

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
ABN 18 606 192 965

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QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

DIRECTORS' REPORT

Your Directors present this report on the entity for the financial year ended 30 June 2025.

Directors

The names of each person who has been a Director during the year and to the date of this report are:

Ray Sweeny	Chairman	Roy Egan	Board Director
John McGrath	Board Director	John Britton	Board Director
Peter Scott	Board Director	Geoff Adam	Board Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Objectives

The Club's objectives are to provide sporting, recreation and hospitality facilities for members of the Club and the community generally including residential and other accommodation and provision for sporting musical and educational activities and other social amenities. The Club is a not - for - profit entity.

Principal Activity

The principal activity of the entity in the course of the financial year was running the licence club on the corner of Campbell and George Streets Queanbeyan.

Club Overview

The Queanbeyan Sports and Community Club has worked hard over the last 12 months to ensure the Club remains a viable entity for members and guests. The Club continues to remain focussed on improving member facilities and services as well as creating a safe and welcoming atmosphere for all patrons.

The Club continues to focus on the food and beverage services with an aim to increase sales and membership. And has supported the following community organisations throughout the financial year.

- Queanbeyan Bowling Club
- Queanbeyan Cricket Club
- BellaMonaro Woman's Football Club
- Queanbeyan Croquet Club
- Vikings Rugby
- The Shepherd Centre
- Home Queanbeyan
- Treehouse Group
- Queanbeyan Tennis
- Queanbeyan Legacy
- High Street Care

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

DIRECTORS' REPORT

Meetings of Directors

During the financial year, 13 meetings of Directors were held; attendances by each Director were as follows:

	Director's Meetings	
	Number attended	Number eligible to attend
R Sweeny	12	13
J McGrath	11	13
G Adam	11	13
R Egan	12	13
J Britton	12	13
P Scott	12	13

Contributions on winding up

If the Club is wound up, the articles of association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Club. At 30 June 2025 the number of members was 11,377 (2024: 11,376).

Change in State of Affairs

There was no significant change in the state of affairs of the Club during the financial year.

Matters Subsequent to Reporting Period

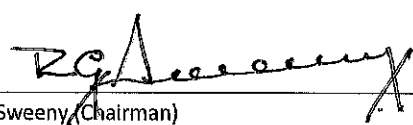
No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Club's operations, the results of those operations, or the Club's state of affairs in future financial years.

Auditor's independence declaration

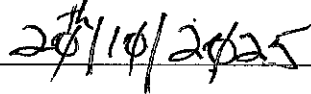
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Signed in accordance with a resolution of the Directors of the Queanbeyan Sports & Community Club Limited.

Director


R Sweeny (Chairman)

Dated this



day of



2025

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
ABN 18 606 192 965
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$	2024 \$
CONTINUING OPERATIONS			
Sales revenue	2	4,638,328	4,101,593
Cost of sales		<u>(2,306,005)</u>	<u>(2,318,947)</u>
GROSS SURPLUS/(LOSS)		<u>2,332,323</u>	<u>1,782,646</u>
Other revenue	2	43,476	97,997
Depreciation, Disposals and Impairment	3a)	(467,530)	(541,650)
Borrowing Cost Expense	3b)	(136,134)	(87,946)
Community Contributions	3c)	(27,642)	(39,964)
Operating Overheads	3d)	<u>(1,598,299)</u>	<u>(1,210,147)</u>
		<u>(2,229,605)</u>	<u>(1,879,707)</u>
SURPLUS FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE		<u>146,194</u>	<u>936</u>
Income tax expense relating to continuing operations	4	<u>(46,145)</u>	-
SURPLUS FROM CONTINUING OPERATIONS AFTER INCOME TAX EXPENSE		<u>100,049</u>	<u>936</u>
SURPLUS FOR THE YEAR		<u>100,049</u>	<u>936</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		<u>100,049</u>	<u>936</u>

The accompanying notes form part of the financial statements

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
ABN 18 606 192 965
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	NOTES	2025 \$	2024 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	600,949	421,812
Trade & Other Receivables	6	302,167	92,126
Inventories		33,854	31,251
Other		21,325	83,124
Total Current Assets		958,295	628,313
Non-Current Assets			
Property, Plant & Equipment	7	1,242,538	1,601,602
Intangible assets	8	1,937,823	1,948,357
Deferred tax	4	6,543	-
Right of use asset	12	250,079	264,647
Total Non-Current Assets		3,436,983	3,814,606
TOTAL ASSETS		4,395,278	4,442,920
LIABILITIES			
Current Liabilities			
Payables	9	358,630	350,139
Interest-Bearing Liabilities	11	-	-
Income Tax Payable	4	52,688	-
Provisions	10	94,707	74,435
Lease Liabilities	12	127,493	126,626
Total Current Liabilities		633,518	551,200
Non-Current Liabilities			
Payables	9	-	32,722
Interest-Bearing Liabilities	11	1,999,783	2,069,783
Lease Liabilities	12	312,732	440,018
Total Non-Current Liabilities		2,312,515	2,542,523
TOTAL LIABILITIES		2,946,033	3,093,723
NET ASSETS		1,449,245	1,349,197
MEMBERS' FUNDS			
Accumulated Funds		1,449,246	1,349,197
TOTAL MEMBERS' FUNDS		1,449,246	1,349,197

The accompanying notes form part of the financial statements

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
ABN 18 606 192 965
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Funds	Total
	\$	\$
BALANCE AT 30 JUNE 2023	1,348,261	1,348,261
Net surplus for the year	936	936
BALANCE AT 30 JUNE 2024	1,349,197	1,349,197
Net surplus for the year	100,049	100,049
BALANCE AT 30 JUNE 2025	1,449,246	1,449,246

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025	2024
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,988,854	4,534,991
Payments to suppliers and employees		(4,385,524)	(3,992,618)
Borrowing costs		(136,134)	(87,946)
Interest income		11,716	-
Net cash flows generated by operating activities		478,913	454,428
CASH FLOWS FROM FINANCING ACTIVITIES			
Net repayment of borrowings		(70,000)	(46)
Repayment of liabilities		(126,419)	-
Net cash flows used in financing activities		(196,419)	(46)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(103,358)	(695,425)
Payments for Intangible assets		-	(34,580)
Net cash flows used in investing activities		(103,358)	(730,005)
NET INCREASE IN CASH HELD		179,136	(275,623)
ADD OPENING CASH BROUGHT FORWARD	5	421,813	697,436
CLOSING CASH CARRIED FORWARD		600,949	421,813

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

NOTE 1: MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Club is a not-for-profit, private sector entity which is not publicly accountable. Therefore, the financial statements for the Club are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements (AASB – SDS).

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

New or amended Accounting Standards and Interpretations adopted

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

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

The following Accounting Standards and Interpretations are most relevant to the Club:

Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Simplified Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for leasehold buildings which has been measured at fair value. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated. The financial statements provide comparative information in respect of the previous period.

Financial support

The Club has received a letter of financial support from the Vikings Group for a period of twelve months from the signing date of this financial report.

Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in these financial statements.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

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 individual assets and liabilities are discussed in the respective notes. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the Club operations are discussed below.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

NOTE 1: MATERIAL ACCOUNTING POLICIES (CONTINUED)

Indefinite life intangible assets

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 assets are tested 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. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment of assets and liabilities

Management have reviewed the carrying value of all assets and liabilities recognised on the Statement of Financial position as at 30 June 2025. The outcome of this review did not identify any material impairment of assets or liabilities as at 30 June 2025.

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 Club'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. A liability is classified as current when: it is either expected to be settled in the Club'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 unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

	2025	2024
	\$	\$
NOTE 2: REVENUE		
Sale of goods and services	1,799,576	1,643,701
Poker machine sales	2,838,752	2,457,893
	<u>4,638,328</u>	<u>4,101,594</u>
OTHER REVENUE		
Donations of assets	-	-
Government assistance	-	4,295
Interest income	11,716	15,181
Other revenue	31,760	78,520
	<u>43,476</u>	<u>97,996</u>

Accounting Policy

Revenue Recognition

Gaming machine revenue: Revenue is recognised when the significant risks and rewards have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Gaming revenue is recognised exclusive of GST.

Sale of Goods: Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Other Revenue: Revenue is recognised to the extent that performance obligations are satisfied and the revenue can be reliably measured.

	2025	2024
	\$	\$
NOTE 3: EXPENSES		
a) Depreciation, Disposals and Impairment		
Property plant and equipment	443,673	521,524
Gain/(loss) on Sale of Assets	(1,249)	-
Right of use assets	14,572	14,568
Intangible assets	10,534	5,558
	<u>467,530</u>	<u>541,650</u>
b) Borrowing Cost Expense		
Interest expense	<u>136,134</u>	<u>87,946</u>
c) Other Activities		
Community Contributions	<u>27,642</u>	<u>39,964</u>
d) Operating Overheads		
Indirect Trading Expenses	1,061,148	782,488
Management fees	291,000	194,000
Administrative Expenses	230,791	218,857
Promotional Expenses	15,360	14,801
	<u>1,598,299</u>	<u>1,210,147</u>

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

	2025 \$	2024 \$
NOTE 4: INCOME TAX		
The Club is taxed according to the principle of mutuality. The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the Statement of Financial Position face.		
The Club applies the principle of mutuality, under which income derived from members and related expenses are excluded from assessable income for taxation purposes, with only non-member transactions being subject to income tax. The income tax expense for the year comprises current and deferred tax, calculated in accordance with AASB 112 Income Taxes. Current tax is based on the taxable profit for the year, using rates enacted or substantively enacted at the reporting date, after adjusting for non-assessable and disallowed items. Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting and the corresponding tax bases, but only to the extent that it is probable that future taxable profits will be available. For the year ended 30 June 2025, the Club reported a profit of \$146,194 and a current income tax payable of \$52,688. At 30 June 2025, the Club had no carried-forward tax losses (2024: \$4,547) and the deferred tax assets is \$6,543 (2024: Nil). This result the net income tax of \$46,145 (2024: Nil)		
Result before income tax	146,194	936
Prima facie tax payable at 25% (2024: 25%)	36,548	234
Tax effect of:		
Non taxable member income and expenses arising from the principle of mutuality	8,214	10,258
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Add: Non-deductible expenses and (income) for tax purposes	149,534	165,266
Less: Deductible expenses and (income) for tax purposes	(92,902)	(96,569)
Add: Fully deductible (Assessable)	(45,618)	(9,532)
Tax losses utilised for tax	(1,144)	(19,790)
Current income tax	52,688	-
Deferred Tax Asset	(6,543)	-
Income tax expense	46,145	-

Accounting policy

Income Tax: Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the Australian Taxation Office. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the reporting date. Deferred income tax is provided on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting 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. Unrecognised deferred income tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

	2025 \$	2024 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	399,102	220,953
Cash on hand	201,847	200,859
	<u>600,949</u>	<u>421,812</u>
	2025 \$	2024 \$
NOTE 6: TRADE & OTHER RECEIVABLES		
Trade Debtors	213,055	8,679
Other Receivables	89,112	83,447
	<u>302,167</u>	<u>92,126</u>

Accounting policy

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less any expected credit losses. Collectability of trade receivables is reviewed on an ongoing basis and individual debts that are likely to be uncollectible are written off when identified. Loans and receivables are not derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method, less impairment.

	2025 \$	2024 \$
NOTE 7: PROPERTY, PLANT & EQUIPMENT		
Leasehold Buildings - at fair value	445,406	445,406
Accumulated Depreciation	(79,290)	(63,280)
	<u>366,116</u>	<u>382,126</u>
Furniture & Fittings - at cost	311,502	311,502
Accumulated Depreciation	(308,243)	(279,922)
	<u>3,259</u>	<u>31,580</u>
Plant & Equipment - at cost	706,171	699,107
Accumulated Depreciation	(396,789)	(326,710)
	<u>309,382</u>	<u>372,398</u>
Poker Machines - at cost	1,609,895	1,974,552
Accumulated Depreciation	(1,085,777)	(1,206,841)
	<u>524,118</u>	<u>767,711</u>
Kitchen Equipment - at cost	105,595	105,595
Accumulated Depreciation	(84,719)	(73,795)
	<u>20,876</u>	<u>31,800</u>
Work in progress	<u>18,787</u>	<u>15,987</u>
Total Property, Plant & Equipment - at cost	3,197,356	3,552,150
Accumulated Depreciation	(1,954,818)	(1,950,548)
Total Written Down Value	<u>1,242,538</u>	<u>1,601,602</u>

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

NOTE 7: PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Reconciliation

Reconciliations of the carrying amounts of Property, Plant & Equipment at the beginning and end of the current and previous financial year.

	Leasehold improvements	Furniture and fittings	Plant and equipment	Poker machines	Kitchen equipment	Work in progress	Total
Balance at the beginning of the year	382,126	31,580	372,398	767,711	31,800	15,987	1,601,602
Additions	-	-	16,928	86,430	-	-	103,358
Disposals	-	-	(7,064)	(11,685)	-	-	(18,749)
Transfer	-	-	(2,800)	-	-	2,800	-
Depreciation expense	(16,010)	(28,325)	(70,080)	(318,330)	(10,928)	-	(443,673)
Carrying amount at the end of the year	366,116	3,255	309,382	524,126	20,872	18,787	1,242,538

Accounting policy

Property, Plant & Equipment is carried at historical cost less accumulated depreciation and any accumulated impairment losses. Leasehold Buildings were valued by independent valuers in June 2020 by Opteon Valuations Canberra. The valuations were determined based on the estimated amounts for which the property should exchange on the date of valuation between a willing buyer and willing seller in an arm's length transaction. Any gains or losses resulting from the valuation are recognised without the revaluation reserve or in the Statement of Comprehensive Income when the reserve does not hold a sufficient balance.

Disposal: Any gain or loss on the disposal of assets is determined as the difference between the carrying value of the asset at the time of disposal and the proceeds from disposal, and is included in the results of the Club in the year of disposal.

Impairment: 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.

Depreciation: is provided on a straight line basis on all property, plant and equipment other than leasehold land. The rates below allocate the cost of the asset over its estimated useful life.

Leasehold improvements	40 years	2% per annum
Furniture & Fittings	5 years	20% per annum
Computer equipment	3 years	33.3% per annum
Plant & Equipment	10 years	10% per annum
Poker Machines	4 years	25% per annum
Kitchen Equipment	5-10 years	10%- 20% per annum

Critical Accounting Estimate- Estimation of useful lives of assets

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The 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

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.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

	2025	2024
	\$	\$
NOTE 8: INTANGIBLE ASSETS		
Gaming Machine Licences	1,913,353	1,913,353
	<u>1,913,353</u>	<u>1,913,353</u>
Computer Software	51,586	51,586
Computer Software- accumulated amortisation	(27,116)	(16,582)
	<u>24,470</u>	<u>35,004</u>
	<u><u>1,937,823</u></u>	<u><u>1,948,357</u></u>

Reconciliations of the carrying amounts of Intangible Assets at the beginning and end of the current and previous financial year.

Carrying amount at the start of the year	1,948,357	1,919,335
Additions during year	-	34,580
Amortisation expense	(10,534)	(5,558)
	<u><u>1,937,823</u></u>	<u><u>1,948,357</u></u>

The recoverable amount of the Clubs gaming machine licences has been determined by a value-in-use calculation using a discounted cash flow model, based on a actual gaming revenue for the current year, extrapolated for a full year of trade and extrapolated for a further 5 years using a steady rate, together with a terminal value.

The following key assumptions were used in the discounted cash flow model for the gaming machine licences:

- Gaming tax remains consistent;
- The Club maintains the current level of gaming machines;
- 1% increase in gaming revenue; and
- 3% increase in operating costs.

The discount rate of 10% pre company tax reflects management estimate of the time value of money and the Club's weighted average cost of capital. Based on the above, the recoverable amount of the licences exceed the carrying amount recognised in the financial statements.

Accounting policy

Gaming Machine Licences that are acquired by the Club which have indefinite useful lives are measured at cost less accumulated impairment losses. Computer software is amortised over 3 years. Impairment of non-financial assets other than goodwill and other indefinite life intangible assets The Club 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 Club 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.

	2025	2024
NOTE 9: PAYABLES		
Trade Creditors	36,542	197,894
GST Payable	30,690	1,801
Other payables	99	31,936
Income Tax Payable	52,688	
Accrued Expenses	291,299	151,230
	<u><u>411,318</u></u>	<u><u>382,861</u></u>
Represented by:		
Current Liability	411,318	350,139
Non-Current Liability	-	32,722
	<u><u>411,318</u></u>	<u><u>382,861</u></u>

Accounting policy

Liabilities for trade creditors and other payables are initially recognised at fair value being the transaction price and subsequently carried at amortised cost and due to their nature they are not discounted. They represent liabilities for goods and services provided to the Club prior to the end of the financial year that are unpaid and arise when the Club becomes obliged to make future payments in respect of the purchase of those goods and services. These amounts are unsecured and are usually paid within 30 days of recognition.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

	2025 \$	2024 \$
NOTE 10: PROVISIONS		
Annual leave	22,706	23,932
Jackpot provision	72,001	50,503
	<u>94,707</u>	<u>74,435</u>
Represented by:		
Current Liability	94,707	74,435
Non-Current Liability	-	-
	<u>94,707</u>	<u>74,435</u>

Accounting policy

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 as 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.

Critical Accounting Estimate- Employee benefits provision

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

	2025 \$	2024 \$
NOTE 11: INTEREST-BEARING LIABILITIES		
Vikings group loan	<u>1,999,783</u>	<u>2,069,783</u>
Represented by:		
Current Liability	-	-
Non-Current Liability	1,999,783	2,069,783
	<u>1,999,783</u>	<u>2,069,783</u>

Accounting policy

Interest-bearing liabilities are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing liabilities are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings. Interest-bearing liabilities are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing Costs are expensed in the period they occur. They consist of interest and other costs incurred in connection with the borrowing of funds.

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

	2025	2024
	\$	\$
NOTE 12: RIGHT OF USE ASSETS		
At cost	291,354	291,354
Less: Accumulated depreciation	(41,275)	(26,707)
	<u>250,079</u>	<u>264,647</u>
Current Liabilities		
Lease Liabilities	6,930	6,063
Hire Purchase Liabilities	<u>120,563</u>	<u>120,563</u>
	<u>127,493</u>	<u>126,626</u>
Non-Current Liabilities		
Lease Liabilities	269,198	276,302
Hire Purchase Liabilities	<u>43,534</u>	<u>163,716</u>
	<u>312,732</u>	<u>440,018</u>

Accounting policy

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Club as a lessee: Applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Club recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets: The Club recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the consolidated entity at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. ii) Lease liabilities At the commencement date of the lease, the consolidated entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Club and payments of penalties for terminating the lease, if the lease term reflects the Club exercising the option to terminate. In calculating the present value of lease payments, the consolidated entity uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Club as a lessor: Leases in which the Club does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Critical accounting judgements, estimates and assumptions

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances. Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

NOTE 13: MEMBERS' GUARANTEE

The Club is a Club limited by guarantee. If the Club is wound up, the articles of association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Club. At 30 June 2025 the number of members was 11,377 (2024: 11,376).

NOTE 14: RELATED PARTY DISCLOSURES

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

Club Directors during the financial year were:

Ray Sweeny	Chairman	Roy Egan	Board Director
Peter Scott	Board Director	John Britton	Board Director
John McGrath	Board Director	Geoff Adam	Board Director

Director/Director Related Entity Transactions

Directors of the entity are not financially compensated for their services.

2025	2024
\$	\$

NOTE 15: REMUNERATION OF KEY MANAGEMENT PERSONNEL

Short-term employee benefits including superannuation.

<u>193,267</u>	<u>184,332</u>
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NOTE 16: REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provide by RSM Australia Partners, the auditor of the Club.

Audit Services- RSM Australia Partners
Audit of the Financial Statements

<u>15,750</u>	<u>15,000</u>
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NOTE 17: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at balance date the Club had no known contingent liabilities or contingent assets.

NOTE 18: SUBSEQUENT EVENTS

On 7 August, the members of Bermagui Country Club voted unanimously in favour of proceeding with an amalgamation with QSCC. The resolutions approved the Memorandum of Understanding between the two clubs and the transfer of the Club's land, buildings, and water rights to QSCC as part of the amalgamation process.

The amalgamation is subject to final regulatory approval and completion of the required administrative processes. Once these steps are finalised, the amalgamation will take effect, securing the future operations of the Bermagui Country Club under the QSCC network.

This event occurred after the reporting date but prior to the signing of the financial statements. It is considered a non-adjusting subsequent event, as it does not relate to conditions existing at the reporting date but provides important information about events subsequent to that date.

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED

ABN 18 606 192 965

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

NOTE 19: CLUB DETAILS

The registered office of the Club is:

Queanbeyan Sports and Community Club Ltd

Queanbeyan Sports & Community Club Ltd Corner Campbell and George Streets, Queanbeyan

QUEANBEYAN SPORTS AND COMMUNITY CLUB LIMITED
ABN 18 606 192 965
DIRECTORS DECLARATION

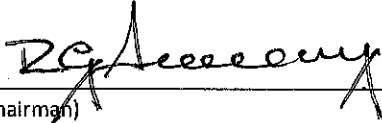
In the Directors' opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the Club's financial position as at 30 June 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

Director


Ray Sweeny (Chairman)

Dated this

20th

day of

October

2025