Muswellbrook & District Workers Club Ltd

ABN 55 001 052 526

Financial Statements

For the Year Ended 30 June 2026

Muswellbrook & District Workers Club Ltd

ABN 55 001 052 526

Contents

For the Year Ended 30 June 2026

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Directors' Report

30 June 2026

The directors present their report on Muswellbrook & District Workers Club Ltd for the financial year ended 30 June 2026.

Information on directors

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

Dennis Sheehan	
Qualifications	Retired
Appointed	8 Oct 2023
Marlene Goodwin	
Qualifications	Retired
Appointed	17 Sept 2017
Bob Minch	
Qualifications	Retired
Appointed	27 Sept 2020
Wayne Turner	
Qualifications	Retired
Appointed	8 OCt 2023
Max Morris	
Qualifications	General Manager
Appointed	27 Feb 2024
Ross Peasley	
Qualifications	Business Owner
Appointed	27 Feb 2024
Megan Black	
Qualifications	Senior Manager
Appointed	23 Apr 2024

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

Directors' Report
30 June 2026

Review of operations

The profit of the Club after providing for income tax amounted to $ 1,915,268.

The Club measures its own performance through the use of both quantitative and qualitative benchmarks. The benchrmarks are used by the Directors to assess the financial sustainability of the Club and whether the Club's short-term and long-term objectives are being achieved. The Club undertakes a number of systems to measure its performance including:

- Monthly performance reports;
- Tracking of the performance of EDITDA against prior year and budgets; and
- Monthly board review of various relevant management reports.

Principal activities

The principal activities of Muswellbrook & District Workers Club Ltd during the financial year were the provision of comfortable recreational facilities and amenities for members and guests

No significant changes in the nature of the Club's activity occurred during the financial year.

Short term objectives

The Club's short-term objectives are to maintain a high standard of customer service, and to provide modern and comfortable facilities for its Members and Guests. The Club is to continue to financially support local charities, sporting and community groups, and provide meeting and function rooms for community groups to utilise. The Club's short term objectives are also to:

1. Continue to improve customer engagement and operational execution;

2. Drive increased foot flow into the club with activities that increase frequency of visitation;

3. Increase proportion of membership sales;

4. Drive strategies that improve the bar and catering’s gross profit;

5. Drive strategies that mitigate the impact of increases in direct expenses;

6. Continue to improve the profitability of the Club;

7. Operate with high adherence to the regulatory requirements;

8. Refurbish key areas of the club as funds permit; and

9. Diversify income streams to future proof the business.

Directors' Report
30 June 2026

Long term objectives

The Club's long term objectives are to:

1. To ensure the Club remains profitable by monitoring earnings before interest, tax, deprecation and amortisation;

2. Benchmarking all areas of the Club against industry standards;

3. Ensuring gaming installation is upgraded and maintained to achieve optimal performance;

4. To ensure the Club is always in a financial position to manage debt;

5. Ensure the Club continues, through budgeting, to operate a positive cashflow;

6. Develop the Club's facilities within income and budgeting constraints;

7. Continue with the Corporate Governance strategies developed by the Club and required by legislation; and

8. Implement appropriate Corporate Governance procedures to safeguard assets.

Members' guarantee

Muswellbrook & District Workers Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 5.

At 30 June 2026 the collective liability of members was $ 67,550 (2025: $ 59,195).

Meetings of directors

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Dennis Sheehan	11	11
Marlene Goodwin	11	11
Bob Minch	11	11
Wayne Turner	11	11
Max Morris	11	11
Ross Peasley	11	9
Megan Black	11	10

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2026 has been received and can be found on page 5 of the financial report.

Directors' Report

30 June 2026

Signed in accordance with a resolution of the Board of Directors:

Director: .... Director: ....

Dated 26 August 2026

MUSWELLBROOK & DISTRICT WORKERS CLUB LIMITED
A.B.N 55 001 052 526

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF MUSWELLBROOK & DISTRICT WORKERS CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026 there have been:-

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Paul Quealey
Partner
Lambourne Partners

Dated: 26 August 2026

Level 1, 56 Hudson Street
HAMILTON NSW 2303

Muswellbrook & District Workers Club Ltd

ABN 55 001 052 526

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2026

	Note	2026 $	2025 $
Sales revenue	4	**13,044,126**	11,084,602
Cost of sales	5	**(5,645,285)**	(4,541,707)
Gross profit		**7,398,841**	6,542,895
Gain on disposal of assets		**35,422**	29,768
Other income	4	**295,861**	299,067
Administrative expenses	5	**(991,267)**	(894,135)
Depreciation	5	**(848,127)**	(732,494)
Employee benefits expense	5	**(3,534,849)**	(3,051,849)
Marketing expenses	5	**(127,543)**	(119,404)
Loss on disposal of assets		**-**	(34,205)
Other expenses	5	**(218,476)**	(228,845)
Profit before income tax		**2,009,862**	1,810,798
Income tax expense	2(b)	**(94,594)**	(130,886)
Profit for the year		**1,915,268**	1,679,912
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**1,915,268**	1,679,912

The accompanying notes form part of these financial statements.

Muswellbrook & District Workers Club Ltd

ABN 55 001 052 526

Statement of Financial Position
As At 30 June 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**345,045**	675,219
Trade and other receivables	8	**52,547**	50,933
Inventories	9	**204,490**	129,535
Other assets	13	**176,268**	159,626
TOTAL CURRENT ASSETS		**778,350**	1,015,313
NON-CURRENT ASSETS			
Property, plant and equipment	10	**10,664,488**	8,658,206
Investment properties	11	**4,396,868**	3,429,981
Intangible assets	12	**409,136**	389,932
TOTAL NON-CURRENT ASSETS		**15,470,492**	12,478,119
TOTAL ASSETS		**16,248,842**	13,493,432
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	**887,816**	939,433
Borrowings	15	**1,483**	-
Current tax liabilities		**(15,150)**	56,219
Employee benefits	17	**246,041**	176,837
Income received in advance	16	**53,868**	52,042
TOTAL CURRENT LIABILITIES		**1,174,058**	1,224,531
NON-CURRENT LIABILITIES			
Borrowings	15	**885,058**	-
Employee benefits	17	**16,019**	9,396
Income received in advance	16	**36,239**	37,305
TOTAL NON-CURRENT LIABILITIES		**937,316**	46,701
TOTAL LIABILITIES		**2,111,374**	1,271,232
NET ASSETS		**14,137,468**	12,222,200
EQUITY			
Retained earnings		**14,137,468**	12,222,200
TOTAL EQUITY		**14,137,468**	12,222,200

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2026

	Retained Earnings $	Total $
Balance at 1 July 2025	**12,222,200**	**12,222,200**
Profit for the year	**1,915,268**	**1,915,268**
Total other comprehensive income for the period	**-**	**-**
Balance at 30 June 2026	**14,137,468**	**14,137,468**

	Retained Earnings $	Total $
Balance at 1 July 2024	10,542,288	10,542,288
Profit for the year	1,679,912	1,679,912
Total other comprehensive income for the period	-	-
Balance at 30 June 2025	12,222,200	12,222,200

Statement of Cash Flows

For the Year Ended 30 June 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**14,671,304**	11,996,949
Payments to suppliers and employees		**(11,915,495)**	(9,422,215)
Payments of income taxes		**(165,963)**	(57,360)
Net cash provided by/(used in) operating activities		**2,589,846**	2,517,374
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from disposal of property, plant and equipment		**188,230**	82,998
Payments to acquire property, plant and equipment		**(3,974,104)**	(2,531,266)
Payments for investment property		**-**	(62,877)
Payments for intangible assets		**(19,204)**	-
Net cash provided by/(used in) investing activities		**(3,805,078)**	(2,511,145)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from loans		**885,058**	-
Net cash provided by/(used in) financing activities		**885,058**	-
Net increase/(decrease) in cash and cash equivalents held		**(330,174)**	6,229
Cash and cash equivalents at beginning of year		**675,219**	668,990
Cash and cash equivalents at end of financial year	7	**345,045**	675,219

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2026

The financial report covers Muswellbrook & District Workers Club Ltd as an individual entity. Muswellbrook & District Workers Club Ltd is a not-for-profit Club limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Muswellbrook & District Workers Club Ltd is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001.*

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information is consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Club are:

Sale of goods

Revenues from the sale of goods, services and gaming are recognised at the point of sale, which is where the customer has taken delivery of the goods, received the service and the risks and rewards are transferred to the customer. Amounts disclosed as revenue are net of sales returns and trade discounts.

Membership income

Revenue is recognised over the term of the contract for membership with the customer as this reflects the period of the services being provided. The Club satisfies its performance obligation over the period of the customer’s membership where services are rendered.

Other income

Other income is recognised on an accruals basis when the Club is entitled to it.

2 Material Accounting Policy Information (Cont'd)

(b) Income tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) 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.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

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

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

Buildings - 2.5%

Plant and equipment - 7.5-50%

2 Material Accounting Policy Information (Cont'd)

(f) Investment property

Investment property is held at cost which includes expenditure that is directly attributable to the acquisition of the investment property. The investment properties are depreciated on a straight-line basis over 50 years.

(g) Financial instruments

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 Club classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Amortised cost

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

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 Club 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 Club 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.

Financial liabilities

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

2 Material Accounting Policy Information (Cont'd)

(h) Impairment of non-financial assets

At the end of each reporting period the Club determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

(i) Intangible assets

Intangibles are initially recognised at cost. Borrowing expenses are amortised on a straight line basis over five years. Poker machine licences are initially recognised at the purchase price paid. Poker machine licences are not amortised as they do not have a finite useful life. Intangibles are tested annually for impairment and carried at cost less accumulated impairment losses where applicable.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

(j) 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 and subject to an insignificant risk of change in value.

(k) Employee benefits

Provision is made for the Club's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

3 Critical Accounting Estimates and Judgments (Cont'd)

Key estimates - impairment of property, plant and equipment

The Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - long service leave

The liability for long service leave is 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 promotions and inflation have been taken into account. Accumulated experience, along with market based risk free rates of return, have been used in valuing long service leave entitlements.

Key estimates - asset useful lives

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.

Key estimates - fair value of investment properties

The fair value of investment properties was determined using a discounted cash flow model which used a number of unobservable inputs. Information about the inputs and assumptions used are included in the fair value and investment property notes.

Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value.

Key judgments - taxes

Determining income tax provisions involves judgment on the tax treatment of certain transactions.Management has made judgments as to the taxable nature of revenues and expenses based upon available ATO guidance and determinations..

Notes to the Financial Statements

For the Year Ended 30 June 2026

4 Other Revenue and Income

Revenue

	2026 $	2025 $
Revenue from contracts with customers (AASB 15):		
- Members subscriptions	**59,357**	38,607
	59,357	38,607
Revenue recognised on receipt (not enforceable or not sufficiently specific performance obligations - AASB 1058):		
- Bar sales	**2,613,395**	2,066,388
- Bingo sales	**269,360**	307,336
- Catering income	**2,509,854**	1,746,385
- Gaming income	**7,046,936**	6,459,928
- Raffle income	**399,720**	364,644
- Accomodation income	**145,504**	101,314
	12,984,769	11,045,995
Total Revenue	**13,044,126**	11,084,602

	2026 $	2025 $
Other Income (not enforceable or not sufficiently specific performance obligations - AASB 1058):		
- Other income	**35,558**	31,805
- Commissions received	**119,214**	102,153
- Rental income	**141,089**	165,109
	295,861	299,067
Total Revenue and Other Income	**13,339,987**	11,383,669

Notes to the Financial Statements

For the Year Ended 30 June 2026

5 Result for the Year

The result for the year includes the following specific expenses:

	2026	2025
	$	$
Employee benefit expenses		
- Wages and salaries	**2,934,294**	2,571,431
- Superannuation contributions	**346,511**	287,781
- Payroll tax	**117,881**	89,924
- Workers compensation insurance	**57,931**	67,763
- Leave provision expense	**75,827**	34,950
- Fringe benefit tax	**2,405**	-
	3,534,849	3,051,849
Other material expenses:		
- Electricity & water	**229,628**	187,529
- Insurance	**146,588**	145,079
- Repairs and maintenance	**62,578**	70,868
- Subscriptions and licences	**116,230**	102,029

6 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2026	2025
	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 25 (2025: 25)	**502,466**	452,700
Add/(Less) tax effect of:		
- Exempt member income	**(428,140)**	(313,168)
- exempt income/expense adjustment	**20,268**	(8,646)
Income tax expense	**94,594**	130,886

7 Cash and Cash Equivalents

	2026	2025
	$	$
Cash at bank and in hand	**345,045**	675,219

Notes to the Financial Statements

For the Year Ended 30 June 2026

8 Trade and Other Receivables

	2026	2025
	$	$
CURRENT		
Trade receivables	**31,584**	23,199
Provision for impairment	**-**	-
	31,584	23,199
Other debtor - CUB	**20,963**	27,734
Total current trade and other receivables	**52,547**	50,933

9 Inventories

	2026	2025
	$	$
CURRENT		
At cost:		
Finished goods	**204,490**	129,535

Notes to the Financial Statements

For the Year Ended 30 June 2026

10 Property, Plant and Equipment

	2026	2025
	$	$
Land and Buildings		
At cost	**9,404,953**	6,905,400
Accumulated depreciation	**(2,018,127)**	(1,875,865)
Total buildings	**7,386,826**	5,029,535
Total land and buildings	**7,386,826**	5,029,535
Capital works in progress	**520,195**	723,210
Plant and equipment		
At cost	**3,464,951**	3,212,279
Accumulated depreciation	**(2,090,126)**	(1,848,503)
Total plant and equipment	**1,374,825**	1,363,776
Furniture, fixtures and fittings		
At cost	**440,738**	433,738
Accumulated depreciation	**(269,188)**	(231,268)
Total furniture, fixtures and fittings	**171,550**	202,470
Motor vehicles		
At cost	**254,691**	254,691
Accumulated depreciation	**(72,773)**	(40,301)
Total motor vehicles	**181,918**	214,390
Poker machines		
At cost	**2,299,576**	2,218,238
Accumulated depreciation	**(1,270,402)**	(1,093,413)
Total poker machines	**1,029,174**	1,124,825
Total plant and equipment	**3,277,662**	3,628,671
Total property, plant and equipment	**10,664,488**	8,658,206

Notes to the Financial Statements

For the Year Ended 30 June 2026

10 Property, Plant and Equipment (Cont'd)

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Works in Progress	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings
	$	$	$	$
Year ended 30 June 2026				
Balance at the beginning of year	723,210	5,029,535	1,363,776	202,470
Additions	2,296,538	-	383,298	6,999
Disposals - written down value	-	-	(130,626)	-
Depreciation expense	-	(142,262)	(241,623)	(37,919)
Other changes, movements	(2,499,553)	2,499,553	-	-
Balance at the end of the year	520,195	7,386,826	1,374,825	171,550

	Motor Vehicles	Poker machines	Total
	$	$	$
Year ended 30 June 2026			
Balance at the beginning of year	214,390	1,124,825	8,658,206
Additions	-	289,118	2,975,953
Disposals - written down value	-	(22,182)	(152,808)
Depreciation expense	(32,472)	(362,587)	(816,863)
Other changes, movements	-	-	-
Balance at the end of the year	181,918	1,029,174	10,664,488

In accordance with the provisions under Section 41J(2) of the Registered Clubs Act, the directors have classified the following assets as core property of the Club

- 15-17 Sydney Street, MUSWELLBROOK NSW 2333; and
- 29 Sydney Street, MUSWELLBROOK NSW 2333

11 Investment Properties

	2026	2025
	$	$
At cost value		
Balance at beginning of the period	**3,429,981**	2,074,504
Acquisitions	**998,151**	1,379,858
Depreciation	**(31,264)**	(24,381)
Balance at end of the period	**4,396,868**	3,429,981

Notes to the Financial Statements

For the Year Ended 30 June 2026

11 Investment Properties (Cont'd)

Investment properties owned by the Club, which is considered non-core proeprty under under Section 41J(2) of the Registered Clubs Act, includes the following properties:

- 31 Sydney Street, MUSWELLBROOK NSW 2333;
- 33 Sydney Street, MUSWELLBROOK NSW 2333;
- 7 Sydney Street, MUSWELLBROOK NSW 2333; and
- 5 Mill Street, MUSWELLBROOK NSW 2333.

12 Intangible Assets

	2026 $	2025 $
Borrowing costs:		
Cost	**19,204**	-
Accumulated amortisation and impairment	**-**	-
Net carrying value	**19,204**	-
Poker machine licence:		
Cost	**389,932**	389,932
Accumulated amortisation and impairment	**-**	-
Net carrying value	**389,932**	389,932
Total Intangible assets	**409,136**	389,932

13 Other Non-Financial Assets

	2026 $	2025 $
CURRENT		
Prepayments	**176,268**	159,626

14 Trade and Other Payables

	2026 $	2025 $
CURRENT		
Trade payables	**721,008**	699,240
Employee benefits	**74,139**	109,208
Accrued expenses	**26,905**	23,500
Other payables	**65,764**	107,485
	887,816	939,433

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2026

15 Borrowings

		2026	2025
		$	$
CURRENT			
Credit cards	(a)	**1,483**	-
Total current borrowings		**1,483**	-
NON-CURRENT			
Bank loans	(a)	**885,058**	-
Total non-current borrowings		**885,058**	-
Total borrowings		**886,541**	-

(a) Other borrowings

The Commonwealth Bank of Australia loans and credit card facility is secured over a General Securities interest over all existing and future assets and undertakings of the company including:

- Mortgage in favour of property located at 7 Sydney Street, Muswellbrook NSW 2333;
- Mortgage in favour of property located at 15-27 Sydney Street, Muswellbrook NSW 2333;
- Mortgage in favour of property located at 29-31 Sydney Street, Muswellbrook NSW 2333; and
- Mortgage in favour of property located at 33 Sydney Street, Muswellbrook NSW 2333.

The Commonwealth Bank of Australia loans are interest only at a rate of 6.65% until January 2031, at which point the drawn facility value will be required to be repaid in full, or refinanced. The facility has a total limited of $4.19 million, subject to annual covenant requirements.

Additionally, the Club has a credit card facility to the value of $20,000 and a bank guarantee facility to $20,000. Details of guarantees issued have been included at Note 21.

16 Other Financial Liabilities

	2026	2025
	$	$
CURRENT		
Member subscriptions received in advance	**53,868**	52,042
NON-CURRENT		
Member subscriptions received in advance	**36,239**	37,305

Notes to the Financial Statements

For the Year Ended 30 June 2026

17 Employee Benefits

	2026	2025
	$	$
Current liabilities:		
Long service leave	**52,149**	45,866
Annual leave	**193,892**	130,971
	246,041	176,837
Non-current liabilities:		
Long service leave	**16,019**	9,396

18 Members' Guarantee

The Club is incorporated under the *Corporations Act 2001* and is a Club limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of $ 5 each towards meeting any outstanding obligations of the Club. At 30 June 2026 the number of members was 13,510 (2025: 11,839).

19 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Club is $ 304,184 (2025: $ 249,446).

20 Auditors' Remuneration

	2026	2025
	$	$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	**14,000**	14,000

21 Contingencies

The Club has issued a bank guarantee to the value of $5,000 (2025: $5,000) in order to secure the the Club's TAB and Keno gaming facilities.

In the opinion of the Directors, the Club did not have any other contingencies at 30 June 2026 (30 June 2025: None).

22 Related Parties

(a) The Club's main related parties are as follows:

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

During the year, the spouse of a key management person was employed by the Club in a role commensurate with her qualifications and experience.

During the year, the Club remunerated directors for their services in providing consulting and advisor services to the Club. These engagements and payments were completed on arms length basis.

22 Related Parties (Cont'd)

(b) Transactions with related parties

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

The following transactions occurred with related parties:

				Balance outstanding	
	Purchases	Sales	Employee benefits	Owed to the club	Owed by the club
	$	$	$	$	$
Other related parties					
Related party employees	-	-	109,129	-	-
Related party suppliers	7,150	-	-	-	-
Director expenses	9,753	-	-	-	-

23 Events After the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

24 Statutory Information

The registered office and principal place of business of the company is:

Muswellbrook & District Workers Club Ltd
15 Sydney Street
MUSWELLBROOK NSW 2333

Muswellbrook & District Workers Club Ltd

ABN 55 001 052 526

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Corporations Act 2001* and:

   a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and

   b. give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Club.

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

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

Director: D Hooker .... Director: M.E. Goodwin ....

Dated 26 August 2026

LAMBOURNE
PARTNERS

MUSWELLBROOK & DISTRICT WORKERS CLUB LIMITED
A.B.N 55 001 052 526

INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Opinion

We have audited the financial report of Muswellbrook & District Workers Club Limited (the Club), which comprises the balance sheet as at 30 June 2026, the profit and loss, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Club as at 30 June 2026, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with the *Corporations Act 2001* and Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Club 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Club, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

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

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

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

Lambourne Partners

[redacted]

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

In preparing the financial report, management is responsible for assessing the Club'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 management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management and Those Charged With Governance are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Club'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 management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

Paul Quealey
Partner
Lambourne Partners

Dated: 31 August 2026

Level 1, 56 Hudson Street
HAMILTON NSW 2303