026

	Note	2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	8	1,647,588	989,334
Trade and other receivables	9	9,310	21,455
Inventories	10	39,156	48,766
Financial assets	12	2,679,581	2,571,411
Other	13	226,864	258,430
Total current assets		<u>4,602,499</u>	<u>3,889,396</u>
Non-current assets			
Investment properties	14	2,150,000	2,150,000
Property, plant and equipment	15	12,571,683	12,718,608
Right-of-use assets	11	-	33,900
Other	13	5,000	5,645
Total non-current assets		<u>14,726,683</u>	<u>14,908,153</u>
Total assets		<u>19,329,182</u>	<u>18,797,549</u>
Liabilities			
Current liabilities			
Trade and other payables	16	364,324	351,777
Borrowings	17	-	36,754
Lease liabilities	18	-	10,587
Income tax	7	19,957	61,369
Employee benefits	19	243,145	251,535
Other	20	86,831	69,280
Total current liabilities		<u>714,257</u>	<u>781,302</u>
Non-current liabilities			
Borrowings	17	1,000	173,062
Deferred tax	7	93,473	131,056
Employee benefits	19	33,183	32,233
Other	20	31,448	18,015
Total non-current liabilities		<u>159,104</u>	<u>354,366</u>
Total liabilities		<u>873,361</u>	<u>1,135,668</u>
Net assets		<u>18,455,821</u>	<u>17,661,881</u>
Equity			
Reserves	21	6,872,904	6,872,904
Retained surpluses	22	11,582,917	10,788,977
Total equity		<u>18,455,821</u>	<u>17,661,881</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Sussex Inlet RSL Club Ltd
Statement of changes in equity
For the year ended 30 June 2026

	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2024	5,196,375	9,683,762	14,880,137
Surplus after income tax expense for the year	-	1,105,215	1,105,215
Other comprehensive income for the year, net of tax	<u>1,676,529</u>	<u>-</u>	<u>1,676,529</u>
Total comprehensive income for the year	<u>1,676,529</u>	<u>1,105,215</u>	<u>2,781,744</u>
Balance at 30 June 2025	<u>6,872,904</u>	<u>10,788,977</u>	<u>17,661,881</u>
	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2025	6,872,904	10,788,977	17,661,881
Surplus after income tax expense for the year	-	793,940	793,940
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>-</u>	<u>793,940</u>	<u>793,940</u>
Balance at 30 June 2026	<u>6,872,904</u>	<u>11,582,917</u>	<u>18,455,821</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Sussex Inlet RSL Club Ltd
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,328,237	7,693,818
Payments to suppliers and employees (inclusive of GST)		<u>(7,243,103)</u>	<u>(6,920,844)</u>
		1,085,134	772,974
Interest received		126,936	117,759
Other revenue		494,714	715,424
Interest and other finance costs paid		(4,085)	(6,610)
Income taxes paid		<u>(135,384)</u>	<u>(122,703)</u>
Net cash from operating activities		<u>1,567,315</u>	<u>1,476,844</u>
Cash flows from investing activities			
Payments for investments		(108,170)	(541,411)
Payments for property, plant and equipment	15	(639,208)	(738,811)
Proceeds from disposal of property, plant and equipment		<u>57,720</u>	<u>105,103</u>
Net cash used in investing activities		<u>(689,658)</u>	<u>(1,175,119)</u>
Cash flows from financing activities			
Repayment of leases		(10,587)	(41,902)
Repayment of other loans		<u>(208,816)</u>	<u>(35,013)</u>
Net cash used in financing activities		<u>(219,403)</u>	<u>(76,915)</u>
Net increase in cash and cash equivalents		658,254	224,810
Cash and cash equivalents at the beginning of the financial year		<u>989,334</u>	<u>764,523</u>
Cash and cash equivalents at the end of the financial year	8	<u>1,647,588</u>	<u>989,333</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001 for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of investment properties and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Club's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Sale of goods

Revenue from the sale of goods comprises of revenue earned from the provision of food, beverage and other goods and is recognised at a point in time when the performance obligation is satisfied that is on delivery of goods to the customer.

Rendering of services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at a point in time when the services are provided.

Membership

Income received in advance from membership represents the company's obligation to transfer membership services to members and is recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the services to the member

Customer loyalty program

During the year, the company operates a loyalty reward program where customers accumulated points for dollars spent. The reward points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the reward points and the other components of the sale, such that the reward points are recognised at their fair value. Revenue from the reward points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

Note 1. Material accounting policy information (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

Mutuality Principle

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the Club or association, e.g. poker machines, bar and food service in the case of social Clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised Clubs and associations.

Amendments to the Income Tax Assessment Act 1997 ensure social Clubs continue not to be taxed on receipts from contributions and payments received from members

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Note 1. Material accounting policy information (continued)

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently reassessed annually at fair value. Movements in fair value are recognised directly to profit or loss.

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic valuations at least every 5 years by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Poker machines	7-12 years
Plant and equipment	3-20 years
Motor vehicles	8-12 years
Leasehold improvements	40 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 1. Material accounting policy information (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Capital works in progress are the cost incurred to date for capital projects that are underway at reporting date. Capital works in progress are not depreciated until they are ready for use and allocated to the appropriate asset category.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 1. Material accounting policy information (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly 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 lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Sussex Inlet RSL Club Ltd
Notes to the financial statements
30 June 2026

Note 3. Revenue

	2026	2025
	\$	\$
Poker machine revenue	4,261,709	4,097,046
Bar revenue	2,474,642	2,194,993
Entertainment & promotion revenue	14,804	7,309
Bingo & raffles	365,279	333,452
Members subscriptions	52,155	51,225
Accommodation receipts - Sussex Shores	267,946	242,638
Other revenue	53,292	46,780
Revenue	7,489,827	6,973,443

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2026	2025
	\$	\$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	7,169,726	6,679,580
Services transferred over time	320,101	293,863
	7,489,827	6,973,443

Note 4. Other income

	2026	2025
	\$	\$
Net gain on disposal of property, plant and equipment	-	10,891
Insurance recoveries	12,780	-
Commissions	253,962	227,730
Rental income	63,959	60,063
Volume rebates	164,013	131,814
Other income	494,714	430,498

Note 5. Other operating expenses

	2026 \$	2025 \$
Administration	253,804	247,018
Advertising, promotional & entertainment	690,321	638,865
Bar indirect expenses	100,070	84,538
Bowling greens	76,148	75,710
Donations & ClubGrants	70,203	70,981
Insurance expenses	169,750	174,247
Light and power	189,381	166,867
Maintenance and property expenses	356,941	265,357
Members expenses	87,965	69,807
Poker machine tax	744,218	712,786
Poker machine indirect expenses	211,907	199,509
Sussex Shores expenses	68,903	61,256
	<u>3,019,611</u>	<u>2,766,941</u>

Note 6. Members benefits

The Club provides a range of benefits to its members, including discounted food and beverage prices, loyalty points redeemed and birthday vouchers. The total value of benefits provided to members during the year is set out below.

	2026 \$	2025 \$
Members discounts	445,444	319,655
Members points redeemed	9,973	5,464
Birthday vouchers	3,616	2,975
	<u>459,032</u>	<u>328,094</u>

This information is provided to show members the value they receive from their membership. The amounts have been compiled from several sources across the Club's operations and do not appear as a single line item in the statement of profit or loss and other comprehensive income, so they cannot be reconciled directly to it. Much of this value is already reflected in the Club's reported revenue and expenses, for example as reduced bar revenue from member discounts.

Note 7. Income tax

	2026 \$	2025 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Surplus before income tax expense	850,329	1,229,436
Tax at the statutory tax rate of 25%	212,582	307,359
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other non-deductible differences	16,928	32,730
Net income from members not subject to tax	(173,121)	(215,868)
Income tax expense	56,389	124,221
	2026 \$	2025 \$
<i>Deferred tax liability</i>		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	115,191	142,577
Prepayments	9,897	12,711
Provisions	(17,271)	(19,133)
Accruals	(14,344)	(5,099)
Deferred tax liability	93,473	131,056
Movements:		
Opening balance	131,056	137,079
Credited to profit or loss	(37,583)	(6,023)
Closing balance	93,473	131,056
	2026 \$	2025 \$
<i>Provision for income tax</i>		
Provision for income tax	19,957	61,369

Sussex Inlet RSL Club Ltd
Notes to the financial statements
30 June 2026

Note 8. Cash and cash equivalents

	2026	2025
	\$	\$
<i>Current assets</i>		
Cash on hand	293,000	278,000
Cash at bank	<u>1,354,588</u>	<u>711,334</u>
	<u>1,647,588</u>	<u>989,334</u>

Note 9. Trade and other receivables

	2026	2025
	\$	\$
<i>Current assets</i>		
Trade receivables	7,591	21,455
Other receivables	<u>1,719</u>	<u>-</u>
	<u>9,310</u>	<u>21,455</u>

Note 10. Inventories

	2026	2025
	\$	\$
<i>Current assets</i>		
Stock on hand - at cost	<u>39,156</u>	<u>48,766</u>

Note 11. Right-of-use assets

	2026	2025
	\$	\$
<i>Non-current assets</i>		
Poker machines - right-of-use	-	117,936
Less: Accumulated depreciation	<u>-</u>	<u>(84,036)</u>
	<u>-</u>	<u>33,900</u>

Note 11. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Poker machines \$	Total \$
Balance at 1 July 2025	33,900	33,900
Transfers in/(out) - Poker machines	(24,185)	(24,185)
Depreciation expense	(9,715)	(9,715)
Balance at 30 June 2026	-	-

Note 12. Financial assets

	2026 \$	2025 \$
<i>Current assets</i>		
Term deposits	2,679,581	2,571,411

Note 13. Other

	2026 \$	2025 \$
<i>Current assets</i>		
Accrued revenue	67,515	68,914
Prepayments	158,349	188,516
Other current assets	1,000	1,000
	226,864	258,430
<i>Non-current assets</i>		
TAB Security deposit	5,000	5,000
Other non-current assets	-	645
	5,000	5,645
	231,864	264,075

Note 14. Investment properties

	2026 \$	2025 \$
<i>Non-current assets</i>		
Investment property - at independent valuation	<u>2,150,000</u>	<u>2,150,000</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	2,150,000	1,804,146
Revaluation increments	<u>-</u>	<u>345,854</u>
Closing fair value	<u>2,150,000</u>	<u>2,150,000</u>

Valuations of investment properties

An independent valuation by Walsh & Monaghan Pty Ltd of the company's investment property being 'Sussex Shores', 209 Jacobs Drive, was carried out on 24 June 2025, on the basis of fair value, resulting in a valuation of \$2,150,000.

Sussex Inlet RSL Club Ltd
Notes to the financial statements
30 June 2026

Note 15. Property, plant and equipment

	2026 \$	2025 \$
<i>Non-current assets</i>		
Land and buildings - at independent valuation	10,029,675	9,884,225
Less: Accumulated depreciation	(159,556)	-
	<u>9,870,119</u>	<u>9,884,225</u>
Leasehold improvements - at cost	107,529	97,529
Less: Accumulated depreciation	(8,659)	(6,086)
	<u>98,870</u>	<u>91,443</u>
Plant and equipment - at cost	3,671,257	3,664,009
Less: Accumulated depreciation	(2,395,292)	(2,293,354)
	<u>1,275,965</u>	<u>1,370,655</u>
Motor vehicles - at cost	120,239	104,285
Less: Accumulated depreciation	(75,319)	(83,253)
	<u>44,920</u>	<u>21,032</u>
Poker machines	3,207,684	3,029,303
Less: Accumulated depreciation	(2,068,589)	(1,792,943)
	<u>1,139,095</u>	<u>1,236,360</u>
Capital works in progress	<u>142,714</u>	<u>114,893</u>
	<u>12,571,683</u>	<u>12,718,608</u>

Sussex Inlet RSL Club Ltd
Notes to the financial statements
30 June 2026

Note 15. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land & buildings \$	Plant & equipment \$	Motor vehicles \$	Poker machines \$	Capital works in progress \$	Leasehold improvements \$	Total \$
Balance at 1 July 2025	9,884,225	1,370,655	21,032	1,236,360	114,893	91,443	12,718,608
Additions	20,298	82,694	36,238	337,005	152,973	10,000	639,208
Disposals	-	-	-	(80,678)	-	-	(80,678)
Transfer of ROU assets	-	-	-	24,185	-	-	24,185
Transfers in/(out)	125,152	-	-	-	(125,152)	-	-
Depreciation expense	(159,556)	(177,384)	(12,350)	(377,777)	-	(2,573)	(729,640)
Balance at 30 June 2026	<u>9,870,119</u>	<u>1,275,965</u>	<u>44,920</u>	<u>1,139,095</u>	<u>142,714</u>	<u>98,870</u>	<u>12,571,683</u>

Core Properties

- Sussex Inlet RSL Club premises, 200 Jacobs Drive, Sussex Inlet

Non-core Properties

- 'Sussex Shores' 209 Jacobs Drive, Sussex Inlet

Valuations of land and buildings

An independent valuation by Walsh & Monaghan Pty Ltd of the company's land and buildings, being 200 Jacobs Drive, was carried out on 24 June 2025 on the basis of fair value in use resulted in a valuation of \$9,884,225

Sussex Inlet RSL Club Ltd
Notes to the financial statements
30 June 2026

Note 16. Trade and other payables

	2026 \$	2025 \$
<i>Current liabilities</i>		
Trade payables	208,957	121,856
BAS payable	40,057	97,913
Other payables	115,310	132,008
	<u>364,324</u>	<u>351,777</u>

Note 17. Borrowings

	2026 \$	2025 \$
<i>Current liabilities</i>		
NSW Rural Assistance Authority	-	36,754
<i>Non-current liabilities</i>		
Bank loans	1,000	1,000
NSW Rural Assistance Authority	-	172,062
	<u>1,000</u>	<u>173,062</u>
	<u>1,000</u>	<u>209,816</u>

Security

In respect of bank loans, the Commonwealth Bank of Australia holds the following security.

General Security Interest by Sussex Inlet RSL Club Ltd comprising: First ranking charge over All Present & After Acquired Property

First Registered Mortgage by Sussex Inlet RSL Club Ltd over Non-Residential Real Property located at Jacobs Drive, Sussex Inlet, NSW 2540.

Note 17. Borrowings (continued)

NSW Rural Assistance Authority - Special Disaster Relief (Bushfire recovery)

On 17 June 2026, the Club repaid the remaining balance of \$175,354 on the Special Disaster Relief (Bushfire Recovery) loan from the NSW Rural Assistance Authority. The Authority's registered first mortgage over the Club's land and buildings has since been discharged.

Financing arrangements

Potential access was available at the reporting date to the following lines of credit:

	2026 \$	2025 \$
Total facilities		
NSW Rural Assistance Authority	-	208,816
CBA BetterBusiness Loan	790,000	790,000
CBA - Corporate Charge Card	10,000	10,000
	<u>800,000</u>	<u>1,008,816</u>
Used at the reporting date		
NSW Rural Assistance Authority	-	208,816
CBA BetterBusiness Loan	1,000	1,000
CBA - Corporate Charge Card	-	-
	<u>1,000</u>	<u>209,816</u>
Unused at the reporting date		
NSW Rural Assistance Authority	-	-
CBA BetterBusiness Loan	789,000	789,000
CBA - Corporate Charge Card	10,000	10,000
	<u>799,000</u>	<u>799,000</u>

Note 18. Lease liabilities

In the previous year, the company leased poker machines under 3-year agreements. The Club's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Club is restricted from assigning and subleasing the leased assets. Title to the leased assets transfers to the company at the end of the lease.

The company leases office equipment under agreements of less than 5 years. These leases are either short-term or low-value, so they have been expensed as incurred and not capitalised as right-of-use assets and leases liabilities

	2026 \$	2025 \$
Current liabilities		
Lease liability	<u>-</u>	<u>10,587</u>
Future cash outflow/lease payments - maturity analysis		
Future lease payments are due as follows:		
Within one year	<u>-</u>	<u>10,674</u>

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

Note 18. Lease liabilities (continued)

Statement of profit or loss and other comprehensive income	2026 \$	2025 \$
Interest expense on lease liabilities	87	1,794
Depreciation expense on right-of-use assets	9,715	16,369
	<u>9,802</u>	<u>18,163</u>

Note 19. Employee benefits

	2026 \$	2025 \$
<i>Current liabilities</i>		
Annual leave	100,583	120,736
Long service leave	142,562	130,799
	<u>243,145</u>	<u>251,535</u>
<i>Non-current liabilities</i>		
Long service leave	33,183	32,233
	<u>276,328</u>	<u>283,768</u>

Note 20. Other

	2026 \$	2025 \$
<i>Current liabilities</i>		
Accrued expenses	46,710	33,200
Membership revenue received in advance	40,121	36,080
	<u>86,831</u>	<u>69,280</u>
<i>Non-current liabilities</i>		
Membership revenue received in advance	31,448	18,015
	<u>118,279</u>	<u>87,295</u>

Note 21. Reserves

	2026 \$	2025 \$
Revaluation surplus reserve	<u>6,872,904</u>	<u>6,872,904</u>

Note 21. Reserves (continued)

Revaluation surplus reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Movements in reserves

Movements in each class of reserve during the current financial year are set out below:

	Revaluation surplus reserve \$	Total \$
Balance at 1 July 2025	6,872,904	6,872,904
Balance at 30 June 2026	6,872,904	6,872,904

Note 22. Retained surpluses

	2026 \$	2025 \$
Retained surpluses at the beginning of the financial year	10,788,977	9,683,762
Surplus after income tax expense for the year	793,940	1,105,215
Retained surpluses at the end of the financial year	11,582,917	10,788,977

Note 23. Key management personnel disclosures

Name	Position
Richard Blagrove	Director/President
Tracey Rizzi	Director/Senior Vice President
Joanne Pendlebury	Director/Junior Vice President
Stephen Robb	Director
David Durant	Director
John Kinsey	Director
Lynn Webber	Director
Lorraine Penman	Director (from October 2025)
Ron McLean	Director (from October 2025)
Terry Valentine	Director (to October 2025)
Ron Clarke-Bruce	Director (to October 2025)
Matthew Murray	General Manager/Company Secretary
Nicole Chittenden	Finance Manager
Luke Robertson	Operations Manager

Note 23. Key management personnel disclosures (continued)

Compensation

The aggregate compensation made to key management personnel of the company is set out below:

	2026 \$	2025 \$
Aggregate compensation	384,127	151,537

Employees included in 2026 compensation:3 (2025:1)

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Morton & Cord, the auditor of the Club:

	2026 \$	2025 \$
<i>Audit services -</i>		
Audit of the financial statements	20,060	19,400
<i>Other services -</i>		
Preparation of the tax return	2,650	2,650
Advisory services	10,690	7,350
	13,340	10,000
	33,400	29,400

Note 25. Commitments

	2026 \$	2025 \$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Ongoing roof restoration and part replacement	-	150,000
Purchase of gaming machines	-	267,350
Sussex Shores upgrades	-	40,000

Note 26. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 23.

Note 26. Related party transactions (continued)

Transactions with related parties

During the year the Club made donations to the Sussex Inlet RSL sub-Branch Ltd.

Lynn Webber, a director of the Club, is also a director of the Sub-Branch. She has declared this interest in accordance with the *Corporations Act 2001* and the Club's register of directors' interests, and takes no part in board discussions or decisions relating to the Sub-Branch, including the approval of donations.

All transactions with the Sub-Branch were conducted on terms determined by the Board and approved by directors without an interest in the matter

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 27. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Sussex Inlet RSL Club Ltd
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Club's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Richard Blagrove
President



Tracey Rizzi
Senior Vice President

28 September 2026

Independent Auditor's Report to the Members of Sussex Inlet RSL Club Ltd

Opinion

We have audited the financial report of Sussex Inlet RSL Club Ltd (the company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Sussex Inlet RSL Club Ltd is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Sussex Inlet RSL Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2026, but does not include the financial report and 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, 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 the 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.

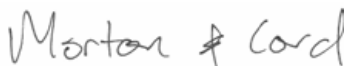
Auditor's Responsibilities for the Audit of the Financial Report

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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.



Morton & Cord



Michael Lees

Partner

Nowra

28 September 2026