



ARMIDALE EX-SERVICES MEMORIAL CLUB LIMITED

ANNUAL REPORT



SERVIES
Giving More
back to our members

ARMIDALE EX SERVICES MEMORIAL CLUB LIMITED

ACN 000 979 377

NOTICE OF ANNUAL GENERAL MEETING AND RESOLUTIONS

NOTICE is hereby given of the Annual General Meeting of **ARMIDALE EX SERVICES MEMORIAL CLUB LIMITED** to be held on **Wednesday, 24 September 2025** commencing at the hour of **6:00 pm** at the premises of the Club, Dumaresq Street, Armidale, New South Wales.

Registrations will commence at **5:15 pm** and finish at **5:59 pm** and doors will close at **6:00 pm**.

BUSINESS

The business of the meeting will be as follows:

1. Apologies.
2. To confirm the minutes of the previous Annual General Meeting held on 25 September 2024.
3. To receive and consider the President's Report, Chief Executive Officer's Report, Directors' Report, Financial Report and Auditor's Report for the financial year ended 30 June 2025. Copies of these reports are available on the Club's website (www.armidaleservices.com.au) or on request at the Club.

Note:

Members who have any questions in relation to any report are requested to submit their questions in writing to the Chief Executive Officer by 5:00pm on **Monday, 15th September 2025**. If questions are not submitted in this manner, the Club may not be able to provide a complete answer at the Annual General Meeting.

4. To consider and if thought fit pass the Ordinary Resolutions set out in this Notice.
 5. To consider and if thought fit pass the Special Resolutions set out in this Notice.
 6. General business.
-

Procedural Notes

1. Each Resolution will be considered separately.
2. To be passed, an Ordinary Resolution must receive votes in favour from a majority (50% plus 1) of those members who, being eligible to do so, vote in person on the Ordinary Resolution at the meeting.
3. To be passed, a Special Resolution must receive votes in favour from at least 75% of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
4. **Only Life members, financial Service members and financial General members are eligible to vote on the Ordinary Resolutions.**
5. **Only Life members, financial Service members and financial General members (who have been members of the Club for the ten (10) calendar years immediately preceding the date on which the Special Resolutions are to be considered) are eligible to vote on the Special Resolution.**

6. Amendments to the Special Resolution (other than minor typographical corrections which do not change the substance or effect of the Special Resolution) will not be permitted from the floor of the meeting.
7. The Registered Clubs Act provides that:
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.
8. The Board of the Club recommends the Ordinary and Special Resolutions to members.

FIRST ORDINARY RESOLUTION

That:

- (a) The Members hereby approve and agree to expenditure by the Club in a sum not exceeding twenty thousand dollars (\$20,000.00) until the next Annual General Meeting of the Club for the following activities:
 - (i) The reasonable costs of directors attending seminars, lectures and other educational activities as determined by the Board from time to time.
 - (ii) The reasonable costs (including meal, travel and accommodation expenses) of directors and their spouses/partners attending meetings, conferences, trade shows and functions conducted by ClubsNSW, the Club Managers Association and the RSL & Services Clubs Association and such other conferences and trade shows as determined by the Board from time to time.
 - (iii) The reasonable cost of a meal and beverage for each director immediately before or immediately after, a Board or Committee Meeting on the day of that meeting, when that meeting corresponds with a normal mealtime.
 - (iv) Reasonable expenditure by the Club on an annual dinner to give thanks to directors of the Club and their spouses/partners.
 - (v) The reasonable expenses incurred by directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board on production of documentary evidence of such expenditure.
 - (vi) The reasonable cost of an electronic device (such as an iPad, tablet or other similar device) and internet access (if required) being made available to directors of the Club.
 - (vii) The reasonable cost of directors attending any other registered club for the purpose of viewing and assessing its facilities as determined by the Board as being necessary for the benefit of the Club.
 - (viii) The reasonable cost of directors (and their spouses/partners if required) attending any club, community or charity function as the representatives of the Club and authorised by the Board to do so.
 - (ix) The reasonable cost of Club uniforms being provided to directors as required.
- (b) The members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are directors (and their spouses/partners in certain circumstances) of the Club.

Notes to Members on First Ordinary Resolution

1. The First Ordinary Resolution is to have the members in general meeting approve expenditure by the Club on directors (and their spouses/partners in certain circumstances) for a maximum amount of twenty thousand dollars (\$20,000.00) in respect of the matters set out in the First Ordinary Resolution.
2. Included in the First Ordinary Resolution is the cost of directors attending seminars, lectures, trade displays and other similar events to be kept abreast of current trends and developments which may have a significant bearing on the Club.

SECOND ORDINARY RESOLUTION

That the members hereby approve:

- (a) The payment of an honorarium of \$6,000.00 to each director of the Club for services as directors of the Club until the next Annual General Meeting:
- (b) Such honorariums to be paid quarterly in arrears or in such other instalments as the Club and the President, Vice President or directors may agree from time to time.
- (c) If a director only holds office for part of the term, the honorarium shall be paid on a pro-rata basis.

Notes to Members on Second Ordinary Resolution

1. The Second Ordinary Resolution is to have the members approve honorariums for the directors of the Club for duties to be performed by them until the next Annual General Meeting.
2. The honorariums will be paid on a pro-rata basis which means that if the President, Vice President or a director only holds office for part of the year, that person will only receive part of the honorarium.
3. The honorariums proposed in the resolution are different from those approved in the past. This year, the Board is proposing that each director be paid the same honorarium of \$6,000.00 This was the honorarium paid to Ordinary Directors last year.

FIRST SPECIAL RESOLUTION

That, with effect from and for the purposes of the election of the Board and the Annual General Meeting to be held in 2026 and all elections of the Board and Annual General Meetings thereafter, the Constitution of Armidale Ex Services Memorial Club Limited be amended by:

- (a) **inserting** in the definition of Biennial General Meeting in Rule 1 after the word "thereafter" the words, up to the Annual General Meeting held in 2026, which will be the last Biennial General Meeting.
- (b) **inserting** at the start of Rule 37 the words "Subject to Rule 37A".
- (c) **renumbering** Rule 37A as 37B.
- (d) **inserting** the following new Rule 37a:

*"The Board shall be elected triennially in accordance with this Constitution and Schedule 4 of the Registered Clubs Act (the **Triennial Rule**) which is set out below. The first meeting under the Triennial Rule will be the Annual General Meeting held in 2026.*

SCHEDULE 4 OF THE REGISTERED CLUBS ACT – THE TRIENNIAL RULE

Definitions

1. In this Schedule -

"general meeting" means a meeting of the members of the club at which members of the governing body are to be elected;

"triennial rule" means the rule of the club that provides for the election of members of the governing body in accordance with this Schedule;

"year" means the period between successive general meetings.

2. Repealed.

First general meeting under triennial rule

3. (1) The members elected to the governing body at the first general meeting at which the triennial rule applies shall be divided into 3 groups.

(2) The groups -

(a) shall be determined by drawing lots; and

(b) shall be as nearly as practicable equal in number; and

(c) shall be designated as group 1, group 2 and group 3.

(3) Unless otherwise disqualified, the members of the governing body -

(a) in group 1 shall hold office for 1 year; and

(b) in group 2 shall hold office for 2 years; and

(c) in group 3 shall hold office for 3 years.

Subsequent general meetings

4. At each general meeting held while the triennial rule is in force (other than the first such meeting) the number of the members required to fill vacancies on the governing body shall be elected and shall, unless otherwise disqualified, hold office for 3 years.

Casual vacancies

5. (1) A person who fills a casual vacancy in the office of a member of the governing body elected in accordance with this Schedule shall, unless otherwise disqualified, hold office until the next succeeding general meeting.

(2) The vacancy caused at a general meeting by a person ceasing to hold office under subclause (1) shall be filled by election at the general meeting and the person elected shall, unless otherwise disqualified, hold office for the residue of the term of office of the person who caused the casual vacancy initially filled by the person who ceased to hold office at the general meeting.

Re-election

6. A person whose term of office as a member of the governing body under the triennial rule expires is not for that reason ineligible for election for a further term.

Revocation of triennial rule

7. If the triennial rule is revoked -

- (a) *at a general meeting - all the members of the governing body cease to hold office;
or*
- (b) *at a meeting other than a general meeting - all the members of the governing
body cease to hold office at the next succeeding general meeting,*
- and an election shall be held at the meeting to elect the members of the governing body."*

- (e) **inserting** in Rule 38 after the words "shall be conducted" the words "in accordance with the triennial rule set out in Rule 37A and"
- (f) **deleting** from Rule 38 the words "Biennial General Meeting" and in their place inserting the words "Annual General Meeting".
- (g) **deleting** Rule 38(k) and renumbering the paragraphs of Rule 38 accordingly.
- (h) **inserting** at the end of Rule 39 the words:

As soon as practicable after each Annual General Meeting, the Board shall meet and shall elect from among their number a President and Vice President to hold those offices, subject to the Constitution, until the conclusion of the meeting held pursuant to this Rule in the subsequent year.

- (i) **deleting** the second sentence from Rule 53 and inserting the words "The person so appointed shall hold office in accordance with the triennial rule set out in Rule 37A".
- (j) **deleting** Rule 57(c) and in its place inserting"

To declare the results of the elections of positions on the Board in accordance with the triennial rule set out in Rule 37A.

Notes to Members on First Special Resolution

1. The First Special Resolution proposes to amend provisions of the Club's Constitution relating to the election of directors, with effect from and for the purposes of the Annual General Meeting and the election of the Board to be held in 2026.

Introduction of the Triennial Rule.

2. The Board is currently elected biennially, ie the whole Board is elected every two years for two year terms.
3. If the First Special Resolution is passed, the directors will be elected in accordance with the "Triennial Rule" contained in Schedule 4 of the Registered Clubs Act (set out in the shaded box in the Second Special Resolution), with effect from and for the purposes of the election of the Board and the Annual General Meeting to be held in 2026.
4. The Triennial Rule provides for three (3) year terms of office for directors, with one third of the Board to be elected each year.
5. For this purpose, the directors are divided into three groups at the Annual General Meeting to be held in 2025 As the Club has seven (7) directors, there will be two (2) groups of two (2) directors and one (1) group of three (3) directors.
6. In each year, a different group retires. Group 1 retires in the first year (at the Annual General Meeting to be held in 2027), Group 2 retires in the second year (at the Annual General Meeting to be held in 2028), Group 3 retires in the third year (at the Annual General Meeting to be held in 2029), Group 1 retires in the fourth year, Group 2 retires in the fifth year and so on.

7. Directors whose term of office has come to an end are, subject to the Club's Constitution, eligible for re-election.
8. The Board is proposing the amendment as the triennial rule:
 - (a) allows for elections for a third of positions on the Board each year;
 - (b) gives directors the chance to develop and pass on their experience and training to new directors

Election of President and Vice President

9. Members currently elect the President and Vice President.
10. If the Special Resolution is passed, the members will elect one of the three groups each year, and those directors' holding office at the end of each Annual General Meeting will then elect from among their number a President and Vice President to serve in those positions for the next 12 months.
11. This will allow the Board to take into account any change in composition of the Board after each year's elections.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Articles of Association of Armidale Ex Services Memorial Club Limited be amended by **deleting** from Rule 17(a) the words *a distance of 5 kilometres radius from the Club or such other greater distance* and **inserting** the words *any distance radius from the Club's premises*.

Notes to Members on Special Resolution

1. The Second Special Resolution proposes an amendment to the Constitution to reflect changes to the Registered Clubs Act.
2. In 2024, the Registered Clubs Act was amended to remove reference to what was called the "5 kilometre rule", which provided that Temporary membership was only available to persons who lived outside of a 5 kilometre radius from the Club's premises. The effect of the Second Special Resolution is that the Club will now be able to determine what distance radius from the Club's premises, if any, will be required for temporary membership.

Dated: 25th July 2025

By direction of the Board



Scott Sullivan
Chief Executive Officer

President's Report

Ladies and Gentlemen, Members and Guests,

It is with great honour and humility that I present to you the President's Report for 2025. Although I have had the privilege of serving as President for only a short period, it has been an immensely rewarding experience. I am sincerely grateful for the trust placed in me to represent such a proud and community-focused organisation.

First and foremost, I would like to extend my heartfelt appreciation to all members of the Board—both past and present—for their unwavering support, guidance, and dedication to the vision and values of the Armidale Ex Services Club. Your contributions continue to shape our club's legacy and future.

I must also express my sincere gratitude to our CEO, Mr. Scott Sullivan, whose exceptional leadership has ensured strong performance and stability during a time of change and growth. Under Scott's stewardship, the club has navigated challenges with professionalism and foresight. A special mention must be made of our Motel Managers, Trevor and Cherrie, whose tireless efforts and commitment to excellence have significantly enhanced the reputation and performance of our motel operations. Your contribution is deeply valued.

To our team at Uralla Golf Club, led by the ever-enthusiastic Ben Jones, thank you for your passion, vision, and dedication throughout what has been a successful year. Likewise, I acknowledge Scott McIntyre and Brittani Hardman for their outstanding work and ongoing support across multiple areas of the club.

We also extend a warm welcome to our newly appointed senior managers, Matt Marquardt and Chloe Grace. Your expertise and fresh perspectives bring great promise to our leadership team, and we look forward to working with you as we continue to grow.

One of the standout achievements this year has been the successful amalgamation with the Uralla Golf Club. This union marks a significant milestone in our history and provides great opportunities for mutual growth, enhanced facilities, and a stronger community presence. We are excited about the future and remain committed to developing this partnership to its fullest potential.

I am pleased to report that our financial performance for the year has been strong, reflecting sound management practices and a dedicated team of professionals. These results provide a solid foundation for future investments, improvements, and member benefits.

We remain immensely proud of our support for local community groups. This includes valued partnerships with the Cross My Heart Foundation, Tour de Rocks, and various other community-based programs. Supporting our local community remains a core part of our mission. Looking ahead, we remain focused on strengthening our operations, enhancing member services, and fostering community engagement. The club is well positioned for continued success, and I am confident that, together, we will build on our proud legacy.

In closing, thank you to all our staff, management, members, and the broader community for your support and commitment to the Armidale Ex Services Club. It is an honour to serve you, and I look forward to seeing the Club continue to thrive in the years to come.

Yours sincerely,



Mark Bullen
President

Chief Executive Officer's Report

This year has seen continued progress, growth and resilience across our operations, despite the ongoing challenges facing the broader hospitality sector.

The Armidale Ex Services Memorial Club has had another strong financial year, with the overall company operating financial result (after income tax) for the year compared to the previous year being:

| | <u>2025</u> | <u>2024</u> |
|---|------------------|--------------------|
| Operating Surplus / (deficit) after income tax | \$967,313 | \$1,351,538 |
| Gain on business acquisition – Uralla Golf Club | - | <u>\$2,346,951</u> |
| | <u>\$967,313</u> | <u>\$3,698,489</u> |

Motel operations have also experienced a strong year, with increased occupancy throughout the period. I would like to extend my sincere thanks to Cherrie and Trevor Jones for their commitment and professionalism in managing the motel. Their dedication has played a pivotal role in this success.

The Board continues to evaluate options for the currently unused bowling greens located at the rear of the Servies. We look forward to exploring ways in which this space can be better utilised in the years ahead to benefit members and the wider community.

A pleasing development for the year has been the increased patronage and community engagement at the Uralla Golf Club. Social golf numbers have risen steadily and there has been a marked increase in the general use of the course. This positive trend reflects the efforts of our team, the benefits provided by our facilities, and the club's growing place in the local community.


Looking forward, the 2025–2026 year will be an exciting one for the Uralla Golf Club, with the construction of a new cart shed scheduled to commence, along with the relocation of the current shed. In addition, planning and development of the new clubhouse will be a major focus, ensuring that the facilities continue to evolve to meet the needs of our members, visitors and the community.

While this year has brought many positives, it has also come with its share of challenges, particularly within middle management in the hospitality industry. These broader industry issues have required flexibility, resilience and support across our team.

I wish to thank the current Board for their unwavering support and guidance over the past year, especially in light of the challenges faced by myself and the management team. Your leadership is appreciated.

To our dedicated staff—thank you for your service, loyalty and ongoing efforts. Your hard work is key to the continued success of the Servies, and your contributions are truly appreciated and do not go unnoticed.

Finally, I thank you for your continued support and patronage of the 'Servies', it is our pleasure to provide our amenities and services to you. We look forward to your support of the 'Servies' in the coming year and into the future.

A handwritten signature in black ink, appearing to read "Scott Sullivan", with a small flourish at the end.

Scott Sullivan

Chief Executive Officer

ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| <u>Contents</u> | <u>PAGE</u> |
|--|-------------|
| Directors' Report | 1 |
| Auditors' Independence Declaration | 4 |
| Statement of Profit or Loss and Other Comprehensive Income | 5 |
| Statement of Financial Position | 6 |
| Statement of Changes in Equity | 7 |
| Statement of Cash Flows | 8 |
| Notes to the Financial Statement | 9 |
| Consolidated Entity Disclosure Statement | 19 |
| Directors' Declaration | 20 |
| Independent Auditors' Report | 21 |

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Your directors present their report on the company for the financial year ended 30 June 2025.

Principal Activities

The company's principal activities are the operation of a licensed registered club providing amenities to members.

These principal activities assist in achieving the short term and long term objectives of the company by:

- providing entertainment, dining, gaming and social facilities for members and the community.
- providing motel accommodation in Armidale.
- providing sporting facilities for the members and the community.
- providing turnover, cash flow and profit to meet the financial objectives of the company.

Short and Long Term Objectives of the Company

The company has identified the following short term objectives:

- to maintain the club's core business growth.
- to provide services to members commensurate with industry needs and regulatory requirements.
- to continue to improve the club's facilities for members.
- to continue to develop the IT within the club.

The company has identified the following long term objectives:

- to investigate improvements and extensions to core business facilities.
- to continue to explore business diversification avenues to reduce reliance on current core business revenue.

Strategies

The company has adopted the followings strategies in order to achieve these objectives:

- the preparation of an annual budget for financial performance and the regular review of the company performance against the budget by management and directors.
- the preparation of a business strategic plan to identify the opportunities and strengths of the company to provide for a sustainable future.
- close monitoring of current business activities and cashflow returns to financially plan the strategies.

Performance Measurement

The company uses the following key performance indicators to measure performance:

- Profit, before income tax expense for the financial year was \$953,609 (2024: \$3,692,433).
- Cash flow from operating activities for the financial year was \$2,325,527 (2024: \$2,464,821).
- Membership for the financial year was 10,222.

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

| Directors Name | Special Responsibilities | Period as Director | Qualifications and Experience |
|-----------------------|---------------------------------|---|---|
| Mark D Bullen | President | Appointed 12 October 2007 | Self employed bicycle shop proprietor |
| John Schuman | Vice President | Appointed 23 September 2020 | Financial Systems Manager |
| Paul J Kennedy | Director | Appointed 22 November 2017 | Owner and operator of local freight distribution business. |
| Toby Killen | Director | Appointed 2 June 2025 | Senior Business Banking Manager Bachelor of Business - UNE Senior Travel Consultant Chair – Charity Bike Ride – Tour De Rocks since 2017 |
| Kay Endres | Director | Appointed 18 June 2025 | Armidale City Councillor – Elected 2024 |
| Ashley Clee | Director | Appointed 24 July 2024 | Business Proprietor. Previous board member 29/12/2012 - 26/10/2016 |
| Brian D Everett | President | Appointed 29 June 2009 Resigned 21 May 2025 | Self employed fire, safety and security business proprietor. Appointed as President on 28 November 2012. |
| Francesco Falcomata | Director | Appointed 22 July 2020 Resigned 26 February 2025 | Solicitor |
| Peter A Georkas | Director | Appointed 24 January 2018 Resigned 23 January 2025 | Self employed real estate agent |
| Sue Nelson | Director | Appointed 6 June 2016 Resigned 25 September 2024 | Retirement village manager and former business owner |

Meetings of Directors

During the financial year, 17 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

| | Directors' Meetings | |
|---------------------|---------------------|-----------------|
| | Eligible to attend | Number attended |
| Mark D Bullen | 17 | 17 |
| John Schuman | 17 | 17 |
| Paul J Kennedy | 17 | 17 |
| Toby Killen | 1 | - |
| Kay Endres | - | - |
| Ashley Clee | 16 | 15 |
| Brian D Everett | 14 | 10 |
| Francesco Falcomata | 9 | 7 |
| Peter A Georkas | 8 | 7 |
| Sue Nelson | 3 | 2 |

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Company Secretary

Scott Sullivan was appointed as the Company Secretary on 5 February 2013. Scott is a Chartered Accountant with a Bachelor of Financial Administration.

Membership Details

The Armidale Ex-Services Memorial Club Ltd is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company.

| Membership Class | Number of Members | Individual Members Contribution on winding up of Company | Total Members Contribution on winding up of Company |
|-------------------------|--------------------------|---|--|
| General Members | 10,078 | \$ 1 | \$ 10,078 |
| Service Members | 144 | \$ 1 | \$ 144 |
| Total | 10,222 | \$ 1 | \$ 10,222 |

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Mark D Bullen
President



Paul J Kennedy
Director

Dated: 6 August 2025

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377**

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

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

CROWE AUDIT AUSTRALIA



Kylie Ellis
Partner
Registered Company Auditor (ASIC RAN 483424)
134 Taylor St
ARMIDALE NSW 2350

Dated: 6 August 2025

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.
© 2019 Findex (Aust) Pty Ltd

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|----------------|------------------|
| Revenue | 2 | 11,519,804 | 10,054,775 |
| Other income | 3 | 177,568 | 1,113,977 |
| Interest revenue calculated using the effective interest method | | 10,937 | - |
| Gain on business combination | 2,24 | - | 2,346,951 |
| Advertising and promotional expenses | | (874,779) | (767,974) |
| Cost of goods sold | 4 | (2,970,707) | (2,490,565) |
| Depreciation expense | 4 | (1,131,284) | (1,158,509) |
| Loss on disposal of fixed assets | | (17,224) | (34,283) |
| Employee benefits expense | | (3,172,002) | (2,889,686) |
| Finance costs | | (3,170) | (81,400) |
| Occupancy costs | | (1,797,402) | (1,679,041) |
| Other expenses | | (788,132) | (721,812) |
| Surplus before income tax expense | | 953,609 | 3,692,433 |
| Income tax expense | 5 | 13,704 | 6,056 |
| Surplus after income tax expense for the year attributable to members | | 967,313 | 3,698,489 |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year attributable to members | | 967,313 | 3,698,489 |

ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--------------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 2,235,035 | 483,928 |
| Trade and other receivables | 7 | 26,241 | 29,329 |
| Inventories | 8 | 89,369 | 85,150 |
| Financial assets | 9 | 36,300 | - |
| Other current assets | 10 | 65,293 | 66,418 |
| TOTAL CURRENT ASSETS | | 2,452,238 | 664,825 |
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 11 | 17,503,510 | 18,151,482 |
| Investment property | 13 | 602,133 | 618,283 |
| Intangible assets | 12 | 130,000 | 130,000 |
| TOTAL NON CURRENT ASSETS | | 18,235,643 | 18,899,765 |
| TOTAL ASSETS | | 20,687,881 | 19,564,590 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 14 | 837,250 | 782,964 |
| Contract liabilities | 15 | 165,602 | 161,157 |
| Financial liabilities | 17 | 3,759 | - |
| Current tax liabilities | 16 | 2,042 | - |
| Employee benefits | 18 | 313,542 | 239,930 |
| Other liabilities | 19 | 173,697 | 122,144 |
| TOTAL CURRENT LIABILITIES | | 1,495,892 | 1,306,195 |
| NON CURRENT LIABILITIES | | | |
| Financial liabilities | 17 | - | 57,493 |
| Deferred tax liabilities | 16 | 70,661 | 86,407 |
| Employee benefits | 18 | 8,092 | 1,886 |
| Contract liabilities | 15 | 39,284 | 5,970 |
| TOTAL NON CURRENT LIABILITIES | | 118,037 | 151,756 |
| TOTAL LIABILITIES | | 1,613,929 | 1,457,951 |
| NET ASSETS | | 19,073,952 | 18,106,639 |
| EQUITY | | | |
| Retained surpluses | | 19,073,952 | 18,106,639 |
| TOTAL EQUITY | | 19,073,952 | 18,106,639 |

ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

| | Retained Surpluses \$ | Total \$ |
|---|-----------------------------|-------------------|
| Balance at 1 July 2023 | 14,408,150 | 14,408,150 |
| Surplus after income tax expense | 3,698,489 | 3,698,489 |
| Total other comprehensive income for the year | - | - |
| Balance at 30 June 2024 | <u>18,106,639</u> | <u>18,106,639</u> |
| Surplus after income tax expense | 967,313 | 967,313 |
| Total other comprehensive loss for the year | - | - |
| Balance at 30 June 2025 | <u>19,073,952</u> | <u>19,073,952</u> |

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|---|------|------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 12,880,105 | 12,106,361 |
| Payments to suppliers and employees | | (10,562,345) | (9,560,140) |
| Interest received | | 10,937 | - |
| Interest and other finance costs paid | | (3,170) | (81,400) |
| Income tax paid | | - | - |
| Net cash provided by operating activities | | <u>2,325,527</u> | <u>2,464,821</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | 30,749 | - |
| Purchase of property, plant and equipment | | (515,135) | (982,644) |
| Payment for investments | | (36,300) | - |
| Net cash used in investing activities | | <u>(520,686)</u> | <u>(982,644)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings | | 3,759 | 5,088,596 |
| Repayment of borrowings | | (57,493) | (6,468,470) |
| Net cash used in financing activities | | <u>(53,734)</u> | <u>(1,379,874)</u> |
| Net increase in cash held | | 1,751,107 | 102,303 |
| Cash received on business combination | | - | 116,060 |
| Cash at the beginning of the financial year | | <u>483,928</u> | <u>265,565</u> |
| Cash at the end of the financial year | 6 | <u>2,235,035</u> | <u>483,928</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1: Basis of Preparation

The financial statements cover Armidale Ex-Services Memorial Club Ltd as an individual entity. Armidale Ex-Services Memorial Club Ltd is a public company limited by guarantee, incorporated and domiciled in Australia.

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

Historical cost convention

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

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 company'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 within the relevant notes of these financials.

The financial statements were authorised for issue on 6 August 2025 by the directors of the company.

Accounting Policies

Material accounting policy information adopted in the preparation of these financial statements are presented within the relevant notes of the statements and have been consistently applied unless otherwise stated.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed on a gross basis.

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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|---|------|------------|------------|
| Note 2: Revenue | | | |
| Revenue from contracts with customers | | | |
| Sales - Trading | | 3,674,674 | 2,793,571 |
| Subscriptions | | 42,668 | 17,069 |
| TAB and Keno commission | | 97,955 | 104,803 |
| Sports fees | | 89,749 | 35,508 |
| Sponsorship | | 10,585 | 2,197 |
| Equipment and room hire | | 43,940 | 41,518 |
| Poker machine revenue | | 6,031,326 | 5,845,078 |
| Bingo and raffles | | 277,121 | 243,396 |
| Other commissions | | 45,504 | 49,067 |
| Merchandise sales | | 578 | 97 |
| Ticket sales | | - | 17,400 |
| Motel Revenue | | 1,187,453 | 872,177 |
| Total revenue from contracts with customers | | 11,501,553 | 10,021,881 |
| Other revenue | | | |
| Donations | | 3,315 | 26,380 |
| Sundry income | | 14,936 | 6,514 |
| Total other revenue | | 18,251 | 32,894 |
| Total revenue | | 11,519,804 | 10,054,775 |
| Disaggregation of revenue | | | |
| Timing of revenue recognition | | | |
| Goods/services transferred at a point in time | | 11,243,720 | 9,790,046 |
| Goods/services transferred over time | | 257,833 | 231,835 |
| | | 11,501,553 | 10,021,881 |
| Gain on business combination | 24 | - | 2,346,951 |

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of Services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Rent

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

Gain on business combination

Gain on business combination is the sum of the acquisition-date fair values of the assets and liabilities transferred.

Volunteer services

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Note 3: Other Income

| | | | |
|--------------------|--|---------|-----------|
| Rental income | | 170,649 | 168,423 |
| Insurance Proceeds | | 6,919 | 945,554 |
| Total other income | | 177,568 | 1,113,977 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | 2025 | 2024 |
|------|------|------|
| Note | \$ | \$ |

Note 4: Expenses

Profit before income tax includes the following specific expenses:

| | | |
|----------------------------|-----------|-----------|
| Cost of sales | 2,970,707 | 2,490,262 |
| Donations and sponsorships | 202,370 | 174,459 |
| Member benefits | 523,155 | 476,390 |
| Depreciation expense | 1,131,284 | 1,158,509 |
| Salary and wages | 2,739,748 | 2,563,557 |
| Superannuation | 308,703 | 269,052 |
| Cleaning and waste removal | 546,558 | 456,172 |
| Electricity and gas | 370,613 | 429,109 |
| Director expenses | 48,500 | 46,273 |
| Repairs and maintenance | 310,768 | 326,315 |

Note 5: Income Tax Expense

(a) The prima facie tax on surplus before income tax is reconciled to the income tax as follows:

| | | |
|---|-------------|-------------|
| Prima facie tax payable on surplus before income tax at 25% (2024: 25%) | 238,402 | 923,108 |
| Add: Tax effect of; | | |
| Non deductible exempt income expenditure | 1,851,759 | 1,633,566 |
| Other assessable income | (116,213) | (167,339) |
| Non deductible expenses | 282,821 | 289,627 |
| Deferred tax movement | (15,746) | (6,056) |
| Less: Tax effect of; | | |
| Deduction for decline in value of depreciating assets | (71,627) | (66,001) |
| Exempt income | (2,159,030) | (2,021,658) |
| Other income not included in assessable income | - | (586,738) |
| Other deductible expenses | (24,070) | (4,565) |
| Income tax expense/(revenue) attributable to the company | (13,704) | (6,056) |

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

The mutuality principle has been applied to the income tax calculation of the Club.

Key Judgement - Income Tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|---|------|------------------|------------------|
| Note 6: Cash and Cash Equivalents | | | |
| Cash on hand - Servies | | 174,047 | 188,440 |
| Cash on hand - Uralla | | 31,740 | 17,328 |
| Cash at bank - Servies | | 1,977,954 | 192,376 |
| Cash at bank - Uralla | | 51,294 | 85,784 |
| | | <u>2,235,035</u> | <u>483,928</u> |
| Note 7: Trade and Other Receivables | | | |
| CURRENT | | | |
| Trade receivables - Servies | | 17,749 | 10,117 |
| Other receivables - Servies | | - | 16,462 |
| Trade receivables - Uralla | | 8,492 | 2,750 |
| | | <u>26,241</u> | <u>29,329</u> |
| Note 8: Inventories | | | |
| CURRENT | | | |
| Stock on Hand, at cost - Servies | | 68,770 | 70,230 |
| Stock on Hand, at cost - Uralla | | 20,599 | 14,920 |
| | | <u>89,369</u> | <u>85,150</u> |
| Note 9: Financial assets | | | |
| CURRENT | | | |
| - term deposits, at amortised cost | | <u>36,300</u> | <u>-</u> |
| Note 10: Other Assets | | | |
| CURRENT | | | |
| Bonds paid - Servies | | 5,500 | 5,500 |
| Prepayments - Servies | | 55,084 | 57,329 |
| Prepayments - Uralla | | 4,709 | 3,589 |
| | | <u>65,293</u> | <u>66,418</u> |
| Note 11: Property, Plant & Equipment | | | |
| Land and Buildings (at cost) | | | |
| Capital works in progress - Servies | | 19,518 | 5,880 |
| Capital works in progress - Uralla | | 21,077 | 17,098 |
| Freehold land and buildings - Servies | | 7,934,537 | 7,934,537 |
| Less: Accumulated depreciation | | (2,416,500) | (2,176,578) |
| | | <u>5,518,037</u> | <u>5,757,959</u> |
| Freehold land and buildings - Uralla | | 2,654,706 | 2,639,163 |
| Less: Accumulated depreciation | | (516,290) | (469,512) |
| | | <u>2,138,416</u> | <u>2,169,651</u> |
| Buildings - Theatre Complex | | 987,700 | 987,700 |
| Less: Accumulated depreciation | | (625,453) | (616,163) |
| | | <u>362,247</u> | <u>371,537</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|---|------|-------------------|-------------------|
| Note 11: Property, Plant & Equipment (Continued) | | | |
| Buildings - Motel | | 7,916,225 | 7,916,225 |
| Less: Accumulated depreciation | | (693,356) | (495,450) |
| | | <u>7,222,869</u> | <u>7,420,775</u> |
| Total Land and Buildings at Cost | | <u>15,282,164</u> | <u>15,742,900</u> |
| Plant and Equipment (at cost) | | | |
| Plant and equipment - Servies | | 2,819,708 | 2,743,568 |
| Less: Accumulated depreciation | | (2,041,440) | (1,909,124) |
| | | <u>778,268</u> | <u>834,444</u> |
| Plant and equipment - motel | | 818,704 | 818,704 |
| Less: Accumulated depreciation | | (499,025) | (402,094) |
| | | <u>319,679</u> | <u>416,610</u> |
| Poker machines - Servies | | 3,128,449 | 3,082,356 |
| Less: Accumulated depreciation | | (2,242,459) | (2,102,682) |
| | | <u>885,990</u> | <u>979,674</u> |
| Motor vehicles - Servies | | 63,436 | 63,436 |
| Less: Accumulated depreciation | | (40,194) | (32,018) |
| | | <u>23,242</u> | <u>31,418</u> |
| Bowling greens and equipment - Servies | | 139,127 | 139,127 |
| Less: Accumulated depreciation | | (86,181) | (80,695) |
| | | <u>52,946</u> | <u>58,432</u> |
| Plant and equipment - Uralla | | 440,141 | 327,060 |
| Less: Accumulated depreciation | | (278,920) | (239,056) |
| | | <u>161,221</u> | <u>88,004</u> |
| Total Plant and Equipment | | <u>2,221,346</u> | <u>2,408,582</u> |
| Total Property, Plant and Equipment | | <u>17,503,510</u> | <u>18,151,482</u> |

(a) Movements in carrying amounts

| | Land and Buildings \$ | Plant and Equipment \$ | Total \$ |
|--|-----------------------------|------------------------------|-------------------|
| Balance at the beginning of the year | 15,742,900 | 2,408,582 | 18,151,482 |
| Additions | 75,119 | 440,016 | 515,135 |
| Transfers | (41,959) | 41,959 | - |
| Disposals | - | (47,973) | (47,973) |
| Depreciation expense | (493,896) | (621,238) | (1,115,134) |
| Carrying amount at the end of the year | <u>15,282,164</u> | <u>2,221,346</u> | <u>17,503,510</u> |

(b) No impairment has been recognised in respect of plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|------------|------------|
|--|------|------------|------------|

Note 11: Property, Plant & Equipment (Continued)

(c) Lessor commitments

Minimum lease commitments receivable but not recognised in the financial statements:

| | | | |
|----------------------|--|------------------|----------------|
| Within one year | | 126,120 | 105,915 |
| One to five years | | 380,425 | - |
| More than five years | | 2,009,928 | - |
| | | 2,516,473 | 105,915 |

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 | 2 - 13% |
| Plant and equipment | 2.5 - 50% |
| Poker machines | 20% |
| Bowling greens and equipment | 5 - 20% |

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

Key Judgement - 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.

Note 12: Intangible Assets

| | | |
|--|----------------|----------------|
| Poker machine entitlements (at cost) - Servies | 60,000 | 60,000 |
| Poker machine entitlements (at cost) - Uralla | 70,000 | 70,000 |
| | 130,000 | 130,000 |

Note 13: Investment property

| | | |
|--------------------------------|----------------|----------------|
| Buildings (at cost) | 645,981 | 645,981 |
| Less: accumulated depreciation | (43,848) | (27,698) |
| | 602,133 | 618,283 |

The investment property relates to the buildings held at 1 & 2/17 Jayne Close Armidale NSW 2350.

The investment properties are rented initially on a six month lease and then on a week to week basis. Weekly rental payments are at fair market rates. The lease has been classified as an operating lease.

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. The company has elected to measure investment properties at cost subsequent to acquisition.

Investment properties are depreciated on a straight line basis with an expected life of 40 years.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the period in which the property is derecognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|----------------|----------------|
| Note 14: Trade and Other Payables | | | |
| CURRENT | | | |
| Unsecured liabilities; | | | |
| Trade payables - Servies | | 170,353 | 249,672 |
| Trade payables - Uralla | | 32,267 | 48,602 |
| Poker machine duty payable | | 92,471 | 87,307 |
| Sundry payables and accrued expenses - Servies | | 253,455 | 146,337 |
| Sundry payables and accrued expenses - Uralla | | 18,603 | 16,978 |
| GST and PAYG payable - Servies | | 247,795 | 229,631 |
| GST and PAYG payable - Uralla | | 22,306 | 4,437 |
| | | 837,250 | 782,964 |

Note 15: Contract Liabilities

CURRENT

| | | |
|---|----------------|----------------|
| Bowls memberships in advance - Servies | - | 600 |
| Members subscriptions in advance - Uralla | 24,800 | 18,021 |
| Poker machine jackpot liability - Servies | 136,978 | 140,454 |
| Poker machine jackpot liability - Uralla | 3,824 | 2,082 |
| | 165,602 | 161,157 |

NON-CURRENT

| | | |
|--|---------------|--------------|
| Bonds held - Cinema | 36,300 | - |
| Member subscriptions received in advance | 2,984 | 5,970 |
| | 39,284 | 5,970 |

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are 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 goods or services to the customer.

Note 16: Tax assets and liabilities

(a) Liabilities

CURRENT

| | | |
|------------|-------|---|
| Income tax | 2,042 | - |
|------------|-------|---|

NON-CURRENT

| | | |
|------------------------|--------|--------|
| Deferred tax liability | 70,661 | 86,407 |
|------------------------|--------|--------|

(b) Assets

CURRENT

| | | |
|------------|---|---|
| Income tax | - | - |
|------------|---|---|

NON-CURRENT

| | | |
|--------------------|---|---|
| Deferred tax asset | - | - |
|--------------------|---|---|

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|---------------------------------------|------|--------------|---------------|
| Note 17: Financial Liabilities | | | |
| CURRENT | | | |
| Credit cards | | <u>3,759</u> | <u>-</u> |
| NON CURRENT | | | |
| Business loan | | <u>-</u> | <u>57,493</u> |
| | | <u>3,759</u> | <u>57,493</u> |

The club repaid and closed the loan account during 2025.

Note 18: Employee Benefits

| | | | |
|-----------------------------|--|----------------|----------------|
| CURRENT | | | |
| Employee benefits - Servies | | <u>275,671</u> | 218,887 |
| Employee benefits - Uralla | | <u>37,871</u> | <u>21,043</u> |
| | | <u>313,542</u> | <u>239,930</u> |
| NON-CURRENT | | | |
| Employee benefits - Servies | | - | 1,886 |
| Employee benefits - Uralla | | <u>8,092</u> | <u>-</u> |
| | | <u>8,092</u> | <u>1,886</u> |

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included below.

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.

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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Key Judgement - Employee Benefits Provision

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.

Note 19: Other Liabilities

| | | | |
|--|--|----------------|----------------|
| CURRENT | | | |
| Other income received in advance - Servies | | <u>144,030</u> | 91,333 |
| Other income received in advance - Uralla | | <u>15,509</u> | <u>16,400</u> |
| Funds held in trust - Uralla | | <u>14,158</u> | <u>14,411</u> |
| | | <u>173,697</u> | <u>122,144</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|------------|------------|
|--|------|------------|------------|

Note 20: Capital Commitments

As at 30 June 2025 and 30 June 2024 the company had no capital commitments.

Note 21: Events After the End of the Reporting Period

On 1 August 2025 the company signed a contract with JBK Management & Construction Services Pty Ltd for the construction of one new golf cart shed and the relocation of the existing golf cart shed at the Uralla Golf Club. The value of the contract is \$300,567.19 including GST.

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.

Note 22: Related Party Transactions

Key Management Personnel

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation

| | | |
|---------------------|------------------|------------------|
| Short term benefits | <u>1,128,508</u> | <u>1,076,946</u> |
| | <u>1,128,508</u> | <u>1,076,946</u> |

Other 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.

Transactions with related parties were:

| | | |
|--|---------------|---------------|
| Director, B Everett, has an interest in a fire and safety business and a security business that provides services to the club. | <u>28,378</u> | <u>34,360</u> |
|--|---------------|---------------|

| | | |
|---|--------------|--------------|
| Director, M Bullen, has an interest in a bicycle centre that provides services to the club. | <u>2,182</u> | <u>2,860</u> |
|---|--------------|--------------|

| | | |
|---|------------|--------------|
| Director, P Kennedy, has an interest in a transport service that provides services to the club. | <u>829</u> | <u>2,045</u> |
|---|------------|--------------|

| | | |
|---|--------------|---------------|
| CEO's relation, B Sullivan, has an interest in a cabinetry business that provided services to the club. | <u>1,190</u> | <u>82,968</u> |
|---|--------------|---------------|

During the year Grace Everett was employed within the Club. Grace is the daughter of Brian Everett, who was a director of the Club during the year. She is paid under normal award rates and conditions.

During the year Ari Georkas was employed within the Club as a casual employee. Ari is the son of Peter Georkas, who is a director of the Club. He is paid under normal award rates and conditions.

Note 23: Auditors' Remuneration

During the financial year the following fees were paid or payable for services provided by Crowe Audit Australia, the auditor of the company:

| | | |
|-----------------------------------|---------------|---------------|
| Audit of the financial statements | <u>28,800</u> | <u>28,085</u> |
| Other allowable services | <u>2,000</u> | <u>51,200</u> |
| | <u>30,800</u> | <u>79,285</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|------------|------------|
|--|------|------------|------------|

Note 24: Business Combination

On 2 April 2024, Armidale Ex Services Club Ltd, acquired the operations of Uralla Golf Club Ltd. The total consideration of this acquisition was \$2,346,951.

Details of the acquisition are as follows:

| | Fair Value \$ | Fair Value \$ |
|--|------------------|------------------|
| Cash and cash equivalents | - | 116,060 |
| Trade and other receivables | - | 6,600 |
| Inventory | - | 21,652 |
| Other assets | - | 3,578 |
| Land and buildings | - | 2,181,440 |
| Plant and equipment | - | 92,206 |
| Intangible assets | - | 70,000 |
| Trade and other payables | - | (45,623) |
| Employee benefits | - | (17,712) |
| Other liabilities | - | (81,250) |
| Net assets acquired | - | 2,346,951 |
| Goodwill | - | - |
| Acquisition-date fair value of the total consideration transferred | - | 2,346,951 |
| Representing: | | |
| Transfer of net assets | - | 2,346,951 |

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets and liabilities transferred. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date.

Note 25: Contingent Liability

On 29 July 2025 the clubs insurer advised that due to the history of prior insurance claims relating to roof damage, that they were no longer prepared to insure the roofs for any loss, damage, liability, claim, cost or expense of any nature directly or indirectly caused by, contributed by, resulting from, arising out of or in connection with storm and/or hail.

In the event of a significant storm event the Club would be liable for any repairs or replacement as a result of damages.

Note 26: Company Details

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Armidale Ex Services Memorial Club Limited
137 Dumaresq Street
ARMIDALE NSW 2350

A description of the nature of the Company's operations and its principal activities are included in the Director's Report, which is not part of the financial statements.

ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377

CONSOLIDATED ENTITY DISCLOSURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

Consolidated Entity Disclosure Statement as at 30 June 2025

Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to the company, because the company is not required to prepare consolidated financial statements by Australian Accounting Standards

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2025

The directors of the company declare that:

1. the attached financial statements and notes are in accordance with the Corporations Act 2001, and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) 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;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The attached consolidated entity disclosure statement is true and correct.

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



Mark D Bullen
President



Paul J Kennedy
Director

Dated: 6 August 2025

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
ARMIDALE EX-SERVICES MEMORIAL CLUB LTD
ABN 61 000 979 377**

Opinion

We have audited the financial report of Armidale Ex-Services Memorial Club Ltd (the Company), which comprises statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Company 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 2025 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 the Company, 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.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARMIDALE EX-SERVICES MEMORIAL CLUB LTD ABN 61 000 979 377

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Directors Report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, 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:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001; and
- b) the consolidated entity disclosure that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of :

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARMIDALE EX-SERVICES MEMORIAL CLUB LTD ABN 61 000 979 377

Auditor's Responsibilities for the Audit of the 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 the audit.

CROWE AUDIT AUSTRALIA



Kylie Ellis
Partner

Registered Company Auditor (ASIC RAN 483424)
134 Taylor St
ARMIDALE NSW 2350
Dated: 7 August 2025

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.
© 2019 Findex (Aust) Pty Ltd

Armidale Ex-Services Memorial Club Ltd

Year End: 30 June 2025

SUMMARY OF 10 YEAR HISTORY

| Year | Assets | Liabilities | Net Assets | Gross Receipts | Administrative & General Expenses | Taxes & Licence Fees | Donations Welfare & Sports Grants | Cash Flow Operating Surplus | Depreciation & Provisions | Net Profit After Tax |
|------|------------|-------------|------------|----------------|--------------------------------------|-------------------------|--------------------------------------|--------------------------------|------------------------------|-------------------------|
| 2016 | 9,670,358 | 1,508,817 | 8,161,541 | 7,744,847 | 3,516,939 | 825,811 | 194,717 | 1,404,868 | 669,358 | 435,181 |
| 2017 | 9,645,155 | 873,098 | 8,772,057 | 7,939,141 | 4,016,279 | 747,731 | 148,545 | 1,568,197 | 675,488 | 610,516 |
| 2018 | 10,322,519 | 947,797 | 9,374,722 | 8,003,748 | 3,854,909 | 842,119 | 203,158 | 1,264,790 | 687,857 | 602,667 |
| 2019 | 11,684,353 | 1,233,764 | 10,450,589 | 8,512,612 | 3,758,039 | 910,123 | 198,879 | 1,777,636 | 684,722 | 1,075,867 |
| 2020 | 12,073,892 | 1,082,389 | 10,991,503 | 6,572,863 | 3,248,289 | 756,321 | 115,029 | 1,056,748 | 683,429 | 540,914 |
| 2021 | 13,839,391 | 1,477,298 | 12,362,093 | 7,480,787 | 3,106,886 | 1,031,261 | 131,972 | 1,955,911 | 667,867 | 1,370,590 |
| 2022 | 17,161,099 | 3,888,871 | 13,272,228 | 7,525,902 | 3,377,784 | 910,227 | 131,150 | 1,707,319 | 850,038 | 910,135 |
| 2023 | 17,150,446 | 2,742,296 | 14,408,150 | 9,676,132 | 4,375,091 | 1,215,822 | 180,044 | 2,299,297 | 1,202,943 | 1,135,922 |
| 2024 | 19,564,590 | 1,457,951 | 18,106,639 | 13,515,703 | 5,404,424 | 1,168,167 | 160,818 | 2,464,821 | 1,158,509 | 3,698,489 |
| 2025 | 20,651,581 | 1,577,629 | 19,073,952 | 11,697,372 | 5,871,585 | 1,275,297 | 228,356 | 2,464,821 | 1,131,284 | 967,314 |