ANNUAL REPORT
&
BALANCE SHEET

2025

CAIRNS RSL CLUB
ESPLANDE

FOR YEAR ENDING

31 DECEMBER 2025

CAIRNS RSL CLUB LTD

ABN 50 050 489 720

ANNUAL GENERAL MEETING
CAIRNS RSL CLUB LIMITED
ABN 50 050 489 720

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting:

of: CAIRNS RSL CLUB LIMITED will be held
at: 115 THE ESPLANADE, CAIRNS
on: **SUNDAY MAY 3RD 2026 AT 10.00AM**

BUSINESS

1. To confirm the Minutes of the previous Annual General Meeting (27/4/25)
2. To receive the Chair's Report.
3. To receive and consider the Report of Directors and the Profit and Loss Statement for the Year ended 31 December 2025 and the Balance Sheet at that date.
4. Confirmation of Director's Appointments
5. Confirmation of Appointment of Auditor. (PKF North Qld)
6. Deal with any business of which prior notice has been given in writing.
7. General Business

Financial Report is available from 10/04/2026 on the Clubs Website: www.cairnsrsl.com.au or a copy can be obtained from Administration Monday to Friday 10am to 5.00pm. Alternatively an electronic copy can be forwarded – contact admin@cairnsrsl.com.au
Questions pertaining to the financial statements to be tabled at the Annual General Meeting should be lodged with the General Manager by 24/04/2026

By resolution of Board of Directors,
Cairns RSL Club ltd
24/03/2026

Craig Clark
Company Secretary

Chair Report

Once again, the Board of the Cairns RSL Club Limited is always eager to inform members of what has transpired over the year.

What a year we have had!

The biggest news is, of course, the most exciting development in the Club's history. **Welcome to Club Vale**, operating under the name Gordonvale Community Services Limited. Our vision for an additional venue for members is well on its way to fruition. As most of you would now know we purchased a large block of land at Gordonvale in February 2025. We will have some plans and branding to share with members at the AGM.

Looking at the long term and in line with our Strategic Plan for the next 5 years, the 3 main objectives of this purchase and development is to:

1. Ensure sustainability of both venues for our members and wider community, ie future proof the company by creating diverse and alternate revenue streams;
2. Offering members and in particular the Gordonvale community, a top tier, family–centric community hub, that delivers ongoing and meaningful community support;
3. Creating an innovative initiative in providing substantial support and engagement opportunities for the Veteran community into the future.

As detailed in our email to members in late December, development plans for Stage 1 are with Cairns Regional Council and Liquor and Gaming Licenses are with Office of Liquor and Gaming Regulations (OLGR) Qld. We eagerly await the outcome of those submissions. We will give an update to this at the AGM.

Stage 2 of this development - our veteran's housing and engagement initiative. This, we believe, will offer some innovative, exciting and meaningful opportunities to the veteran community. We will release details of this development to members in due course. At this time we are investigating options and ideas.

We also rebranded our community grants program, Hospitality Hearts, complete with a logo. This has been warmly received by recipients. We were very excited by the logo and branding which can take us into all areas of our community engagements.

As required, the audited Financial Statements are attached for your review. Members will note we have again provided really good cash flow and held cash reserves. This is whilst outlaying some considerable expenses for development and licensing requirements for Club Vale.

Our contributions to the RSL Charter via the veteran's organisations has never wavered. There are many contributions we make, but some include:

- Platinum Sponsorship of the Cairns Sub Branch's Gala Dinner in November
- In-kind support to the Cairns Sub Branch, allied organisations and associations

- Donations to several Far North District Sub Branches to assist with commemorative services during the year. Some of the Sub Branches who get little money from anywhere else are most grateful for the donations.
- Vouchers for inclusion into the Sub Branch's Xmas hamper initiative and their volunteer thank you packs.
- Prize support for the Sub Branchs Xmas in Winter trivia event
- Collection of donations for Legacy via the little tin hats and the 2UP game
- Complementary provisions on ANZAC Day
- Commemorative murals on Florence street
- Marquee donation to army cadets

All up 24 separate veterans/ADF organisations have been supported in various capacities over the past three years.

We also attended the passing out ceremony, and presented some awards to the 134 Army Cadet Unit at the 51st Battalion for our support of their marquee.

In addition, our annual rent and direct financial contributions to the Cairns Sub Branch was in excess of $544,346.92 in 2025.

We were pleased to receive an invitation to the commemorative service for the Korean War Veterans and the Australian Women's Land Army hosted by Malanda RSL Sub Branch at their Eacham Memorial Gates towards the end of July. It was a lovely service.

As mentioned above, we launched our new Hospitality Hearts grant program in August and had a great response. Again our targets are the smaller organisations and grants like ours are welcomed by these groups. Sports groups are usually the largest recipients of our program but we were pleased that community welfare and arts and culture sectors figured highly in this round.

1. Hospitality Hearts grants fund delivered:
    - $19,500 to the sporting sector
    - $16,329 to community and educational sector, and
    - $10,590 to the arts and cultural sector

Further community support included

2. Sponsorship of the Reserve Grade Cup for FNQ Rugby competition,
3. Assisted Reef Restoration acquire as new vessel.

A total of $145,770 in cash and in-kind.

This year, 2026, and for the next 3 years, we shall be sponsoring the Half Pyramid Race in August under the banner of Hospitality Hearts. This will reinforce our focus to what we do in the community across the region and strengthen the Hospitality Grants branding through the southern corridor.

The Strategic Plan and its actions (which was in development this time last year) is well on its 5 year course with many items ticked off – eg progress on the realisation of a second venue club, launch of our Hospitality Hearts brand and some back office actions.

We are fortunate that our GM is on the boards of Qld RSL & Services Clubs Association and Federal Club Managers Association, and regional advisory committee for Clubs QLD. We get first-hand information in regards to trends in in the club industry, current happenings in regards to legislation etc and Board members keep up to date (and of course have to) with ever changing compliance matters for the Board. In addition to the current memberships for Clubs Qld, Cairns Night safe precinct, Tourism Tropical North QLD, we shall in due course be joining community and business associations in Gordonvale.

Your Board does thank all staff (from frontline, back room, duty managers) for their contributions to the club making it the success that it is. You may have noticed a couple of Facebook posts regarding employees with 10 years' service. Your board is pleased to see these employee recognitions with quite a few in that cohort now, and they are, Tony Berry, Michael Mececkas, Michael Muir, Martin Valentine and Craig Clark. There are a few more to come up this year. So a good place to work?

Your board especially thanks our GM and Company Secretary, Craig Clark, for driving and implementing the strategic plan of the Board. I thank him for his support to mine and the Board's functions. He has also been the front of the majority of leg work coordinating with external contractors for documentation and submissions to Council and OLGR for Club Vale.

We do thank all members who enjoy our hospitality in the best placed position on the Cairns Esplanade. I say this every year - we certainly would not be here without you, our members.

Gail Russell
Chair

Manager's Report

It is a pleasure to present this year's Annual Report and to reflect on what has been an outstanding year for the Club in 2025. The results demonstrate strong financial performance alongside meaningful strategic progress that positions the Club well for long-term sustainability.

Financially, the Club delivered a net operating profit of $1,703,530, with cash flow remaining strong at $2.8 million. While not itemised in detail, EBITDARD performance remained exceptional at 26%. Margins and profitability have been maintained across the business, while continuing to remain competitive and mindful of our market position and pricing.

The balance sheet strengthened further during the year, with close to $4 million in asset acquisitions, largely attributable to the long-term investment in the second site. Despite this significant capital outlay, the Club closed the period with $4.6 million in cash and securities. Overall, this represents a highly productive year for members both financially and strategically.

Beyond the numbers, several major milestones were achieved. Most significant is the acquisition and progress of the Draper Road site and the development of the second venue. This project represents one of the most important steps taken by the Club in recent years, providing future security, expanded member opportunities, a greater community presence, and a clear pathway to delivering meaningful veteran welfare and engagement initiatives.

The rebranding of our community engagement program as *Hospitality Hearts* was another standout achievement. The new identity has elevated awareness and impact, supporting our veteran, ADF, and broader community initiatives. The scale of our contributions and engagement continues to underscore the important role the Club plays beyond its physical footprint.

The venue achieved positive outcomes through new agreements with key partners, most notably our two primary beverage suppliers, which have significantly strengthened our offering. Members have also continued to benefit from strong engagement with the Momentum Rewards program, with excellent participation and redemption rates.

Our staff remain one of the Club's greatest strengths. The stability, experience and loyalty of our group across all areas truly exceptional. I sincerely thank them for their dedication and performance throughout the year. We celebrated three new inductees into the 10-Year Service Club, with two more to follow in 2026. The longevity and stability of our team across all departments continues to be a major asset. Our ongoing focus on staff welfare and training has continued across they year the business also successfully completing a full external payroll audit, confirming both compliance and accuracy.

Looking ahead, the Club, like many others, will continue to navigate challenges associated with rising costs and increased pressure on discretionary spending. Along with many key overheads, increases in the cost of some key complimentary service provisions such as Foxtel

and TAB will require ongoing focus to ensure sustainability while maintaining member value and offering.

Finally, I would like to acknowledge and thank the Board for their leadership, guidance, and dedication throughout the year. The depth of experience, collaboration, and responsiveness they bring to the role is exceptional. Their engagement extends well beyond formal meetings and contributes greatly to the effective pursuit of the Club's strategic objectives. On behalf of the entire management team, I thank them for their continued support and contribution.

Members can be justifiably proud of their Club and confident in its future. I look forward to seeing you and expanding further at the AGM.

Craig Clark
General Manager

Cairns RSL Club Ltd

ABN 50 050 489 720

Financial Statements - 31 December 2025

Cairns RSL Club Ltd
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2025.

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

Gail Russell
Graham Caldwell
Graeme Brown
Peter Blackburn
Peter Sibree
James Palmer
Gilbert Dyett (resigned February 2025)
Michael Quinn (appointed February 2025)

Principal activities

The principal activities of Cairns RSL Club Ltd during the financial year was the operation of a licensed bar, restaurant, and gaming facilities. No significant changes in the nature of the Company's activity occurred during the financial year.

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendance by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Gail Russell	12	12
Graham Caldwell	9	8
Graeme Brown	12	10
Peter Blackburn	12	12
Peter Sibree	12	11
James Palmer	12	7
Gilbert Dyett	-	-
Michael Quinn	10	7

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

On behalf of the directors

Gail M Russell.

Name : Gail Russell

Director

24 March 2026
Cairns

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CAIRNS RSL CLUB LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

PKF NORTH QUEENSLAND AUDIT

TIM FOLLETT
PARTNER

TOWNSVILLE
24 MARCH 2026

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Cairns RSL Club Ltd
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General information

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

Cairns RSL Club Ltd is a non-for-profit Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Principal place of business

119 Esplanade
Cairns City
QLD 4870

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 March 2026. The directors have the power to amend and reissue the financial statements.

Cairns RSL Club Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

	Note	2025 $	2024
Revenue	3	10,329,734	10,081,189
Finance income	4	143,684	237,577
Expenses			
Advertising, promotions and entertainment		(442,278)	(393,301)
Cleaning costs		(126,606)	(118,586)
Depreciation expense – Property, plant and equipment		(425,824)	(392,448)
Depreciation expense – Right-of-use asset		(391,342)	(378,476)
Electricity		(150,390)	(121,971)
Employee benefits expense		(2,895,415)	(2,911,009)
Finance expense	4	(181,801)	(172,700)
Gaming machine fees and taxes		(1,029,633)	(983,373)
Insurance		(165,930)	(165,575)
Members discounts		(157,567)	(141,521)
Other expenses		(274,231)	(207,486)
Printing and stationery		(9,718)	(13,384)
Rates		(16,103)	(15,578)
Raw materials and consumables used		(1,938,463)	(1,879,047)
Repairs and maintenance		(330,050)	(321,898)
Sponsorships and donations		(100,313)	(118,637)
Staff training, uniforms, meals		(90,792)	(95,447)
Vets/ADFS expenditure		(43,432)	(25,350)
Profit before income tax expense		1,703,530	1,862,979
Income tax expense		-	-
Profit for the year		1,703,530	1,862,979
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,703,530	1,862,979

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

Cairns RSL Club Ltd
Statement of financial position
As at 31 December 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	5	3,901,428	1,609,490
Trade and other receivables	6	53,568	40,785
Inventories	7	62,848	82,309
Financial assets	8	17,515	4,031,753
Other assets	9	321,818	165,316
Total current assets		4,357,177	5,929,653
Non-current assets			
Financial assets	8	975,000	975,000
Property, plant and equipment	10	5,044,740	1,501,003
Right-of-use assets	11	2,438,554	2,739,391
Intangibles	12	95,714	95,714
Total non-current assets		8,554,008	5,311,108
Total assets		12,911,185	11,240,761
Liabilities			
Current liabilities			
Trade and other payables	13	833,120	590,426
Financial liabilities	14	79,946	76,826
Lease liabilities	12	376,188	344,275
Employee benefits	15	342,134	299,049
Other liabilities		50,060	51,723
Total current liabilities		1,681,448	1,362,299
Non-current liabilities			
Financial liabilities	14	451,138	531,085
Lease liabilities	12	2,389,566	2,653,040
Employee benefits	15	2,040	10,874
Total non-current liabilities		2,842,744	3,194,999
Total liabilities		4,524,192	4,557,298
Net assets		8,386,993	6,683,463
Equity			
Retained surplus		8,386,993	6,683,463
Total equity		8,386,993	6,683,463

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

Cairns RSL Club Ltd
Statement of changes in equity
For the year ended 31 December 2025

	Retained Earnings $	Total Equity $
Balance at 1 January 2024	4,820,484	4,820,484
Profit after for the year	1,862,979	1,862,979
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,862,979	1,862,979
Balance at 31 December 2024	6,683,463	6,683,463

	Retained Earnings $	Total Equity $
Balance at 1 January 2025	6,683,463	6,683,463
Profit after income the year	1,703,530	1,703,530
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,703,530	1,703,530
Balance at 31 December 2025	8,386,993	8,386,993

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

Cairns RSL Club Ltd
Statement of cash flows
For the year ended 31 December 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		11,270,908	11,115,000
Payments to suppliers and employees (inclusive of GST)		(8,584,976)	(8,448,564)
Interest received		157,921	232,564
Interest paid		(55,353)	(52,397)
Net cash from operating activities		2,804,504	2,849,603
Cash flows from investing activities			
Payments for property, plant and equipment		(3,969,559)	(1,184,469)
Proceeds from investments in term deposits and capital notes		1,500,000	(950,000)
Proceeds from disposal of property, plant and equipment		-	2,749
Net cash used in investing activities		(2,469,559)	(2,156,720)
Cash flows from financing activities			
Payment of financial liabilities		(101,662)	(100,000)
Repayment of lease liabilities		(441,346)	(430,917)
Net cash used in financing activities		(543,008)	(530,917)
Net increase in cash and cash equivalents		(208,062)	161,966
Cash and cash equivalents at the beginning of the financial year		1,609,490	1,447,524
Reclassification of term deposit to cash equivalents		2,500,000	-
Cash and cash equivalents at the end of the financial year	5	3,901,428	1,609,490

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

Note 1. Material accounting policy information

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

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

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

Basis of preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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

Revenue recognition
The company recognises revenue as follows:

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

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

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

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

Income tax
The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Note 1. Material accounting policy information (continued)

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash, including term deposits with a maturity date of within three months from balance date and which are subject to an insignificant risk of change in value.

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

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

Property, plant and equipment
Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Depreciation rate**
Plant and equipment	13 – 33%
Leasehold improvements	5 – 15%
Right-of-use buildings	10%

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

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

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

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

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

Note 1. Material accounting policy information (continued)

Financial instruments
Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss – FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost
The Company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents, and other financial assets in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables
Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost.
Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced a significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities
The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

Note 1. Material accounting policy information (continued)

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

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

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

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

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

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

Note 1. Material accounting policy information (continued)

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

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

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

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

Note 3. Revenue

	2025 $	2024 $
Membership income	33,227	34,480
Gaming income	4,074,817	3,914,746
Bar sales	3,017,380	3,017,160
Catering income	2,806,358	2,706,610
Café	150,201	154,667
Keno and TAB	107,597	109,925
Commissions received	68,320	70,053
Other revenue	71,834	73,548
Revenue	10,329,734	10,081,189

Note 4. Financial income and expenses

	2025 $	2024 $
Financial income		
Interest received	143,683	237,577
	143,683	237,577
Financial expense		
Interest expense on sub-branch commitments	23,174	26,171
Interest expense on lease liability	103,276	94,132
Bank charges	55,352	52,397
	181,802	172,700

Note 5. Cash and cash equivalents

	2025 $	2024 $
Cash on hand	158,395	128,395
Cash at bank	1,243,033	1,481,095
Cash on deposit	2,500,000	-
	3,901,428	1,609,490

Cash and cash equivalents reported in the statement of cashflows are restricted as follows:

	2025 $	2024 $
Restricted for internal purposes	344,172	309,923
Cash on deposit	3,557,256	1,299,567
	3,901,428	1,609,490

Restricted cash balances represent funds set aside for the future payment of employee entitlements provisions as and when required.

Note 6. Trade and other receivables

	2025 $	2024 $
Trade receivables	53,568	40,785
	53,568	40,785

Note 7. Inventories

	2025 $	2024 $
Stock on hand	62,848	82,309
	62,848	82,309

Note 8. Financial assets

	2025 $	2024 $
Current		
Term deposits	-	4,000,000
Accrued income	17,515	31,753
	17,515	4,031,753
Non-Current		
Capital notes	975,000	975,000
	975,000	975,000
	975,000	5,006,753

Note 9. Other assets

	2025 $	2024 $
Prepayments	176,962	152,578
Deposits	150,000	-
Security deposits	(5,144)	12,738
	321,818	12,738

Note 10. Property, plant and equipment

	2025 $	2024 $
Land – at cost	3,564,961	-
	3,564,961	-
Leasehold improvements - at cost	4,349,520	4,349,520
Accumulated depreciation	(3,925,294)	(3,840,185)
	424,226	509,335
Plant and equipment – at cost	3,161,370	2,948,248
Accumulated depreciation	(2,105,817)	(1,982,203)
	1,055,553	966,045
Capital work in progress – at cost	-	25,623
		25,623
	5,044,740	1,501,003

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

	Land $	Plant and equipment $	Leasehold Improvements $	Capital work in progress $	Total $
Balance at 1 January 2025	-	966,045	509,335	25,623	1,501,003
Additions	3,564,961	430,222	-	-	3,995,183
Disposals	-	(217,100)	-	(25,623)	(242,723)
Depreciation	-	(123,614)	(85,109)	-	(208,723)
Balance at 31 December 2025	3,564,961	1,055,553	424,229	-	5,044,740

Note 11. Leases

The Company leases a building forming part of the premises located at 115 The Esplanade, Cairns. The lease was originally for a five-year term expiring on 31 December 2025. The lease includes two extension options of three years each.

During the period, the Company exercised the first extension option, extending the lease term to 31 December 2028. The second extension option, which would extend the lease to 31 December 2031, has not yet been exercised.

In determining the lease term for the purposes of measuring the right-of-use asset and lease liability under AASB 16 *Leases*, management has assessed that it is reasonably certain that the second extension option will be exercised. Accordingly, the lease term applied in the measurement of lease balances includes this extension period through to 31 December 2031. There are no potential future lease payments arising from the potential uncertainty of the options being exercised.

The lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Right of use assets

	2025 $	2024 $
Right of use asset	4,152,251	4,061,746
Accumulated depreciation	(1,713,696)	(1,322,355)
	2,438,555	2,739,391
Movements in carrying amount		
Opening balance	2,739,391	2,758,609
Adjustments from lease remeasurement	90,505	359,259
Depreciation	(391,341)	(378,477)
Closing balance	2,438,555	2,739,391

Lease liability

	2025 $	2024 $
Current		
Lease liability	376,188	344,275
	376,188	344,275
Non-Current		
Lease liability	2,389,565	2,653,040
	2,389,565	2,653,040
Total lease liability	2,765,753	2997,315
Future lease payments are due as follows:		
Within one year	446,992	443,748
One to five years	2,615,027	1,911,230
More than five years	-	1,043,169
	3,082,019	3,398,147

The amount recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities are shown below:

	2025 $	2024 $
Interest expense on lease liabilities	103,276	94,132
	103,276	94,132

Note 12. Intangible assets

	2025 $	2024 $
Gaming machine entitlements	95,714	95,714
	95,714	95,714

Note 13. Trade and other payables

	2025 $	2024 $
Trade payables	611,705	315,386
GST payable	149,194	175,797
Sundry payables and accrued expenses	27,565	58,188
PAYG payable	44,656	41,055
	833,120	590,426

Note 14. Financial liabilities

	2025 $	2024 $
Current		
Future commitments to CRSLSC (Unsecured)	79,946	76,826
	79,946	76,826
Non-Current		
Future commitments to CRSLSC (Unsecured)	451,138	531,085
	451,138	531,085
Total commitments	531,085	607,911

Summary of future commitments to CRSLSB

In the year ended 31 December 2020, the subordinated loan between the Company and the Returned & Services League of Australia (Queensland Branch) Cairns Sub-Branch Incorporated was treated as an equity instrument due to the highly unlikelihood of principal being required to be repaid under the agreement then in force.

The agreement was unconditionally discharged during the year ended 31 December 2021 and the Settlement Deed established the ongoing obligation to make payments of $100,000 per year for ten years from 1 January 2022. This obligation has been recognised as a liability recorded at the present value of future payments with an implicit interest rate of 4.0%.

Defaults and breaches

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

Note 15. Employee benefits

	2025 $	2024 $
Current		
Annual leave	189,665	168,355
Long service leave	152,468	130,694
	342,133	299,049
Non-Current		
Long service leave	2,039	10,874
	2,039	10,874
Total employee benefits	344,172	309,923

Note 16. Financial risk management

	2025 $	2024 $
Financial assets		
Held at amortised costs		
Cash and cash equivalents	3,901,427	1,609,490
Term deposits	-	4,031,753
Capital notes	975,000	975,000
Trade and other receivables	53,568	40,785
Total financial assets	1,028,568	6,657,028
Financial liabilities		
Financial liabilities at amortised cost	1,364,204	1,198,337
Total financial liabilities	1,364,204	1,198,337

Note 17. Members' guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $ 20 each towards meeting any outstanding obligations of the Company.

At December 2025 the number of members was 8,375 (2024: 8,872).

Note 18. Key management personnel disclosures

Remuneration paid to key management personnel of the Company is as follows:

	2025 $	2024 $
Key remuneration paid	433,261	349,213

Note 19. Remuneration of auditors

	2025 $	2024 $
Audit services – PKF North Queensland		
Audit of the financial statements	14,800	14,100

Note 20. Contingent liabilities

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2025 (31 December 2024: None).

Note 21. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Cairns RSL Club Ltd
Consolidated Entity Disclosure Statement
31 December 2025

Cairns RSL Club Ltd does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the company.

Cairns RSL Club Ltd
Directors' declaration
31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2025 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Gail M Russell.

Name : Gail Russell

Director

24 March 2026
Cairns

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAIRNS RSL CLUB LTD

Opinion

We have audited the accompanying financial report of Cairns RSL Club Ltd ("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 statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

a) Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its performance for the year ended on that date; and

b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Independence

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.

Directors' Responsibilities 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 and the *Corporations Act 2001*; and

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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

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in 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 at http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

PKF

PKF NORTH QUEENSLAND AUDIT

TIM FOLLETT
PARTNER

24 MARCH 2026
TOWNSVILLE