ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

CLUB Munmorah

Munmorah United Bowling Club Limited

(A Company Limited by Guarantee and having No Share Capital)

A.B.N. 24 000 639 314

Club Munmorah proudly supported the following not for profit organisations in our community with donations totalling $178,810 during 2025-2026

Munmorah United Darts Club
Munmorah United Euchre Club
Lake Munmorah High School
Lake Munmorah Public School
Northlakes Probus
Lake Munmorah Probus
ARPRA
Club Munmorah Social Golf Club
Gwandalan Lion's Club
Lake Munmorah Lifestyle Village
Parktrees Residential Village Bingo Group
Macquarie Shores Lifestyle Community
Teraglin Lakeshore Village
Lakeside Leisure Village
Lakeside Over 55's Lifestyle Community
Valhalla Village Putt Putt
Hometown Australia Communities
Munmorah United Women's BC
Munmorah United Men's BC
Guardian Angels – Wild Woollies
Gwandalan Public School
Central Coast Volunteer Rescue Squad
Educar Foundation Limited
Beyond the Badge Limited
The Bikers Hand
Hunter Breast Cancer Foundation
Lake Munmorah Netball Club
Central Coast Sport College
N.S.W. University Rugby League
Clubs for Community

PRESIDENTS REPORT 2026

Dear Members,

On behalf of the Board, it was my pleasure to present the Company's 2026 Annual Report.

The cost of goods and services rose substantially over the preceding 12 months, presenting the business with many challenges. Despite these pressures, the Club returned a net profit of $388,254 with a cash profit of $863,676. The business remained in a strong position as we commence the refurbishment project on the Club premises. Sincere thanks are extended to our CEO, Alex Moore, for his leadership not only in the day to day running of the Club but also in the additional responsibilities associated with the building project. He was well supported by Operations Manager Cathy Watson, Head Chef Michael Egan, and their teams.

Each year, the Club has donated a substantial amount to charities, not-for-profit organisations, and local sporting clubs through ClubGRANTS. In 2025/26, contributions exceeded $178,000 across Category 1 and Category 2 grants. The Board remains proud of this commitment and has reaffirmed its dedication to supporting the community into the future.

Work has progressed on the retaining wall along the south-eastern boundary of the property. This complex project involved significant drainage works and the decommissioning of a substantial retention tank. The process began in early 2023 with the lodgement of an initial Development Application, and final approval to commence works was not received until May 2026.

The refurbishment of the Club premises is scheduled to begin in October/November. The project proceeding according to plan, with contractors engaged and preparations underway. The refurbishment IS divided into three stages and scheduled for completion within ten months of commencement. While every effort will be made to minimise disruption, some inconvenience is anticipated. An information display will be installed within the Club, and members will be encouraged to familiarise themselves with the planned works. The Board remains confident that the refurbished Club will be a source of pride for all members and will enhance the experience offered to patrons.

Both the Men's and Women's Bowling Sub-Clubs experienced an increase in membership, contrary to broader regional trends. The Ladies Grade 2 side won the Central Coast Regional Pennant and represented the Club at the State Titles. Special recognition is given to Gail Sheehan, named Central Coast Senior Bowler of the Year, and to John Kachel, who won his section in the Australian Singles and performed strongly against a prominent Queensland State bowler before narrowly losing in a close match.

I also acknowledge my fellow Board members Colin, Sonia, John, Rosemary, Daniel, and Ross for their support and contributions throughout the year.

This year marked the retirement of Sonia Geddes, who did not seek re-election. A life member of the Club, Sonia served as a Director for 16 years and as Secretary of Women's Bowls for 13 years. She remains a respected and longstanding contributor to the Club. On behalf of the Board, I express our gratitude for her service, her commitment, and her valued counsel over many years.

Finally, I extended sincere thanks to our members for their loyalty. Despite the broader economic downturn, all areas of the business continued to experience strong patronage. On behalf of the Board of Directors, I offer best wishes to all.

W J Ralley

Bill Ralley
President.

CHIEF EXECUTIVE OFFICER'S REPORT 2026

Dear Members,

It is my privilege to present the CEO Report for the financial year ended 30 June 2026. This past year has been one of continued progress, disciplined management, and important transition for Club Munmorah as we prepare for the next major phase of our evolution.

Acknowledgement of Director Sonia Geddes

This year marks the departure of Ms Sonia Geddes, who retires from the Board after 16 years of dedicated service, including a term as Vice President. Sonia's contribution to Club Munmorah has been exceptional. Her deep understanding of club operations, her commitment to members, and her steady leadership have been invaluable to me personally and to my management team.

Sonia has been a trusted advisor, a strong advocate for responsible governance, and a consistent source of support through every major project and challenge over the past decade and a half. On behalf of the entire Club community, I extend our sincere gratitude and wish her every happiness in her next chapter.

Board Leadership and Governance

I also wish to thank President Bill Ralley and the Board of Directors for their unwavering support throughout the year. Their professionalism, diligence, and commitment to best-practice governance continue to strengthen the Club's strategic direction and operational resilience.

The Board's engagement in compliance, financial oversight, and long-term planning has ensured that Club Munmorah remains stable, forward looking, and well positioned for the significant transformation ahead.

Refurbishment – Months Away from Commencement

After extensive planning, consultation, and regulatory processes, the Club's major refurbishment project is now only months away from commencement. Once completed, this redevelopment will deliver a modern, vibrant, and exciting venue for our members, featuring upgraded amenities, improved accessibility, refreshed interiors, and a contemporary hospitality experience.

This project represents one of the most significant investments in the Club's history and reflects our commitment to delivering facilities that meet the expectations of today's members while supporting long term sustainability.

Operational Overview

The 2026 financial year saw strong patronage across key trading areas, supported by disciplined cost management and continued focus on member experience. Gaming and food & beverage performance remained robust, although rising operating costs, particularly wages, utilities, and insurance, continued to place pressure on margins.

I want to express my sincere appreciation to our Operations Manager, Cathy Watson, for her outstanding efforts across all aspects of the Club's operations. Cathy has been a fantastic leader, demonstrating exceptional commitment, capability, and professionalism. Her support of myself and the Club has been invaluable, and her behind-the-scenes work continues to strengthen our operational performance and member experience.

I also extend my deep appreciation to our catering team led by Head Chef Michael Egan. Michael and his team have shown exceptional attention to detail and a genuine passion for delivering consistent, high-quality food to our members and community. Their commitment to excellence has significantly elevated Club Munmorah's reputation for reliable, enjoyable dining day in and day out. The pride they take in their craft is evident in every plate served, and I thank them sincerely for their contribution to our success.

To all staff, thank you for your dedication, teamwork, and professionalism. Your efforts ensure that our members continue to enjoy a welcoming, safe, and vibrant environment.

Financial Summary (2026)

The Club delivered another stable financial result in 2026, with continued revenue growth and strengthening of net assets.

Key Results

- **Revenue:** $7,078,939 (up from $6,715,513 in 2025)
- **Net Profit:** $388,254 (down from $628,885 in 2025)
- **Net Assets:** $7,375,113 (up from $6,986,859 in 2025)
- **Operating Cashflow:** $863,676 (down from $1,061,667 in 2025)

These results reflect strong revenue performance, particularly in gaming and food & beverage, offset by increased operating costs. As noted in the Board summary, expenses rose by 9.4%, driven by higher wages, workers' compensation premiums, electricity costs, and gaming-related staffing requirements.

Despite these pressures, the Club's financial position remains solid, with improved working capital and continued investment in property, plant, and equipment to support future growth.

Community and Staff
Our commitment to supporting local organisations, sporting groups, schools, and charities remains central to our identity. The Club continues to contribute meaningfully to the wellbeing and development of our region through a wide range of partnerships and initiatives.

Closing Remarks
As we move toward the commencement of our refurbishment, Club Munmorah stands at an exciting turning point. With a strong financial foundation, a committed Board, and a loyal membership base, we are well positioned to deliver a new era of facilities, service, and community engagement.

Thank you for your continued support of Club Munmorah.

Alex Moore

Alex Moore
Chief Executive Officer
Club Munmorah

Munmorah United Bowling Club Limited

ABN 24 000 639 314

Annual Financial Report for the year ended 30 June 2026

Munmorah United Bowling Club Limited ABN 24 000 639 314
Annual financial report for the year ended 30 June 2026

Contents

These financial statements are the financial statements of Munmorah United Bowling Club Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 14 August 2026. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors present their report on Munmorah United Bowling Club Limited (the Club) for the year ended 30 June 2026.

Directors details
The following persons were Directors of Munmorah United Bowling Club Limited during the financial year, and up to the date of this report:

Mr William Ralley
President
Director since 2022
Retired, Logistics Manager

Mr John Heaton
Bowling Director
President 2015 to 2024
Vice President 2014 to 2015
Director 2008 to 2012
Retired, Mining Electrical Engineer
Life member of Munmorah United Bowling Club

Ms Rosemary Elliott
Bowling Director
Vice President - Ladies Bowling Club
Director since 2016
Retired, Events Manager

Mr Daniel Kovac
Non-Bowling Director
Director since 2024
Factory Manager

Mr Colin Beggs
Vice President
Director since 2024
Retired Department of Defence

Ms Sonia Geddes
Bowling Director
Director since 2010
Retired, Office Manager
Life member of Munmorah United Bowling Club

Mr Ross Churchland
Bowling Director
Director since 2024
Retired National Sales Manager

Company secretary
The Company Secretary is Mr Alex Moore. Mr Moore has been an employee of Munmorah United Bowling Club Limited since August 2014 and was appointed on 10 October 2014 to the position of Company Secretary. Prior to this, Mr Moore has held senior management positions in other larger registered clubs in Port Macquarie, Penrith and Blacktown.

Director's meetings
The number of meetings held during the year and the number of meetings attended by each Director is as follows:

	Board meetings	
Board members	**A**	**B**
Mr William Ralley	14	14
Mr Colin Beggs	14	10
Mr John Heaton	14	14
Ms Sonia Geddes	14	14
Ms Rosemary Elliott	14	10
Mr Ross Churchland	14	11
Mr Daniel Kovac	14	10

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

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

Core	-	Leased club property - Acacia Avenue, Lake Munmorah, NSW 2254
Non-Core	-	600 Pacific Highway, Lake Munmorah, NSW 2254

Directors' report (continued)

Principal activities

During the year, the principal activities of the Club were the running of the Club in accordance with its objectives for the benefit of its members.

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

Objectives of the Club

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

- Maintain the Club's financial sustainability through effective monitoring, prudent financial management, benchmarking, and the use of key performance indicators.
- Deliver high-quality services, facilities, and experiences that meet or exceed the expectations of members and guests.
- Foster a positive workplace culture by supporting employee development, training, and professional growth.
- Strengthen revenue streams while maintaining disciplined cost management to support ongoing profitability and investment in the Club's facilities and services.
- Uphold and promote the values, principles, and governance standards outlined in the Club's Constitution.

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

- Drive sustainable revenue growth and maintain effective cost controls to ensure long-term financial strength and enable continuous investment in facilities, services, and member amenities.
- Regularly review operational performance against industry benchmarks and key performance measures to identify opportunities for improvement.
- Invest in the development and wellbeing of employees to enhance service delivery, engagement, and organisational capability.
- Maintain a strong focus on member satisfaction through the ongoing enhancement of facilities, services, and member programs.
- Ensure sound governance practices and compliance with the Club's Constitution, policies, and regulatory obligations.

Performance measurement

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

Contribution in winding up

The Club is incorporated under the *Corporations Act 2001* and is a Company 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 total amount that members of the Club are liable to contribute if the Club was wound up is $35,370 (2025: $34,625).

Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' report have been rounded to the nearest dollar (where indicated).

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5 and forms part of this Directors' report.

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

William Ralley - President

J Heaton

John Heaton - Director

Dated: 14 August 2026

Lake Munmorah, NSW

Pitcher Partners

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Newcastle West NSW 2302

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Maitland NSW 2320

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Auditor's independence declaration

To the Directors of Munmorah United Bowling Club Limited

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

(a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

Kirsty Porteous

Kirsty Porteous - Partner

Pitcher Partners NH Partnership

Pitcher Partners NH Partnership
Chartered Accountants

Dated: 14 August 2026
Newcastle West, NSW

Munmorah United Bowling Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Revenue from continuing operations	2	**7,078,939**	6,715,513
Other income	3	**91,975**	110,864
Bar cost of goods sold		**(691,763)**	(659,692)
Bar direct expenses		**(566,880)**	(536,014)
Bistro cost of goods sold		**(588,878)**	(568,330)
Bistro direct expenses		**(849,872)**	(784,352)
Gaming direct expenses		**(1,457,621)**	(1,242,670)
Promotions expenses		**(709,131)**	(692,993)
Greens expenses		**(224,188)**	(160,366)
Administration expenses		**(1,617,720)**	(1,467,653)
Finance costs		**(76,607)**	(85,422)
		(6,782,660)	(6,197,492)
Profit / (loss) before income tax		**388,254**	628,885
Income tax expense	1 (e)	**-**	-
Profit / (loss) for the year		**388,254**	628,885
Other comprehensive income		**-**	-
Total comprehensive income / (loss) for the year		**388,254**	628,885

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

Munmorah United Bowling Club Limited

Statement of financial position

For the year ended 30 June 2026

	Notes	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	5	**471,104**	907,915
Inventories	6	**64,988**	61,690
Financial assets at amortised cost	7	**2,370,246**	1,727,547
Other assets	9	**56,824**	62,173
Total current assets		**2,963,162**	2,759,325
Non-current assets			
Property, plant and equipment	10	**4,529,078**	4,374,250
Investment properties	11	**550,000**	550,000
Lease assets	12	**1,271,580**	1,235,340
Financial assets at fair value	8	**1,086**	1,086
Total non-current assets		**6,351,744**	6,160,676
Total assets		**9,314,906**	8,920,001
LIABILITIES			
Current liabilities			
Trade and other payables	13	**290,503**	358,857
Financial liabilities	14	**21,806**	26,169
Provisions	15	**284,724**	240,896
Other liabilities	16	**21,202**	22,731
Total current liabilities		**618,235**	648,653
Non-current liabilities			
Financial liabilities	14	**14,442**	23,733
Provisions	15	**35,536**	25,416
Lease liabilities	12	**1,271,580**	1,235,340
Total non-current liabilities		**1,321,558**	1,284,489
Total liabilities		**1,939,793**	1,933,142
Net assets		**7,375,113**	6,986,859
MEMBERS FUNDS			
Retained profits		**7,375,113**	6,986,859
Total members funds		**7,375,113**	6,986,859

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

Munmorah United Bowling Club Limited

Statement of changes in equity

For the year ended 30 June 2026

	Retained Profits $	Total $
Balance at 1 July 2024	6,357,974	6,357,974
Profit for the year	628,885	628,885
Total comprehensive income for the year	**628,885**	**628,885**
Balance at 30 June 2025	**6,986,859**	**6,986,859**
Profit for the year	388,254	388,254
Total comprehensive income for the year	**388,254**	**388,254**
Balance at 30 June 2026	**7,375,113**	**7,375,113**

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

Munmorah United Bowling Club Limited

Statement of cash flows

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from operating activities			
Receipts from members and customers		7,780,137	7,375,192
Payments to suppliers and employees		(6,935,603)	(6,340,477)
Interest received		95,749	112,374
Interest paid		(76,607)	(85,422)
Net cash inflow (outflow) from operating activities		**863,676**	**1,061,667**
Cash flows from investing activities			
Payments for property, plant and equipment		(643,360)	(1,552,185)
Transfer from / (to) term deposits		(643,473)	(75,286)
Net cash inflow (outflow) from investing activities		**(1,286,833)**	**(1,627,471)**
Cash flows from financing activities			
Proceeds from borrowings		125,262	118,794
Repayment of borrowings		(138,916)	(184,648)
Repayment of lease liabilities		-	-
Net cash inflow (outflow) from financing activities		**(13,654)**	**(65,854)**
Net increase/(decrease) in cash and cash equivalents		(436,811)	(631,658)
Cash and cash equivalents at the beginning of the financial year		907,915	1,539,573
Cash and cash equivalents at the end of the financial year	5	**471,104**	**907,915**

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

Notes to the financial statements

For the year ended 30 June 2026

1 Summary of material accounting policies

(a) Information about the entity

- Munmorah United Bowling Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Munmorah United Bowling Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is 550 Pacific Highway, Lake Munmorah, NSW 2259.
- The principal place of business of the Club is 550 Pacific Highway, Lake Munmorah, NSW 2259.

(b) Basis of preparation

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

(c) Material accounting policy information

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

(d) Statement of compliance

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

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

(e) Income taxes

The Club is exempt from income tax under section 50-45 of the Income *Tax Assessment Act 1997*.

(f) Goods and services tax

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

(g) Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

(h) Comparative information

Comparative information has been adjusted to reflect current year disclosures where applicable.

2 Revenue

(a) Disaggregation of revenue from contracts with customers

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

2026	Food and Beverage Revenue $	Bowling Revenue $	Gaming Revenue $	Promotions Revenue $	Membership Revenue $	Other Revenue $	Total $
Revenue from contracts with customers	**2,924,323**	**65,440**	**3,607,025**	**314,844**	**23,274**	**126,853**	**7,061,759**
Other revenue (not covered by AASB15)	**-**	**-**	**17,180**	**-**	**-**	**-**	**17,180**
	2,924,323	**65,440**	**3,624,205**	**314,844**	**23,274**	**126,853**	**7,078,939**
Timing of revenue recognition							
At a point in time	**2,924,323**	**65,440**	**3,607,025**	**314,844**	**-**	**126,853**	**7,038,485**
Over time	**-**	**-**	**17,180**	**-**	**23,274**	**-**	**40,454**
	2,924,323	**65,440**	**3,624,205**	**314,844**	**23,274**	**126,853**	**7,078,939**

2025	Food and Beverage Revenue $	Bowling Revenue $	Gaming Revenue $	Promotions Revenue $	Membership Revenue $	Other Revenue $	Total $
Revenue from contracts with customers	2,859,972	60,961	3,311,271	303,794	21,736	140,599	6,698,333
Other revenue (not covered by AASB15)	-	-	17,180	-	-	-	17,180
	2,859,972	60,961	3,328,451	303,794	21,736	140,599	6,715,513
Timing of revenue recognition							
At a point in time	2,859,972	60,961	3,311,271	303,794	-	140,599	6,676,597
Over time	-	-	17,180	-	21,736	-	38,916
	2,859,972	60,961	3,328,451	303,794	21,736	140,599	6,715,513

b) Assets and liabilities related to contracts with customers

The Club has recognised the following assets and liabilities related to contracts with customers:

	2026 $	2025 $
Contract liabilities (membership in advance)	5,032	7,589
Total contract liabilities	5,032	7,589

c) Accounting policies and significant judgements

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

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

(i) Sale of goods - food and beverage revenue
Revenue from the sale of food and beverages is recognised at a point in time when the physical control of the good passes to the customer.

(ii) Provision of services - gaming revenue
Revenue from rendering services from gaming facilities to members and other patrons of the Club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission revenue where the Club acts as an agent for third parties who provide wagering services to members and guests is recognised at a point in time when the wagering transaction has been completed.

(iii) Provision of services - promotion revenue
Raffle, bingo, housie and other promotion events revenue is recognised at a point in time when the customer takes possession of the ticket and the raffle, bingo, housie or other event has been conducted as at this point the performance obligations have been satisfied.

3 Other income and expense items

	2026 $	2025 $
(a) Other income		
Interest income	91,975	110,864
	91,975	110,864
(b) Other expenses		
Employee benefits expense	2,183,540	1,875,907
Depreciation and amortisation	465,052	440,077

5 Cash and cash equivalents

Current		
Cash and cash equivalents	471,104	907,915
	471,104	907,915

Accounting policy

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

6 Inventories

Current		
Stock on hand - bar	47,019	46,396
Stock on hand - bistro	17,969	15,294
	64,988	61,690

Accounting policy

Inventories are measured at the lower of cost and current replacement cost (net realisable value).

7 Financial assets at amortised cost

Current		
Term deposits	2,294,548	1,651,075
Other receivables	75,698	76,472
	2,370,246	1,727,547

Accounting policy

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

8 Financial assets at fair value through profit and loss

Non-current		
Shares	1,086	1,086
	1,086	1,086

Accounting policy

Equity instruments are measured at fair value with changes in fair value recognised through profit and loss. Dividends received on these investments are recognised in the statement of profit or loss and other comprehensive income unless the distribution clearly represents a recovery of part of the cost of the investment.

9 Other assets

Current		
Prepayments	56,824	62,173
	56,824	62,173

10 Property, plant and equipment

Non-current assets	Land and buildings $	Plant and equipment $	Poker machines $	Capital WIP $	Total $
At 1 July 2025					
Cost	4,398,671	2,157,656	1,974,703	1,171,360	9,702,390
Accumulated depreciation	(2,203,990)	(1,579,350)	(1,544,800)	-	(5,328,140)
Net book amount	2,194,681	578,306	429,903	1,171,360	4,374,250
Year ended 30 June 2026					
Opening net book amount	2,194,681	578,306	429,903	1,171,360	4,374,250
Additions	27,477	56,624	246,406	290,168	620,675
Disposals	-	(795)	-	-	(795)
Transfer	1,001,735	-	-	(1,001,735)	-
Depreciation charge	(143,685)	(93,793)	(227,574)	-	(465,052)
Closing net book amount	3,080,208	540,342	448,735	459,793	4,529,078
At 30 June 2026					
Cost	5,426,466	2,172,559	2,060,482	459,793	10,119,300
Accumulated depreciation	(2,346,258)	(1,632,217)	(1,611,747)	-	(5,590,222)
Net book amount	3,080,208	540,342	448,735	459,793	4,529,078

Accounting policy

(a) Land and buildings

Freehold land and buildings is carried at cost less any accumulated depreciation and any impairment value.

(b) Plant and equipment and poker machines

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

(c) Depreciation

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

Leasehold improvements	10 - 50 years
Plant & equipment	3 - 11 years
Poker machines	3 - 5 years

Significant accounting estimates and judgements

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

11 Investment properties

	2026 $	2025 $
Non-current assets - at fair value		
Opening balance at 1 July	550,000	550,000
Closing balance at 30 June	550,000	550,000

Accounting policy

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. Gains or losses arising from changes in the fair values of the investment properties are included in the statement of profit or loss and other comprehensive income in the year in which they arise.

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

Investment properties are stated at fair value, which has been determined by the Directors based on a market appraisal performed by Luke Thompson of Ray White Thompson Partners as at 30 June 2026. The real estate agent frequently assesses the market values for properties similar to those held by the Club in the same areas, having regard to past sales prices of other properties and current market conditions.

11 Investment properties (continued)

Significant accounting estimates and judgements

The fair value of investment properties is estimated at each reporting date, based on independent assessments of the market value of the properties and the best available knowledge of current market prices. Estimation uncertainty exists and is related to the various assumptions used in determining the fair value.

12 Lease assets and lease liabilities

The Club leases the Club Land where Club buildings and facilities are situated.

The lease over the Crown Land occupied by the Club is a lease in Perpetuity between the Club and Crown Lands NSW and commenced in 1974. The agreement provides the right of the Minister to terminate the lease on one years notice with all improvements reverting to the Landlord.

	2026	2025
a) Lease assets	**$**	**$**
Non-current		
Land	1,271,580	1,235,340
	1,271,580	1,235,340

Reconciliation of lease assets	**Land**	**Total**	**Total**
	$	**$**	**$**
Carrying amount at the beginning of the year	1,235,340	1,235,340	1,094,566
Additions	36,240	36,240	140,774
Carrying amount at the end of the year	1,271,580	1,271,580	1,235,340

b) Lease liabilities			
Current			
Lease liabilities	-	-	-
Non-current			
Lease liabilities	1,271,580	1,271,580	1,235,340
Total	1,271,580	1,271,580	1,235,340

Reconciliation of lease liabilities	**Land**	**Total**	**Total**
	$	**$**	**$**
Carrying amount at the beginning of the year	1,235,340	1,235,340	1,094,566
Additions	36,240	36,240	140,774
Interest expense	63,579	63,579	61,767
Lease payments	(63,579)	(63,579)	(61,767)
Carrying amount at the end of the year	1,271,580	1,271,580	1,235,340

The future lease commitment relating to the land lease in perpetuity has been recognised at the net present value of the current annual lease payment being $63,579 and discounted using the incremental borrowing rate noted below.

Accounting policy

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

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

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

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Club's incremental borrowing rate. The weighted average incremental borrowing rate is 5%.

12 Leases (continued)

Significant accounting estimates and judgements

Accounting for Lease in Perpetuity with Crown Lands NSW - The accounting treatment of the Club's lease in perpetuity with Crown Lands NSW involves judgement and estimates in determining whether the contract grants rights that result in transfer of control of the asset to the Club and therefore results in the in-substance purchase of the Land. The Directors have determined that control of the asset does not transfer to the Club and as such the contract has been treated as a lease in accordance with AASB16 Leases.

13 Trade and other payables

	2026 $	2025 $
Current		
Trade payables	147,603	217,015
Other payables and accruals	127,746	110,905
GST payable	15,154	30,937
	290,503	358,857

Accounting policy

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

14 Financial liabilities

Current		
Secured		
Other loans (i)	21,806	26,169
Total secured financial liabilities	21,806	26,169
Non-current		
Secured		
Other loans (i)	14,442	23,733
Total secured financial liabilities	14,442	23,733

(i) Other secured liabilities

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

15 Provisions

Current		
Employee entitlements (i) & (ii)	274,249	235,496
Jackpots	10,475	5,400
	284,724	240,896
Non-current		
Employee entitlements (ii)	35,536	25,416
	35,536	25,416

Accounting policy

(i) *Annual leave*

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

(ii) *Long service leave*

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

Notes to the financial statements

For the year ended 30 June 2026

16 Other liabilities

	2026 $	2025 $
Current		
Contract liabilities - membership income	5,032	7,589
Other liabilities	16,170	15,142
	21,202	22,731

17 Commitments

	2026	2025
(i) *Capital commitments*		
Retaining wall	464,125	-
	464,125	-

18 Contingent liabilities

	2026	2025
Bank guarantee substituting for a security deposit for TAB facilities	5,000	5,000

The Club has an overdraft facility of $100,000 with the Commonwealth Bank which is secured by:

- A First Registered Mortgage by Munmorah United Bowling Club Ltd ACN 000 639 314 over Residential Real Property located at 600 Pacific Highway, Lake Munmorah NSW 2259.
- A First Registered Equitable Mortgage by Munmorah United Bowling Club Ltd ACN 000 639 314 over whole of its asset(s) and undertaking(s) including uncalled capital.

19 Related parties

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

(a) *Key management personnel compensation*

	2026	2025
Total key management personnel benefits	327,678	301,992

20 Remuneration of auditors

	2026	2025
Auditor of the club		
Audit of the financial statements	30,300	29,300
Other services - taxation compliance	460	440
Other services - consulting	11,670	12,860
	42,430	42,600

Consolidated entity disclosure statement

For the year ended 30 June 2026

Munmorah United Bowling Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

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

Directors' declaration

In the Directors' opinion:

(a) The financial statements, notes and consolidated entity disclosure statement set out on pages 6 to 17 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Australian Accounting Standards - Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Club's financial position as at 30 June 2026 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable; and

(c) the consolidated entity disclosure statement required by subsection 295 (3A) of the *Corporations Act 2001* is true and correct.

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

William Ralley - President

J Heaton

John Heaton - Director

Lake Munmorah, NSW
14 August 2026

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Independent auditor's report

to the members of Munmorah United Bowling Club Limited

Opinion

We have audited the financial report of Munmorah United Bowling Club Limited (the Club) which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the Directors' declaration.

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

(a) giving a true and fair view of the Club's financial position as at 30 June 2026 and of its financial performance for the year then ended; 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 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 (including Independence Standards) ("the Code")* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the 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 audit opinion.

Other information

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

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

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

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

Independent auditor's report (cont.)

Responsibilities of the Directors for the financial report

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

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* ; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001* ; and

for such internal control as the Directors determine is necessary to enable the preparation of:

(i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the 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 the Directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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Independent auditor's report (cont.)

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Kirsty Porteous

Kirsty Porteous - Partner

Pitcher Partners NH Partnership

Pitcher Partners NH Partnership
Chartered Accountants

14 August 2026
Newcastle West, NSW