



MAYFIELD EX-SERVICES CLUB LIMITED

FINANCIAL REPORT YEAR ENDING 30 JUNE 2026

ABN 82 000 995 602

A COMPANY LIMITED BY A GUARANTEE NOT HAVING SHARE CAPITAL

NOTICE OF 2026 ANNUAL GENERAL MEETING

NOTICE is hereby given of the Annual General Meeting of MAYFIELD EX SERVICES CLUB LIMITED to be held on Monday, 19th October commencing at the hour of 4:00pm at the premises of the Club, 58 Hanbury Street, Mayfield, New South Wales.

BUSINESS

The business of the meeting will be as follows:

1. To confirm the minutes of the previous Annual General Meeting and the minutes of any other general meeting that require confirmation.
2. To receive and consider the directors' report, financial report, auditor's report and any other report of the Board. These reports are available on the Club's website www.mexclub.com.au.
3. To conduct the election of directors as required by the Club's Constitution.
4. To appoint a Returning Officer.
5. To consider the Ordinary Resolutions set out below.
6. To deal with any other business that may be dealt with at the Annual General Meeting.

CLUB PROPERTY REPORT

Pursuant to Section 41J(2) of the *Registered Clubs Act*, for the financial year ended 30 June 2023, the Club's property at:

- (a) 58 Hanbury Street Mayfield NSW is core property of the Club

1. ORDINARY RESOLUTION

That:

- (a) The members hereby approve expenditure by the Club not exceeding \$60,000.00 until the next Annual General Meeting of the Club for the following:
 - (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 travel and accommodation expenses) of directors attending meetings, conferences and trade shows conducted by ClubsNSW, the Club Managers Association and such other conferences and trade shows as determined by the Board from time to time.
 - (iii) The reasonable cost of directors attending any other registered club or gaming venue for the purpose of viewing and assessing its facilities as determined by the Board as being necessary for the benefit of the Club.
 - (iv) 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.
 - (v) The reasonable out of pocket expenses incurred by directors in relation to carrying out their duties directly relating to club affairs approved by the Board on production of documentary evidence of such expenditure.
 - (vi) The reasonable cost of any uniforms or clothing as required for the purposes of attending events as representatives of the Club.
- (a) The members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are directors 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 for directors to attend 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 and for other out of pocket expenses.

Procedural Matters

1. To be passed, the First Ordinary Resolution must receive votes from not less than a majority of those members who being eligible to do so vote in person on the First Ordinary Resolution at the meeting.
2. 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.

2. ORDINARY RESOLUTION

That the members hereby approve:

- (a) the payment of the following honorariums:
 - (i) President - \$6,000.00 per annum
 - (ii) Senior Vice President - \$4,000.00 per annum
 - (iii) Junior Vice President - \$3,500.00 per annum
 - (iv) Ordinary Board Members - \$3,000.00 per annum
- (b) the honorariums to be paid on a pro rata basis by such instalments as may be agreed.

Notes to Members on Second Ordinary Resolution

1. The Second Ordinary Resolution is to have members approve honorariums for the President, Senior Vice President, Junior Vice President and Ordinary Board members.
2. The Honorariums will be paid on a pro rata basis which means that if a director only holds office for part of the year, the director will only receive part of the honorarium.
3. The Honorariums are proposed to be increased this year to better reflect the increase in duties and responsibilities modern directors face and to bring them into line with other clubs in the region. A review document on page 8 and 9 provides supporting documentation to the proposed increases.

Procedural Matters

1. To be passed, the Second Ordinary Resolution must receive votes from not less than a majority of those members who being eligible to do so vote in person on the Second Ordinary Resolution at the meeting.
 2. 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.
-

3. ORDINARY RESOLUTION

That the members hereby approve:

- (a) The election of Mervyn Nichols as an honorary life member of the Club.

The nomination was put forward by ex-service member Damien Horan and seconded by ex-services member Darryl Kerr at the board meeting dated December 2nd, 2025. The nomination was then approved by the board of directors at that board meeting, with Mervyn Nichols absent from the room during discussion and voting.

Notes to Members on Third Ordinary Resolution

1. Any Ex-Service member or Ordinary member who has rendered outstanding service to the Club, on account of such service or for any other commendable reason may be elected an Honorary Life member of the Club, provided that:
 - (a). Such member shall have been nominated by one and seconded by another ex-Service member or Ordinary member.
 - (b) The Nomination is approved by the board
 - (c) A resolution to elect such person to Honorary Life membership is carried by a majority of not less than 50% of the votes cast at the general meeting held to consider the nomination.
 - (d) Not more than one (1) Honorary Life member shall be elected annually.

Procedural Matters

3. To be passed, the Third Ordinary Resolution must receive votes from not less than a majority of those members who being eligible to do so vote in person on the Third Ordinary Resolution at the meeting.
4. 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.



PRESIDENT'S MESSAGE

DAMIEN HORAN

It is my pleasure to present my President's Report for Mayfield Ex-Services Club.

Looking back over the past twelve months, I believe we can be proud of where the Club is heading.

It certainly hasn't been without its challenges. We continue to deal with increasing costs, an ageing building and financial commitments from previous years. At the same time, we have made some very positive progress and, most importantly, we are seeing people come back through our doors.

Without doubt, one of the biggest changes has been the return of the buffet.

When the Board supported the partnership with Galaxy Buffet, we believed it could make a real difference to the Club. It required significant investment and there was always an element of risk involved. It is fair to say the results have exceeded our expectations.

It has been fantastic to see the Club busy again, particularly with families, and membership once again exceeding 10,000 is a milestone everyone associated with the Mex should be proud of.

I would particularly like to thank Teik and the Galaxy Buffet team for the contribution they have made to that success.

A great deal has also happened behind the scenes. Significant investment has been required in our fire and security systems, air conditioning, electrical infrastructure, structural and lift repairs and CCTV.

These aren't necessarily the things members notice, but they are essential to keeping the Club safe, compliant and operating.

The Board remains very conscious of our financial position. We are still addressing debt from previous renovations and the COVID period while continuing to invest in the Club's future.

Encouragingly, our underlying business is performing better. We have improved trading, positive cashflow and reduced operational expenses while continuing to address our financial obligations. There is still work to do, but we are moving in the right direction.

I am also proud that our improved trading allows the Mex to continue supporting local organisations through ClubGrants. We are part of the Mayfield community, and our ability to give something back remains an important part of what this Club stands for.

Sadly, this year we also lost several people who gave many years of service to the Mex.

We remember former Vice President and Life Member Wes Ting, Board Member Richard Clarke, and long-serving Board Member and Life Member Lyle Chapman.

On behalf of the Board and our members, I acknowledge their contribution to our Club and extend our sincere condolences to their families and friends.

I would like to personally thank Greg for his leadership as CEO and General Manager, together with Karron, Dean and Leanne, our supervisors Tahni, Hamilton and Julie, and all of our staff. The success of the Mex ultimately depends on the people who turn up every day and look after our members and guests.

I would also like to recognise my fellow Executive members, Darryl Kerr and Brett Campany, and all of our Directors for their contribution throughout the year.

The responsibilities placed upon Directors of registered clubs continue to grow. Governance, financial oversight, regulatory compliance, licensing and risk all form part of a role that extends well beyond simply attending Board meetings.

Much of that work happens quietly in the background, but the responsibility is significant. I appreciate the time, experience and commitment our Directors continue to give to the Mex.

It is also important that, from time to time, we review our governance arrangements to ensure they remain appropriate for the Club we are today and properly recognise how the responsibilities and expectations placed upon those entrusted with governing the Club have evolved.

Ultimately, however, the Board remains accountable to our members, and that is exactly as it should be.

Finally, thank you to our members.

This is your Club.

Seeing the Mex busy again, seeing families enjoying themselves and having more than 10,000 members again tells me we are heading in the right direction.

There is still more to do. We will continue to manage our finances carefully, reduce debt, improve our facilities and make decisions that we believe are in the long-term interests of the Club and its members.

I am proud of what we have achieved this year and positive about where the Mex is heading. Thank you to our management team, staff, my fellow Directors and, most importantly, our members for your continued support.

Damien Horan
President
Mayfield Ex-Services Club



GENERAL MANAGER'S REPORT

GREG RICKFORD

Welcome to another AGM, and another General Manager's Report.

Quite a lot has changed since last year – most notably the return of the buffet to our club. As we hoped, this has been a game-changer in terms of making the club a destination again.

It has been great to see so many new faces in and around the club, enjoying quality time and quality food with friends and family. Membership numbers have surpassed 10,000 – this is something we have not seen since the days before COVID.

I would like to personally thank Teik and the amazing team from Galaxy Buffet for delivering on everything they promised, on time and on budget, and surpassing all expectations with both their food and their customer service.

The business is once again generating good trade and good cash. As Damien has already mentioned in his report we are of course still playing catch up with debts from previous renovations and the whole COVID period – plus this financial year we put a significant investment into the buffet partnership.

Damien also touched on a number of unavoidable repairs and maintenance projects this year which were absolutely necessary and required a large chunk of further capital investment.

This financial year alone we had to replace the outdated emergency fire panel, the security system and several major air conditioning and electrical components. We undertook significant structural repairs to sections of the building. We faced major lift repairs and added over 60 new CCTV cameras to continue to meet the changing requirements of our liquor license.

It's these behind the scenes changes that you don't necessarily see day to day but are a vitally important part of keeping the Mex Club up and running.

Despite these challenges and the ever-increasing cost of living, the club was actually able to keep a relative lid on expenses this financial year. Overall expenses are down 3.2% on the previous year.

Revenue is also down on last year on paper, however this is due to the movement of cash from the purchases and sales of investment units in the previous financial year. The actual trading results of the club have been much improved – with more trading income, an ongoing positive cashflow and lower operational costs.

Kirsty from Pitcher Partners will explain the financial results in detail at the AGM.

We are in good standing with all of our trading partners and are consistently reducing the Club's debts. Based on the figures and the synopsis from the auditors, there is much positivity from the board and senior management for the future of our club.

I would like to take the opportunity to thank the board – President Damien Horan and his fellow executives Darryl Kerr and Brett Company, along with all of our directors – for their unwavering support. It means a lot to me that you have faith in my decisions as we constantly strive to move the club forward. This year we look to recognise the increase in commitment and expectation of our Board of Directors with a raise in the Honoraria. Please read the associated documentation on pages 8 and 9 of this booklet - I'm sure you will agree this is a necessary and justifiable adjustment.

It has been a year of loss in terms of people, and it is with much sadness that I reflect on the passing of several current and former board members this year.

Wes Ting, former Vice President and long standing life member of the Mex Club.

Richard Clarke, board member and long standing member of the Mex Club.

Lyle Chapman, long time board member and long standing life member of the Mex Club.

I would like to express my sincere condolences to the families of all of these beloved members, and once again share my appreciation of their contributions to the Mayfield ex-Services Club during their tenures on the board.

To any members who lost loved ones this year, my sincere condolences go out to you also.

The increase in trade has also meant an increase in the number of organisations we are able to assist with our ClubGrants programs. I'm extremely proud of the work these organisations are doing in the community. The Club is thrilled to be able to assist all the diverse charities, community and sporting groups that we have in our ClubGrants program, the details of which can be found on page 10 of this booklet.

To the Club's management team – Karron, Dean and Leanne, thank you for your commitment each day. I value your professionalism, your enthusiastic approach and I value your friendship. You can all be proud of the results we are achieving.

To my supervisor team – Tahni, Hamilton and Julie – you are what keeps the club operational 365 days a year. At times there can be a lot happening at once down there and your ability to multitask and manage a busy venue, particularly on the hectic Friday and Saturday nights, is something you can be really proud of.

To all of our members and guests – more than ten thousand of you now – thank you. You are the lifeblood of this club and your support means a lot to every one of us.

We're a hospitality business that exists for you to have a place to meet, eat and drink, watch a game or listen to some music and maybe take home a grand jackpot now and then. We will continue to do our best to improve the experience and provide a club we can all be proud of.

Thank you all for your support.

Greg Rickford
CEO / General Manager

REVIEW OF BOARD HONORARIA 2026 - SUPPORTING DOCUMENTATION

1. History of MEX Club Board Honoraria

A review of historical MEX Club AGM and financial material establishes the following:

Position	2017	2019	Current 2025
President	\$3,000	\$4,000	\$4,000
Senior Vice President	\$2,000	\$2,500	\$2,500
Junior Vice President	\$1,500	\$2,000	\$2,000
Director	\$1,000	\$1,500	\$1,500

The current Board honoraria have remained unchanged since at least 2019 and, by the proposed 2026 review, will have remained at the same level for a minimum of approximately seven years.

2. Current and Proposed Honoraria

It is proposed that all Board positions receive an adjustment, while maintaining an appropriate differential recognising the additional responsibilities associated with the executive positions.

Position	No.	Current	Proposed	Increase
President	1	\$4,000	\$6,000	+\$2,000
Senior Vice President	1	\$2,500	\$4,000	+\$1,500
Junior Vice President	1	\$2,000	\$3,500	+\$1,500
Ordinary Directors	6	\$1,500 each	\$3,000 each	+\$1,500 each
Total Annual Honoraria	9	\$17,500	\$31,500	+\$14,000

The proposed structure maintains a clear distinction between executive and ordinary Board positions.

In particular, the proposed \$6,000 President's honorarium remains twice the proposed \$3,000 ordinary Director honorarium, recognising the additional leadership, governance, representational and organisational responsibilities associated with the office of President.

3. External Benchmarking

A review of publicly available AGM notices and annual reports from registered clubs throughout Newcastle and the broader Hunter indicates that MEX Club's existing honoraria, particularly the \$1,500 payable to ordinary Directors, are below a number of comparable regional clubs.

Relevant publicly available examples identified during the review include:

Comparable Club	President / Chair	Ordinary Director
MEX Club – Current	\$4,000	\$1,500
Cardiff RSL	\$4,100	\$3,000
Soldiers Point Bowling Club	\$8,000	\$3,000
Hexham Bowling Club	\$5,200	\$3,200
Cessnock Hospitality Group	\$3,000	\$2,500
Nelson Bay Bowling Club	\$4,000	\$2,500
Muswellbrook Workers Club	\$2,740	\$2,740

The available benchmarking demonstrates that annual ordinary Director honoraria among comparable Hunter clubs commonly fall around the \$2,500–\$3,200 range.

MEX Club's existing ordinary Director honorarium of \$1,500 is therefore materially below this group.

The proposed \$3,000 ordinary Director honorarium would bring MEX broadly into line with established regional practice without placing the Club at the upper end of the identified range.

4. Relevant Regional Precedent

Soldiers Point Bowling Club provides a particularly relevant recent regional example. Its ordinary Director honorarium was increased from \$1,500 to \$3,000, with the club referring to factors including increased Director responsibilities, mandatory training and AML/CTF obligations. Its President's honorarium is \$8,000 per annum.

This is relevant to the proposed MEX review because MEX ordinary Directors are presently receiving the same \$1,500 amount from which Soldiers Point increased its Director honorarium to \$3,000.

The proposed MEX President's honorarium of \$6,000 would also remain below the \$8,000 amount approved at Soldiers Point.

5. Increasing Governance Responsibilities

The role of a registered club Director has become increasingly demanding.

Board members are required to deal with responsibilities including:

- corporate governance and Directors' duties;
- financial oversight;
- regulatory compliance;
- mandatory Director education and training;
- gaming-related governance and compliance;
- AML/CTF obligations;
- risk management;
- workplace and organisational governance;
- strategic oversight;
- member accountability; and
- broader statutory and fiduciary responsibilities.

Executive office holders, particularly the President, also carry additional leadership, representational and organisational responsibilities.

The proposed adjustment recognises both the increased responsibilities of Board service and the time commitment expected of Directors while retaining the fundamentally honorary nature of the positions.

The board asks that members considering this increase please take into consideration :

1. The external benchmarking undertaken in relation to Board honoraria paid by comparable registered clubs throughout Newcastle and the Hunter.
2. That MEX Club's current Board honoraria have remained unchanged since at least 2019.
3. The increased governance, regulatory, training and compliance responsibilities imposed upon registered club Directors.
4. That the proposed increase of \$14,000 per annum represents approximately 0.21% of MEX Club's FY2025 trading revenue and that this adjustment is therefore not considered material to the overall financial position of the club.

ClubGrants 2026

ClubGrants is one of Australia's largest grant programs, where NSW Clubs provide more than \$100 million in cash each year to a variety of worthy causes across NSW.

Charities, sporting organisations and not-for-profit community groups are among tens-of-thousands of worthy causes funded through the program each year.

Mex Club Mayfield - Club Grants allocations to September 1, 2026

Category 1

Hunter Breast Cancer Foundation	\$4,400.00
Hunter Breast Cancer Transport Service	\$5,000.00
Got your back sista	\$10,000.00
Careflight	\$5,500.00
Royal Life Saving NSW	\$7,000.00
Variety Childrens Charity	\$2,500.00

TOTAL CATEGORY 1 \$31,900

Category 2

Waratah Mayfield Cheetahs	\$18,975.00
Newcastle Basketball Association	\$10,000.00
Waratah Mayfield Junior Cricket Club	\$3,000.00
Newcastle RSL Pipe Band	\$2,500.00
Hamilton & District Darts Association	\$8,975.00

TOTAL CATEGORY 2 \$45,950.00
CLUB GRANTS TOTAL 2026 \$77,850.00





**Mayfield Ex Services
Club Limited**

ACN 000 995 602

**Annual Financial Report
for the year ended 30 June 2026**

Mayfield Ex Services Club Limited

ACN 000 995 602

Annual financial report for the year ended 30 June 2026

Contents	Page
Directors' report	13-15
Auditor's independence declaration	16
Financial statements	
Statement of profit or loss and other comprehensive income ...	17
Statement of financial position	18
Statement of changes in equity	19
Statement of cash flows	20
Notes to the financial statements	21-31
Consolidated entity disclosure statement	32
Directors' declaration	33
Independent auditor's report to the members	34-35

These financial statements are the financial statements of Mayfield Ex Services Club Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 22 September 2026. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors' present their report on Mayfield Ex Services Club Limited (the Company) for the year ended 30 June 2026.

Directors details

The following persons were Directors of Mayfield Ex Services Club Limited during the financial year, and up to the date of this report:

Mr Damien Horan

President
Director since 2013

Currently working as an aircraft maintenance engineer. Previously worked as a police officer. Qualification obtained includes Diploma of Policing

Mr Brett Campany

Junior Vice President
Director since 2025, appointed 29 September 2025
Team leader - NSW Ambulance Service

Ms Karen Onslow

Director
Director since 2024

Works at Northlakes High School, San Remo NSW as a Student Learning and Support Officer. New South Wales Oztog Referee Development Officer.

Mr Robert Henry

Director
Director since 2025, appointed 29 September 2025
Retired, worked in Hospitality

Mr Wes Ting

Director
Director since 2002, resigned 29 September 2025
Previously worked as a switchboard operator.

Mr Lyle Chapman

Director
Director since 1999, resigned 29 September 2025

Worked as a carpenter and joiner.

Mr Darryl Kerr

Vice President
Director since 2022

Business Manager Military Jet - Airflite Pty Ltd solely responsible for all general, personnel, production, quality and technical management.

Mr Mervyn Nichols

Director
Director since 2011
Previously worked as a store supervisor.

Mr Mark Griffiths

Director
Director since 2024

Works for Northern Aboriginal Tenants Advice & Advocacy Service.

Mr Darren Foster

Director
Director since 2025, appointed 29 September 2025
Warehouse Manager

Mr Terence Ting

Director
Director since 2018, resigned 29 September 2025
Worked as a salesman.

Mr Richard Clarke

Director
Director since 2025, appointed 29 September 2025, deceased 10 March 2026
Retired, worked in Hospitality

Company secretary

Mr Greg Rickford has been the General Manager and Company Secretary of Mayfield Ex Services Club Limited since May of 2024. Mr. Rickford has extensive experience across multiple industries including security systems and CCTV, software development, information technology and sports marketing.



Directors' report

Director's meetings

The number of meetings the Directors held during the year and the number of meetings attended by each director is as follows:

Board members	Board meetings	
	A	B
Mr Damien Horan	10	10
Mr Darryl Kerr	10	8
Mr Brett Campany Appointed 29 Sep 2025	8	7
Mr Mervyn Nichols	10	10
Ms Karen Onslow	10	8
Mr Mark Griffiths	10	8
Mr Robert Henry Appointed 29 Sep 2025	8	7
Mr Darren Foster Appointed 29 Sep 2025	8	7
Mr Wes Ting Resigned 29 Sep 2025	2	2
Mr Terence Ting Resigned 29 Sep 2025	2	0
Mr Lyle Chapman Resigned 29 Sep 2025	2	0
Mr Richard Clarke Appointed 29 Sep 2025, deceased 10 Mar 2026	4	2

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Core and non-core property

Pursuant to Section 41E(5) of the *Registered Clubs Act 1976 (NSW)* for the financial year ended 30 June 2026, the following land and buildings are considered to be core and non-core property:

Core Property

- 50-58 Hanbury Street, Mayfield NSW 2305

Non-Core Property

- 203/26 Baker Street, Mayfield NSW 2305
- 204/30 Baker Street, Mayfield NSW 2305
- 103/26 Baker Street, Mayfield NSW 2305
- 101/26 Baker Street, Mayfield NSW 2305
- 104/26 Baker Street, Mayfield NSW 2305
- 106/30 Baker Street, Mayfield NSW 2305

Principal activities

During the year, the principal activities of the Company were the running of a licensed Club for the benefit of its members and to meet the Company's objectives under its constitution.

There have been no significant changes in the nature of these activities during the year.

Short-term and long-term objectives

The Company's short and long-term objectives are to:

- Provide the best facilities available to members and their guests with a special interest in the welfare of the returned service league.

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

- Maintain or increase existing revenue levels and control costs to return to profitability which will allow the Company's premises to be continually improved.

Performance measurement

The Company measures its performance against industry benchmarks, gross profit percentage and wages to sales percentages to measure the financial performance of trading areas such as bar and gaming. The Company also uses EBITDA to measure the financial performance of the Company overall.

Directors' report

Review of operations and financial results

The net profit achieved has decreased compared to the prior year which included a significant profit on sale of properties, however there has been an improvement in the EBITDA.

	2026	2025	Change
	\$	\$	
Revenue from bar, paper gaming and poker machine operations	6,053,968	5,797,223	256,745
Other trading revenue	923,278	803,005	120,273
Total trading revenue	6,977,246	6,600,228	377,018
Expenses excluding interest, depreciation and amortisation	(5,619,638)	(5,768,002)	148,364
EBITDA	1,357,608	832,226	525,382
Depreciation, amortisation, loss on disposal	(1,180,011)	(1,164,318)	(15,693)
Interest income and expenses, profit on disposal and finance costs	155,077	2,037,957	(1,882,880)
Net profit / (loss) before income tax for the year	332,674	1,705,865	(1,373,191)
Operating cashflow	940,172	113,137	827,035

The Company has returned a strong EBITDA result of \$1,357,608. After consideration of depreciation and interest costs and gains on sale and revaluation of investment properties, the net result shows a profit before income tax for the year of \$332,674 .

Contribution in winding up

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Company. The total amount that members of the Company are liable to contribute if the Company is wound up is \$9,302 (2025: \$9,582).

Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*, the amounts in the Directors' report have been rounded to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* is set out on page 6 and forms part of this Directors' report.

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



Mervyn Nichols - Director



Mark Griffiths - Director

Dated: 22 September 2026
Mayfield, NSW

Auditor's independence declaration

To the Directors of Mayfield Ex Services Club Limited

In accordance with section 307C of the *Corporations Act 2001*, I declare that, to the best of my knowledge and belief in relation to the audit of the financial report of Mayfield Ex Services Club Limited for the year ended 30 June 2026, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.



Kirsty Porteous - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 22 September 2026
Newcastle West, NSW

Pitcher Partners Newcastle & Hunter Pty Ltd

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Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

		2026	2025
	Notes	\$	\$
Revenue from continuing operations	2	6,792,017	6,506,723
Other income	3	641,549	2,533,107
Cost of sales		(434,690)	(466,064)
Bar other expenses		(368,760)	(351,632)
Poker machine expenses		(1,695,776)	(1,620,375)
TAB and Keno expenses		(61,925)	(100,708)
Rental and occupancy expenses		(243,237)	(84,589)
Member expenses		(552,184)	(657,740)
Clubhouse expenses		(706,276)	(824,244)
Administration expenses		(2,736,801)	(2,826,968)
Interest and finance costs		(301,243)	(401,645)
		(7,100,892)	(7,333,965)
Profit / (loss) before income tax		332,674	1,705,865
Income tax (expense)/benefit	4	(84,367)	(545,668)
Profit / (loss) for the year		248,307	1,160,197
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income / (loss) for the year		248,307	1,160,197

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

Statement of financial position

As at 30 June 2026

	Notes	2026 \$	2025 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	376,139	377,826
Trade receivables	6	16,769	13,071
Inventories	7	51,187	54,815
Other assets	8	183,931	171,577
Total current assets		628,026	617,289
Non-current assets			
Property, plant and equipment	9	12,374,983	12,855,881
Investment properties	10	3,860,000	3,535,000
Lease assets	11	71,784	199,512
Deferred tax assets	12	37,112	40,092
Total non-current assets		16,343,879	16,630,485
Total assets		16,971,905	17,247,774
LIABILITIES			
Current liabilities			
Tax liabilities	4	4,819	58,641
Trade and other payables	13	888,922	899,712
Financial liabilities	14	4,103,096	4,301,740
Provisions	15	320,401	329,831
Other liabilities	16	141,051	158,254
Lease liabilities	11	58,965	129,781
Total current liabilities		5,517,254	5,877,959
Non-current liabilities			
Financial liabilities	14	95,092	269,117
Provisions	15	9,687	16,973
Lease liabilities	11	18,980	77,945
Deferred tax liabilities	12	639,945	563,140
Total non-current liabilities		763,704	927,175
Total liabilities		6,280,958	6,805,134
Net assets		10,690,947	10,442,640
MEMBERS FUNDS			
Retained profits		10,690,947	10,442,640
Total members funds		10,690,947	10,442,640

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

Statement of changes in equity

For the year ended 30 June 2026

	Retained profits \$	Total \$
Balance at 1 July 2024	9,282,443	9,282,443
Profit / (loss) for the year	1,160,197	1,160,197
Total comprehensive income for the year	1,160,197	1,160,197
Balance at 30 June 2025	10,442,640	10,442,640
Profit / (loss) for the year	248,307	248,307
Total comprehensive income for the year	248,307	248,307
Balance at 30 June 2026	10,690,947	10,690,947

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

Statement of cash flows

For the year ended 30 June 2026

	Notes	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from members and customers		7,545,471	7,216,955
Payments to suppliers and employees		(6,248,903)	(6,747,686)
Interest received		3,251	45,513
Interest paid		(301,243)	(401,645)
Income tax paid		(58,404)	-
Net cash inflow (outflow) from operating activities		940,172	113,137
Cash flows from investing activities			
Payments for property, plant and equipment		(581,409)	(386,142)
Proceeds from sale of property, plant and equipment		142,000	3,570
Proceeds from sale of investment properties		-	1,249,365
Payments for investment properties		-	(2,020,000)
Net cash inflow (outflow) from investing activities		(439,409)	(1,153,207)
Cash flows from financing activities			
Proceeds from loans		513,047	1,076,338
Repayment of borrowings		(420,000)	(1,190,000)
Repayment of other loans		(465,716)	(549,305)
Repayment of lease liabilities		(129,781)	(109,584)
Net cash inflow (outflow) from financing activities		(502,450)	(772,551)
Net increase in cash and cash equivalents		(1,687)	(1,812,621)
Cash and cash equivalents at the beginning of the financial year		377,826	2,190,447
Cash and cash equivalents at the end of the financial year	5	376,139	377,826

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

Notes to the financial statements

For the year ended 30 June 2026

1 Summary of material accounting policies

(a) Information about the entity

- Mayfield Ex Services Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Mayfield Ex Services Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Company is 50-58 Hanbury Street, Mayfield, NSW 2304.
- The principal place of business of the Company is 50-58 Hanbury Street, Mayfield, NSW 2304.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

(c) Material accounting policy information

The material accounting policies applied in the preparation of this financial report are consistent with the previous period unless otherwise stated.

(d) Statement of compliance

This financial report complies with *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs, except for assets held for sale which have been measured at fair value. The financial report is presented in Australian Dollars.

(e) Going concern

As at 30 June 2026, Mayfield Ex Services Club Limited has current assets of \$628,026 compared to current liabilities of \$5,517,254 resulting in a working capital deficiency of \$4,889,228.

The working capital deficiency includes the entire balance of the ANZ Loan of \$3,820,000 being stated as a current liability due to the loan facility expiring on 3 March 2027. The Directors' expect to be able to refinance the debt on acceptable terms when these facilities expire and the ability of the Company is primarily dependent on this refinancing. Should this not occur, the Directors consider the going concern will be dependent upon:-

- (a) Ongoing positive cashflows. The Company generated positive net operating cashflows of \$940,172 during the current year. The Company had an EBITDA of \$1,357,608. The Directors consider this positive cashflow will continue;
- (b) The use of the Company's current cash balance. The Company has a cash balance at 30 June 2026 of \$376,139;
- (c) Ongoing support from its suppliers and members continuing;
- (d) The ability to sell investment property units if required. The fair value of these investments at 30 June 2026 is \$3,860,000;
- (e) The use of undrawn financing facilities (\$105,000) and asset financing facilities (\$177,291) available until the facility expiration date.

The Directors are of the opinion the above will be achieved and the Company will continue as a going concern and meet its debts and commitments as they fall due. As a result, the Directors have prepared the financial report on a going concern basis.

If the Company is unable to successfully execute the plans outlined above, there exists a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of 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.

(g) Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2026/183*, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

Notes to the financial statements

For the year ended 30 June 2026

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Company derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Raffle and bingo revenue	Rental revenue	Gaming revenue	Membership revenue	Beverage revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2026							
Revenue from contracts with customers	233,551	-	4,915,655	51,731	1,121,133	170,209	6,492,279
Other revenue (not covered by AASB15)	-	282,558	17,180	-	-	-	299,738
	233,551	282,558	4,932,835	51,731	1,121,133	170,209	6,792,017

Timing of revenue recognition

At a point in time	233,551	-	4,915,655	-	1,121,133	170,209	6,440,548
Over time	-	282,558	17,180	51,731	-	-	351,469
	233,551	282,558	4,932,835	51,731	1,121,133	170,209	6,792,017

	Raffle and bingo revenue	Rental revenue	Gaming revenue	Membership revenue	Beverage revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2025							
Revenue from contracts with customers	307,194	-	4,569,520	25,025	1,210,523	77,886	6,190,148
Other revenue (not covered by AASB15)	-	299,395	17,180	-	-	-	316,575
	307,194	299,395	4,586,700	25,025	1,210,523	77,886	6,506,723

Timing of revenue recognition

At a point in time	307,194	-	4,569,520	-	1,210,523	77,886	6,165,123
Over time	-	299,395	17,180	25,025	-	-	341,600
	307,194	299,395	4,586,700	25,025	1,210,523	77,886	6,506,723

(b) Accounting policies and significant judgements

The Company recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Company is or expects to be entitled in exchange for those goods or services.

The Company considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. loyalty points program). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Provision of services - raffle and bingo revenue

Raffle and bingo income is recognised at a point in time when the customer takes possession of the ticket and the raffle or bingo game has been conducted as at this point the performance obligations have been satisfied.

(ii) Provision of services - rental revenue

Rental income is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease. The Company recognises rental revenue on a straight line basis with reference to the applicable CPI increases, discount rates and any relevant rental incentives.

(iii) Provision of services - gaming revenue

Revenue from rendering services from gaming facilities to members and other patrons of the club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out.

Notes to the financial statements

For the year ended 30 June 2026

2 Revenue (continued)**(b) Accounting policies and significant judgements (continued)***(iv) Provision of services - membership revenue*

Membership subscriptions are recognised over the term of membership and any unearned portion is deferred and included in contract liabilities. Membership revenue is measured with reference to the fee received and the period of membership that the member has paid for.

(v) Sale of goods - beverage revenue

Revenue from the sale of food and beverages is recognised at a point in time when the physical control of the goods passes to the customer.

(vi) Other revenue

The balance of other revenue is recognised at a point in time when the performance obligation has been satisfied.

3 Other income and expense items**(a) Other income**

	2026	2025
	\$	\$
Change in fair value of investment properties	325,000	1,755,264
Profit on disposal of property, plant & equipment	128,069	-
Profit on sale of investment properties	-	656,825
Profit on sale of poker machine entitlements	-	(18,000)
Rental income - investment properties	172,380	93,505
Insurance recovery	12,849	-
Interest income	3,251	45,513
	<u>641,549</u>	<u>2,533,107</u>

(i) Change in fair value of investment properties

The Company recognises the change in fair value of investment property based on the assessment of an independent expert, representing the non-cash gain in relation to investment properties.

(ii) Profit on disposal of property, plant and equipment

The Company recognises gains and losses on disposal of property, plant & equipment by comparing proceeds received on sale with the carrying amount of the asset being sold. Income is recognised when an unconditional contract for sale is exchanged.

(iii) Rental income - investment properties

Rental income is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease. The Company recognises rental revenue on a straight line basis with reference to the applicable CPI increases, discount rates and any relevant rental incentives.

(iv) Insurance recovery

The Company recognises income from insurance claims when an insured event has occurred and the realisation of the insurance recovery is virtually certain.

(b) Other expenses

Employee benefits expense	1,694,730	1,683,186
Depreciation and amortisation expense	1,179,964	1,127,410
Loss on disposal of property, plant & equipment	47	36,908

(c) Remuneration of auditor*Auditor of the Company*

Audit of the financial statements	28,500	27,600
Other services - taxation compliance	5,100	4,900
Other services - consulting	8,900	19,560
	<u>42,500</u>	<u>52,060</u>

Notes to the financial statements

For the year ended 30 June 2026

4 Income tax expense

2026	2025
\$	\$

(a) Numerical reconciliation of income tax expense to prima facie tax payable

The Income Tax Assessment Act 1997 provides that under the concept of mutuality, a Company is only liable for income tax on income derived from non-members and from outside entities. The amount set aside for income tax in the statement of profit or loss and other comprehensive income has been provided on a taxable income calculated as follows:

Operating profit/(loss) before income tax	332,674	1,705,865
Tax at the Australian tax rate at 25% (2025: 25%)	83,169	426,466
Add/(Less) tax effect of:		
Non deductible expenses	12,813	12,813
Non assessable income		-
Restatement of prior year tax balances due to changes in non-member %	15,294	-
Apportionment adjustment members income and expenses	(26,670)	106,389
Timing differences	-	-
(Over)/under provision of income tax in prior year	(239)	-
Income tax expense/(benefit)	84,367	545,668

(b) Current income tax liability/ asset

Provision for income tax	4,819	58,641
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Accounting policy

Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

5 Cash and cash equivalents**Current**

Cash and cash equivalents	376,139	377,826
	376,139	377,826

Accounting policy

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

6 Trade receivables**Current**

Trade receivables	16,769	13,071
	16,769	13,071

7 Inventories**Current**

Stock on hand	51,187	54,815
	51,187	54,815

Accounting policy

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

Notes to the financial statements

For the year ended 30 June 2026

8 Other assets

	2026	2025
	\$	\$
Current		
Prepayments	183,931	171,577
	<u>183,931</u>	<u>171,577</u>

9 Property, plant and equipment

	Capital work in progress	Land	Buildings and improvement	Poker machines	Plant and equipment	Total
	\$	\$	\$	\$	\$	\$
Non-current assets						
At 1 July 2025						
Cost	-	1,050,000	19,460,743	3,922,791	2,962,211	27,395,745
Accumulated depreciation	-	-	9,674,861	2,921,676	1,943,327	14,539,864
Net book amount	-	1,050,000	9,785,882	1,001,115	1,018,884	12,855,881
Year ended 30 June 2026						
Opening net book amount	-	1,050,000	9,785,882	1,001,115	1,018,884	12,855,881
Additions	20,000	-	369,355	141,503	54,458	585,316
Disposals	-	(13,931)	-	(47)	-	(13,978)
Depreciation charge	-	-	(500,496)	(270,391)	(281,349)	(1,052,236)
Closing net book amount	20,000	1,036,069	9,654,741	872,180	791,993	12,374,983
Year ended 30 June 2026						
Cost	20,000	1,036,069	19,830,098	3,630,629	3,016,669	27,533,465
Accumulated depreciation	-	-	10,175,357	2,758,449	2,224,676	15,158,482
Net book amount	20,000	1,036,069	9,654,741	872,180	791,993	12,374,983

Accounting policy**(a) Land, buildings and improvement**

Land, buildings and improvement are carried at cost less any accumulated depreciation and any impairment in value.

(b) Plant and equipment, poker machines

Each class of plant and equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

(c) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings and improvement	10 - 50 years
Plant and equipment	4 - 10 years
Poker machines	2.5 - 7 years

(d) Impairment

Property, plant and equipment are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

Significant accounting estimates and judgements

The useful life of property, plant and equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Notes to the financial statements

For the year ended 30 June 2026

10 Investment properties

	2026	2025
	\$	\$
Non-current assets - at fair value		
Opening balance at 1 July	3,535,000	-
Additions	-	2,372,981
Disposals	-	(593,245)
Net gain / (loss) from fair value adjustment	325,000	1,755,264
Closing balance at 30 June	<u>3,860,000</u>	<u>3,535,000</u>

Accounting policy

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. To obtain the fair value, the Company obtained a market appraisal from licensed real estate agent Stephanie Jordan of Lisa Macklin Property as at 30 June 2026. The real estate agent frequently assesses the market values for properties similar to those held by the Company in the same areas, having regard to past sales prices of other properties and current market conditions. Gains or losses arising from changes in the fair values of the investment properties are included in the statement of profit or loss and other comprehensive income in the year in which they arise.

Investment properties are no longer recognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognising of an investment property are recognised in the statement of profit or loss and other comprehensive income in that year.

11 Lease assets and lease liabilities

The Company leases poker machine assets.

a) Lease assets**Non-current**

Carrying amount of lease assets, by class of underlying asset:

Poker machines	71,784	199,512
	<u>71,784</u>	<u>199,512</u>

Reconciliation

	Poker Machine	Total	Total
	\$	\$	\$
Carrying amount at the beginning of the year	199,512	199,512	182,945
Additions	-	-	129,861
Amortisation	(127,728)	(127,728)	(113,294)
Carrying amount at the end of the year	<u>71,784</u>	<u>71,784</u>	<u>199,512</u>

b) Lease liabilities**Current**

Lease liabilities	58,965	58,965	129,781
Non-current			
Lease liabilities	18,980	18,980	77,945
Total	<u>77,945</u>	<u>77,945</u>	<u>207,726</u>

Reconciliation of lease liabilities

	Poker Machine	Total	Total
	\$	\$	\$
Carrying amount at the beginning of the year	207,726	207,726	187,449
Additions	-	-	129,861
Interest expense	8,243	8,243	13,104
Lease payments	138,024	138,024	122,688
Carrying amount at the end of the year	<u>77,945</u>	<u>77,945</u>	<u>207,726</u>

Maturity analysis of future lease payments

	Poker Machine	Total	Total
Not later than 1 year	61,344	61,344	138,024
Later than 1 year and not later than 5 years	19,170	19,170	80,514
Lease payments	<u>80,514</u>	<u>80,514</u>	<u>218,538</u>

Notes to the financial statements

For the year ended 30 June 2026

11 Lease assets and lease liabilities (continued)**Accounting policy****Lessee**

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The weighted average incremental borrowing rate is 6%.

Lease assets are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

Lessor

As lessor for operating leases, the Company recognises lease payments as income. The underlying asset is depreciated on a straight line basis.

Significant accounting estimates and judgements

The useful life of lease assets (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

12 Deferred tax balances**(i) Deferred tax assets****The balance comprises temporary differences attributable to:**

	2026 \$	2025 \$
Provisions	20,183	18,147
Other	16,929	21,945
	<u>37,112</u>	<u>40,092</u>

Movements**At 1 July 2025**

(Charged)/credited to statement of profit or loss and other comprehensive income

	40,092	121,029
	<u>(2,980)</u>	<u>(80,937)</u>

At 30 June 2026**(i) Deferred tax liabilities****The balance comprises temporary differences attributable to:**

Depreciation	122,177	116,762
Other	517,768	446,378
	<u>639,945</u>	<u>563,140</u>

Movements**At 1 July 2025**

(Charged)/credited to statement of profit or loss and other comprehensive income

	(563,140)	(157,050)
	<u>(76,805)</u>	<u>(406,090)</u>

At 30 June 2026**Accounting policy**

Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the statement of financial position date.

Notes to the financial statements

For the year ended 30 June 2026

13 Trade and other payables

	2026	2025
	\$	\$
Current		
Trade payables	801,948	837,237
GST payable	86,974	62,475
	<u>888,922</u>	<u>899,712</u>

Accounting policy

Trade and other payables, including accruals, are non-interest bearing and are generally due for payment within 30 days of the invoice date.

14 Financial liabilities**Current***Secured*

Bank loans (i)	- expected to be repaid within one year	420,000	420,000
	- expected to be repaid after one year	3,400,000	3,520,000
Other loans (ii)		283,096	361,740
Total secured financial liabilities		<u>4,103,096</u>	<u>4,301,740</u>

Non-current*Secured*

Other loans (ii)		95,092	269,117
Total secured financial liabilities		<u>95,092</u>	<u>269,117</u>

(i) Secured liabilities

The bank loans and undrawn facilities are secured by the following:

- First Registered Mortgage over 50-58 Hanbury Street, Mayfield, NSW
- General security agreement over all present and after acquired property
- First Registered Mortgage over properties held at:-
 - 203/26 Baker Street, Mayfield NSW 2305
 - 204/30 Baker Street, Mayfield NSW 2305
 - 103/26 Baker Street, Mayfield NSW 2305
 - 101/26 Baker Street, Mayfield NSW 2305
 - 104/26 Baker Street, Mayfield NSW 2305
 - 106/30 Baker Street, Mayfield NSW 2305

The Club has the following financing facilities with ANZ Bank:-

	Total facility	Undrawn \$	Monthly repayments	Interest rate	Facility expire
Bank Loan	3,925,000	105,000	\$35,000	6.16%	Mar-27
Asset Finance	353,000	177,291	\$18,197	7.12%	Mar-27
Business Card	50,000	21,561	Paid monthly	17.74%	Mar-27

The loan facility contains a debt service covenant of 1.1 times calculated by EBITDA less income tax payable dividend by the interest expense plus mandatory loan repayments for the period. This covenant has been met for the current year.

(ii) Other secured liabilities

The other loans are secured by a fixed charge over the specific assets that are financed.

Accounting policy

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Financial liabilities are classified as non-current liabilities if the Company has right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the financial statements

For the year ended 30 June 2026

15 Provisions

	2026	2025
	\$	\$
Current		
Employee entitlements (i) & (ii)	312,726	311,089
Other provisions	7,675	18,742
	<u>320,401</u>	<u>329,831</u>
Non-current		
Employee entitlements (ii)	9,687	16,973
	<u>9,687</u>	<u>16,973</u>

Accounting policy**(i) Annual leave**

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

16 Other liabilities**Current**

Contract liabilities - deposits held	62,900	62,900
Contract liabilities - other	78,151	95,354
	<u>141,051</u>	<u>158,254</u>

Accounting policy

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods. Other revenue received in advance that is not covered by AASB 15 is recorded as other liabilities and is recognised as revenue when they are earned in future periods.

17 Commitments**(i) Capital Commitments**

Restaurant renovation	-	200,000
Supply and installation of CCTV system	114,713	-
	<u>-</u>	<u>200,000</u>

18 Contingent liabilities

Bank guarantee substituting for a security deposit for TAB facilities	<u>5,000</u>	<u>5,000</u>
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Mortality Fund

The Company conducts a mortality fund whereby each eligible member is entitled to have \$150 paid by the Company to his/her estate upon his/her death. No liability for this has been recognised in the financial statements, however at 30 June 2026 the Company's contingent commitment was \$7,050 (47 members) (2025: 56 members \$8,400). Payments to members are expensed in the year in which the payments are made.

Notes to the financial statements

For the year ended 30 June 2026

2026	2025
\$	\$

19 Related parties

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

(a) Key management personnel compensation

Total key management personnel benefits	354,967	322,447
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(b) Transactions with key management personnel

Short-term loan provided and repaid	-	20,000
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Consolidated entity disclosure statement

For the year ended 30 June 2026

Mayfield Ex Services Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

Accordingly, in accordance with subsection 295 (3A) of the *Corporations Act 2001* , no further information is required to be disclosed in this consolidated entity disclosure statement.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements, notes and consolidated entity disclosure statement set out on pages 11 to 25 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with *Australian Accounting Standards - Simplified Disclosures*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date
- (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 consolidated entity disclosure statement required by subsection 295 (3A) of the *Corporations Act 2001* is true and correct.

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



Mervyn Nichols - Director



Mark Griffiths - Director

Dated: 22 September 2026
Mayfield, NSW

Independent auditor's report

to the members of Mayfield Ex Services Club Limited

Opinion

We have audited the financial report of Mayfield Ex Services Club Limited (the Company) which comprises the statement of financial position as at 30 June 2026, 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, notes to the financial statements, including a summary of material accounting policies, 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:

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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

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

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

Pitcher Partners Newcastle & Hunter Pty Ltd

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Independent auditor's report (continued.)

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) 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 (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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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.

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Independent auditor's report (continued.)

Auditor's responsibilities for the audit of the financial report (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Kirsty Porteous - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 24 September 2026

Newcastle West, NSW

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