
Penshurst RSL Club Limited

ABN 56 430 538 750

**Annual Financial Report
31 December 2025**

Penshurst RSL Club Limited

Directors' Report

The directors present their report, together with the financial statements of Penshurst RSL Club Limited for the year ended 31 December 2025.

Directors

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

John Hoban	Retired Public Relations Manager Appointed President 20 March 2016 Director 20 years
Kim Thompson	Retired Public Servant Appointed Vice President 25 March 2018 Director 8 years
Kevin Kelly	Retired National Sales Manager Resigned 19 June 2025 Director 8 years
Susie Bourke	Retired Medical Receptionist Director 14 years
Graham Grant	Retired Petro-Chemical Workshop Manager Director 10 years
Michael Korfias	Bus Driver Director 10 years
Garry Johnson	Retired Public Servant Appointed Director 24 February 2022 Director 4 years
Sean Willett	Mortgage Broker Appointed Director 26 June 2025

Directors' meetings

The number of meetings of the company's Board of Directors (the Board) held during the year ended 31 December 2025 and the number of meetings attended by each director were:

<u>BOARD MEETINGS</u>		
Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
John Hoban	12	11
Kim Thompson	12	12
Kevin Kelly (Resigned 19 June 2025)	5	5
Susie Bourke	12	10
Graham Grant	12	12
Michael Korfias	12	11
Garry Johnson	12	11
Sean Willett (Appointed 26 June 2025)	6	6

Penshurst RSL Club Limited

Directors' Report

Principal activities

The principal activity of the company during the course of the financial year was to trade as a Licensed Club, and there has been no significant change in the nature of this activity since the last report.

The company changed from a co-operative body to a company limited by guarantee in February 2018. This changed the company from Penshurst RSL Club Co-operative, registered under the Co-operative Act 1992, to Penshurst RSL Club Limited, registered as a company limited by guarantee under the *Corporations Act 2001*.

Membership

The Company is a company limited by guarantee and is without share capital. The number of members as at 31 December 2025 and the comparison with last year is as follows:

	2025	2024
Ordinary	6,263	6,614
Life	9	8
	<hr/>	<hr/>
	6,272	6,622
	<hr/>	<hr/>

Members' limited 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 they are a member or within one year thereafter. The total amount that the members of the company are liable to contribute if the company is wound up is \$12,544 (2024: \$13,244).

Operating result

The profit before tax for the year amounted to \$233,327 compared with \$709,839 for the prior year. This result is after charging \$810,334 (2024: \$742,573) for depreciation.

Objectives

Short term

The club's main short-term objective is to provide a safe and friendly club environment, where everyone is welcome. The club must ensure its' ongoing focus on efficient operational performance whilst supporting local sporting clubs and the local community.

Long term

To secure the long-term future of the Penshurst RSL Club by ensuring optimum operational efficiencies in order to strengthen the club's financial position.

The overall vision is to ensure that the Club is able to provide an outstanding facility and services to its members and the local community to enjoy.

Penshurst RSL Club Limited

Directors' Report

Strategy for achieving the objectives

All Board members must attend the Compulsory Directors training which incorporates the two courses entitled "Director Foundation and Management Collaboration" and "Finance for Club Boards".

The Directors have a liability under the Corporations Act.

Annually the Board sets and/or reviews the club's Strategic Plan.

The Board have identified the following six core strategic objectives from the club's Strategic Plan:

1. Sustainable Future
2. Operational Excellence
3. Outstanding Facilities
4. Strong Identity
5. Community Cornerstone
6. Masterplan

The following four key documents are also in place in order to assist with achieving the club's Strategic Plan:

- Operational Plan - A plan prepared by the senior management that clearly defines the actions that it will take to support the strategic objectives and plans set by the Board.
- Capital Investment Plan - A plan prepared by the senior management that details all potential capital investment projects for the club's strategic objectives.
- Master Plan - A plan approved by the Board that describes the overall land use for the club's operations which includes both present property uses as well as future land development plans.
- Financial Forecasts - An estimated financial report approved by the Board which include profit and loss, balance sheet and cash-flow statements and reflect both the strategic plan and operational plan objectives.

How these activities assist in achieving the objectives

The principal activities assist in achieving the objectives as they are our core revenues and foundations to be able to achieve the objectives. The strategies are reviewed on a monthly basis by the Board to ensure that they are aligned in assisting the club to achieve optimum performance and to enhance and improve the club facility as a whole.

Performance measurement and key performance indicators

The club has detailed budgets and cash-flows which are approved by the Board for the ensuing year. The performance of the club is monitored by the Board on a monthly basis in line with a number of industry Key Performance Indicators (KPIs) such as:

- Gross Profit Margins
- Wages to Sales analysis
- Profit and Loss accounts
- Balance Sheet analysis
- Earnings Before Tax, Depreciation and Amortisation (EBITDA)
- Cash-flow

	2025	2024
Employee benefits expense to sales percentage	30.1%	27.7%
EBITDA - percentage of revenue	13.0%	17.8%

Penshurst RSL Club Limited
Directors' Report

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 on page 5.

Signed in accordance with a resolution of the directors.

Dated at Penshurst 10th day of April 2026.



John Hoban
President

DECLARATION OF INDEPENDENCE BY GEORGE IKONOMOU TO THE DIRECTORS OF PENSURST RSL CLUB LIMITED

As lead auditor of Penshurst RSL Club Limited for the year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



George Ikononou
Director

BDO Audit Pty Ltd

Sydney, 10 April 2026

Penshurst RSL Club Limited

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Sale of goods		1,142,072	1,070,762
Rendering of services		6,722,830	6,889,549
Other revenue		117,905	134,917
Other income		37,130	68,830
		<hr/>	<hr/>
Total revenue and other income	1	8,019,937	8,164,058
		<hr/>	<hr/>
Expenses			
Raw materials and consumables used		364,263	335,735
Employee benefits expense		2,415,604	2,262,964
Depreciation expense		810,334	742,573
Finance costs	2	970	3,571
Marketing and promotional expenses		1,272,885	1,213,923
Poker machine licences and taxes		1,376,282	1,397,130
Occupancy expenses		943,370	961,076
Other expenses		602,902	537,247
		<hr/>	<hr/>
		7,786,610	7,454,219
		<hr/>	<hr/>
Profit before income tax		233,327	709,839
Income tax benefit	3	7,721	83,071
		<hr/>	<hr/>
Net profit after income tax benefit attributable to members		241,048	792,910
		<hr/>	<hr/>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land and buildings, net of tax	8	288,899	-
		<hr/>	<hr/>
Other comprehensive income for the year, net of tax		288,899	-
		<hr/>	<hr/>
Total comprehensive income for the year attributable to members		529,947	792,910
		<hr/>	<hr/>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 11 to 22.

Penshurst RSL Club Limited
Statement of Financial Position
As at 31 December 2025

	Note	2025 \$	2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		3,048,459	2,693,606
Trade and other receivables		23,500	10,726
Inventories		76,388	58,193
Prepayments		125,977	112,742
Total Current Assets		3,274,324	2,875,267
Non-Current Assets			
Property, plant and equipment	4	19,333,238	17,080,794
Investment property	5	-	1,750,000
Poker machine entitlements		101,818	101,818
Deferred tax asset	3(c)	193,463	185,742
Total Non-Current Assets		19,628,519	19,118,354
Total Assets		22,902,843	21,993,621
LIABILITIES			
Current liabilities			
Trade and other payables	6	654,258	413,719
Financial liabilities		-	17,409
Employee benefits	7	645,868	583,105
Income received in advance		17,028	17,122
Total Current Liabilities		1,317,154	1,031,355
Non-Current Liabilities			
Employee benefits	7	27,047	32,020
Income received in advance		22,846	20,696
Deferred tax liability	3(b)	1,319,142	1,222,843
Total Non-Current Liabilities		1,369,035	1,275,559
Total Liabilities		2,686,189	2,306,914
Net Assets		20,216,654	19,686,707
Members' Funds			
Reserves	8	4,516,830	4,227,931
Retained profits		15,699,824	15,458,776
Total Members' Funds		20,216,654	19,686,707

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 11 to 22.

Penshurst RSL Club Limited
Statement of Changes in Members' Funds
For the Year Ended 31 December 2025

	Reserves \$	Retained Profits \$	Total Equity \$
Balance at 31 December 2023	4,227,931	14,665,866	18,893,797
Net profit after income tax expense for the year	-	792,910	792,910
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	792,910	792,910
Balance at 31 December 2024	4,227,931	15,458,776	19,686,707
Net profit after income tax expense for the year	-	241,048	241,048
Other comprehensive income for the year, net of tax	288,899	-	288,899
Total comprehensive income for the year	288,899	241,048	529,947
Balance at 31 December 2025	4,516,830	15,699,824	20,216,654

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 11 to 22.

Penshurst RSL Club Limited
Statement of Cash Flows
For the Year Ended 31 December 2025

	2025 \$	2024 \$
Cash Flows from Operating Activities		
Receipts from customers (inclusive of GST)	8,675,748	8,795,425
Payments to suppliers and employees (inclusive of GST)	(7,492,843)	(7,463,208)
Interest received	48,375	67,564
Rent received	69,530	67,353
Finance costs paid	(970)	(3,571)
	<hr/>	<hr/>
Net cash inflow from operating activities	1,299,840	1,463,563
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Payments for property, plant and equipment	(947,623)	(2,704,797)
Receipts on sale of property, plant and equipment	20,045	40,933
	<hr/>	<hr/>
Net cash outflow from investing activities	(927,578)	(2,663,864)
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Net repayments of lease liabilities	(17,409)	(62,709)
	<hr/>	<hr/>
Net cash outflow from financing activities	(17,409)	(62,709)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	354,853	(1,263,010)
Cash and cash equivalents at the beginning of the financial year	2,693,606	3,956,616
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	3,048,459	2,693,606
	<hr/> <hr/>	<hr/> <hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 11 to 22.

Penshurst RSL Club Limited

Notes to the Financial Statements

For the Year Ended 31 December 2025

About this report

Penshurst RSL Club Limited is a company limited by guarantee, incorporated and domiciled in Australia and is a not-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Penshurst RSL Club Limited as a standalone legal entity.

The financial statements were approved for issue by the Directors on 10 April 2026.

The financial statements for the year ended 31 December 2025 are general purpose financial statements prepared using historical cost (unless otherwise stated) which:

- Have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australia Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB');
- Have been prepared under the historical cost convention;
- Do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB);
- Are presented in Australian dollars and are rounded to the nearest dollar; and
- Where necessary, comparative information has been restated to conform with changes in presentation in the current year;
- Have been prepared under the historical cost convention;
- Have been prepared on going concern basis.

Standards and Interpretations issued but not yet effective

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

Material 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 that management believes to be reasonable under the circumstances. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets	Note 4
Fair value of property	Notes 4 and 5

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

	2025 \$	2024 \$
1 Revenue and Other Income		
Sale of Goods Revenue		
Bar sales	1,142,072	1,070,762
Rendering of Services Revenue		
Poker machines - net clearances	6,526,760	6,706,625
Keno commission received	43,147	41,075
Members' subscriptions	23,900	26,837
TAB commission received	26,647	15,049
Room hire	21,713	28,764
Brassiere utilities recovery	78,000	67,761
Sundry income	2,663	3,438
	6,722,830	6,889,549
Other Revenues		
Interest received	48,375	67,564
Rent received	69,530	67,353
	117,905	134,917
Other Income		
Other income	37,130	68,830
	37,130	68,830
Total Revenue and Other Income	8,019,937	8,164,058

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

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 (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied that is on delivery of goods to the customer.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

1 Revenue and Other Income (continued)

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.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Rent Revenue

Rent revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

	2025 \$	2024 \$
2 Expenses		
Profit before income tax includes the following specific expenses:		
Finance costs		
Bank loans	599	-
Lease interest charges	371	3,571
	970	3,571
Defined contribution superannuation expense	231,085	206,350
Loss on disposal of non-current assets	14,762	7,629

Recognition and Measurement

Finance Costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

3 Income Tax

(a) Income Tax Expense

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality, clubs are only liable for income tax on income derived from non-members and from outside entities.

	2025 \$	2024 \$
Proportion of income attributable to non-members	353,404	329,121
Less: Proportion of expenses attributable to non-members	(298,985)	(258,415)
Add: Other taxable income	228,604	248,668
Less: Other deductible expenses	<u>(307,737)</u>	<u>(373,814)</u>
Net profit subject to tax	(24,714)	(54,440)
Less: Carried forward tax losses	-	-
	<u> </u>	<u> </u>
Current income tax applicable to above at rate of 25%	(6,179)	(13,610)
Recognition of tax losses - increase in deferred tax assets	<u>(7,721)</u>	<u>(83,071)</u>
	<u> </u>	<u> </u>
Income tax benefit	<u>(13,900)</u>	<u>(96,681)</u>

(b) Deferred Tax Liability

Unrealised gain on revaluation of land and buildings	<u>1,319,142</u>	<u>1,222,843</u>
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(c) Deferred Tax Assets

Deferred tax assets associated with unused tax losses	163,685	159,971
Deferred tax assets associated with temporary differences attributable to amounts recognised in profit or loss:		
Provisions	31,382	26,412
Prepayments	<u>(1,604)</u>	<u>(641)</u>
	<u>193,463</u>	<u>185,742</u>

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

3 Income Tax (continued)

Recognition and Measurement

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, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Mutuality Principal

The Club 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 - e.g. poker machines, bar and dining room services 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.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

	2025 \$	2024 \$
4 Property, Plant and Equipment		
Freehold land, buildings and improvements - at independent valuation	19,092,235	16,908,019
<i>Accumulated depreciation</i>	(1,642,235)	(1,439,819)
	17,450,000	15,468,200
Right-of-use - leased assets - at cost	671,635	671,635
<i>Accumulated depreciation</i>	(671,635)	(661,436)
	-	10,199
<i>Plant and equipment - at cost</i>	6,462,334	6,083,843
<i>Accumulated depreciation</i>	(4,662,886)	(4,481,448)
	1,799,448	1,602,395
Capital WIP - <i>at cost</i>	83,790	-
	19,333,238	17,080,794
Total property, plant and equipment net book value	19,333,238	17,080,794

Recognition and Measurement

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

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same class of land and buildings recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to that class of land and buildings.

Penshurst RSL Club Limited

Notes to the Financial Statements

For the Year Ended 31 December 2025

4 Property, Plant and Equipment (continued)

All property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line / diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings and improvements	60 years
Plant and equipment	5 - 10 years

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

Key Estimate and Judgement: Estimation of Useful Lives of Assets

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

Right-of-use assets

The company hires plant and equipment under hire purchase agreements expiring from one to five years. The hire purchase facility is secured against the assets purchased. 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 consolidated entity 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 re-measurement 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.

Valuation

An independent valuation of the Club's freehold land and buildings was carried out in December 2025 resulting in a valuation of \$17,450,000. In arriving at the fair value, comparable sales approach was used for land and the depreciated replacement cost approach was used for the buildings and site improvements, whereby the depreciated value of the improvements are added to the underlying land value.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

4 Property, Plant and Equipment (continued)

Reconciliations	2025 \$	2024 \$
Movements in Carrying Amounts		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:		
Freehold Land, Buildings and Improvements		
Carrying amount at beginning of year	15,468,200	13,606,022
Additions	49,518	91,744
Revaluation surplus	385,199	-
Transferred from investment property	1,750,000	-
Transfers from capital work-in-progress	-	1,976,089
Depreciation expense	(202,917)	(205,655)
	<hr/>	<hr/>
Carrying amount at end of year	17,450,000	15,468,200
	<hr/>	<hr/>
Plant and Equipment		
Carrying amount at beginning of year	1,602,395	1,417,357
Additions	814,315	702,721
Disposals	(31,817)	(16,912)
Depreciation expense	(585,445)	(500,771)
	<hr/>	<hr/>
Carrying amount at end of year	1,799,448	1,602,395
	<hr/>	<hr/>
Right-of-use - leased assets		
Carrying amount at beginning of year	10,199	46,346
Depreciation expense	(10,199)	(36,147)
	<hr/>	<hr/>
Carrying amount at end of year	-	10,199
	<hr/>	<hr/>
Capital Work-in-progress		
Carrying amount at beginning of year	-	65,757
Additions	83,790	1,910,332
Transfer to freehold land, building and improvements	-	(1,976,089)
	<hr/>	<hr/>
Carrying amount at end of year	83,790	-
	<hr/>	<hr/>

Core Properties held by the Club

58A Penshurst Street, Penshurst NSW 2222

25, 27, 29 and 31 Connelly Street, Penshurst NSW 2222

52 Penshurst Street, Penshurst NSW 2222 (included in investment property in FY24)

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

5 Investment Property

	2025 \$	2024 \$
Freehold land and buildings at fair value	1,750,000	1,750,000
Accumulated depreciation	-	-
Transfer to property plant and equipment	(1,750,000)	-
	<hr/>	<hr/>
Land and building at fair value	-	1,750,000
	<hr/>	<hr/>
Movements in Carrying Amounts		
Carrying amount at beginning of year	1,750,000	1,750,000
Transfer to property plant and equipment	(1,750,000)	-
	<hr/>	<hr/>
Carrying amount at end of year	-	1,750,000
	<hr/>	<hr/>

During the year, the Club undertook a lot consolidation and completed capital works on a portion of land previously classified as investment property. As part of this process, a portion of the property was repurposed and is now occupied for use in the Club's operations. While the portion of the property continues to be used for rental income purposes, following the lot consolidation the property is now held for the Club's long-term strategic purposes and represents a change in use to Club-operated property. Accordingly, the property is no longer classified as investment property and has been transferred to freehold land and buildings within property plant and equipment.

Recognition and Measurement

Investment properties principally comprise 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 remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Key Estimate and Judgement: Fair Value

The Club has determined that the fair value model is more appropriate for reflecting the value of its investment property. The Capitalisation of Net Income method of valuation has been adopted, which assesses the income earning potential and investment return for the property. This is then reconciled to the Direct Comparison Approach whereby it is compared to sales on a rate per square metre of lettable floor area and site area inclusive of improvements of comparable properties.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

6 Trade and Other Payables

	2025 \$	2024 \$
Current		
Trade payables	247,417	97,880
Other payables and accrued expenses	406,841	315,839
	654,258	413,719
	654,258	413,719

Recognition and Measurement

The amounts are unsecured and are usually paid within 30 days of recognition.

	2025 \$	2024 \$
7 Employee Benefits		
Current Employee Benefits		
Long service leave	260,829	215,760
Annual leave	385,039	367,345
	645,868	583,105
	645,868	583,105
Non-Current Employee Benefits		
Long service leave	27,047	32,020
	27,047	32,020

Superannuation Plans

Contributions

The company is under a legal obligation from 1 July 2025 to contribute 12.00% of each employee's base salary to a defined contribution superannuation plan. From 1 January 2025 to 30 June 2025 the legal obligation was to contribute 11.50% of each employee's base salary to a defined contribution superannuation plan. Contributions are recognised as an expense as they are made. The company has no legal or constructive obligation to fund any deficit.

Recognition and Measurement

Wages and Salaries, Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long Service Leave

The provision for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date. The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the market yields on corporate bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

	2025 \$	2024 \$
8 Reserves		
Capital profits reserve	545,000	545,000
Asset revaluation reserve	3,957,427	3,668,528
Members' withdrawn share reserve	14,403	14,403
	<hr/>	<hr/>
	4,516,830	4,227,931
	<hr/> <hr/>	<hr/> <hr/>

9 Commitments, contingent liabilities and contingent assets

There are no significant commitments, contingent liabilities nor contingent assets at the end of the year.

The company hires plant and equipment under hire purchase agreements expiring from one to five years. The hire purchase facility is secured against the assets purchased under this facility in Note 4.

	2025 \$	2024 \$
10 Auditors' Remuneration		
Audit Services - BDO		
Audit of financial statements	35,500	34,250
Other Services - BDO		
Taxation and Compliance Services	7,383	7,383
	<hr/>	<hr/>
	42,883	41,633
	<hr/> <hr/>	<hr/> <hr/>

11 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the company during the financial year:

John Hoban
Kim Thompson
Kevin Kelly (Resigned 19 June 2025)
Susie Bourke
Graham Grant
Michael Korfias
Garry Johnson
Sean Willett (Appointed 26 June 2025)

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

11 Key Management Personnel Details (continued)

(b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year:

Name	Position
Chris Hendley	Chief Executive Officer

(c) Key Management Personnel Compensation

	2025 \$	2024 \$
Benefits and payments made to the Directors and Other Key Management Personnel	336,427	337,053

12 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 12.

Transactions with related parties

From time to time the company pays, and is subsequently reimbursed, for various expenses on behalf of the Sub-Branch. During the 2025 financial year the company paid \$13,188 (2024: \$12,178) on behalf of the Sub-Branch and the company was reimbursed \$10,841 (2024: \$10,947).

During the 2025 financial year the company provided funding, through the Club Grants scheme, of \$3,000 to the Sub-Branch (2024: \$6,000).

The shortage of expenses reimbursed by the Branch in 2025 was nil (2024: nil).

During the 2025 and 2024 financial years the company made available office space to the Sub-Branch at no cost.

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers.

No director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

Receivable from and payable to related parties

As at 31 December 2025, the company recognised a receivable of \$2,347 (2024: \$1,231) from the Sub-Branch which was received in full on 12th January 2026.

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

Penshurst RSL Club Limited
Notes to the Financial Statements
For the Year Ended 31 December 2025

13 Company Details

The company is incorporated and domiciled in Australia as a company limited by guarantee. 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 is a member or within one year thereafter. At 31 December 2025 there were 6,272 members.

The registered office of the company is 58A Penshurst Street, Penshurst NSW 2222.

14 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have 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.

15 Summary of Other Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Customer Loyalty Program

The Club operates a loyalty program where customers accumulate points for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award 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. Points carried forward for level 1, level 2 and level 3 patrons were accrued at year end, whilst points for level 4 and level 5 patrons were cleared, as they were forfeited at year end.

Penshurst RSL Club Limited
Consolidated Entity Disclosure Statement
As at 31 December 2025

Penshurst RSL Club Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements.

As a result, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Penshurst RSL Club Limited

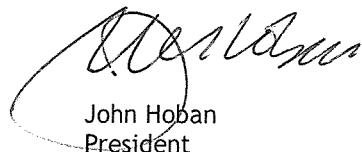
Directors' Declaration

The directors of Penshurst RSL Club Limited declare that:

- (a) In the directors' opinion the financial statements and notes set out on pages 7 to 22, are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the company's financial position as at 31 December 2025 and of its performance, for the financial year ended on that date;
 - (ii) Complying with Australian Accounting Standards - Simplified Disclosures and *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (c) The information disclosed in the attached consolidated entity disclosure statement on page 23 is true and correct.

Signed in accordance with a resolution of the directors.

Dated at Penshurst this 10th day of April 2026.



John Hoban
President

INDEPENDENT AUDITOR'S REPORT

To the members of Penshurst RSL Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Penshurst RSL Club Limited (the Company), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of The Penshurst RSL Club Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of 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 statement 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 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 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

This description forms part of our auditor's report.

BDO Audit Pty Ltd



George Ikonomou

Director

Sydney, 10 April 2026