

SUTHERLAND UNITED SERVICES CLUB LTD

(trading as CLUB ON EAST)

MINUTES OF ANNUAL GENERAL MEETING – 30 NOVEMBER 2025

MEETING COMMENCED at 11.01am and the Ode was recited.

APOLOGIES

James Docherty – Badge number 4404

Dawn Emerson – Badge number not stated by member of the floor, apologising on Dawn's behalf.

AGENDA ITEM 1

To confirm the minutes of the Annual General Meeting held on Sunday the 24 November 2024.

Request a mover and a seconder to receive the minutes of the annual general meeting held on Sunday the 24th of November 2024.

Mover - Peter Crimlisk – 2148

Secunder - John Barker – 7127

All those in favour. Motion carried.

Business Arising -

Request a mover and a seconder to adopt the minutes of the annual general meeting held on Sunday the 24th of November 2024.

Mover – Peter Crimlisk – 2148

Secunder - Glenn McAuliffe – 2405

All those in favour. Motion carried.

AGENDA ITEM 2

To receive and consider the report and Statement of the Board of Directors.

Mark Lennon – Club Auditor – is introduced to present his presentation on the Annual Report for 2025.

Mark Lennon – Club Auditor -

“Thank you, Mr. President Morning, ladies and gentlemen.

I'll start just as an aside. The thought came this morning that I probably should tell you the role of the Auditor is not to report to the board of directors. It is to report to members.”

“I made that comment at a director's meeting of a significant club last week. One of the directors actually challenged me, and said, That's not right.”

“And, so, I just asked what his understanding of it was, and he said;”

“Well, you're appointed by the directors, and you must report to the directors.”

“I just pointed out to him that that is an anomaly, but if he has a look at the Audit Report, it starts with the words to the members of, so it is the role of the Auditor to report to members.”

“So, the financial statements. If anyone has any questions, please don't hesitate to ask.”

(The Auditor refers to presentation on screen)

“So, this is just the financial, what I call the financial highlights, the summary of the income statement of comprehensive income that you have used to be called profit and loss account, our statement of comprehensive income.”

“Heaven knows where it will be next year. Now the revenue from operations increased from 7.1 to 8.7m. Other revenue, then we have the cost of goods sold. I won't go through these in detail, but we had total expenses, excuse me, for the year, of 7.6 million, compared to 6.5 last year. Now that's up 16. The revenue was up by 21% and so we have an improved profit position from 781,000 to almost 1.2m.”

“The profit per member is \$68. Now, often the question is, okay, so we made this much profit. Where's the cash? What happened to it? Fortunately, as you'll see, most of it stayed here. That's the bottom line.”

“We had cash from operations of 8.5 million. Now that differs. I'll go back to this revenue from operations of 8.7. That differs because there are some monies that we owe, some money to owed to us, etc, etc. So that's why there are slight differences.”

“Cash, the gross profits formed cash, almost five and a half million operating expenses. Then capital expenditure, \$1.3 million on furniture, equipment, poker machines, etc. So that left us with a cash surplus for the year from the operations of 949,000 compared to 264,000 last year, which gave us a closing cash on hand of 2.8 million. \$2 875 072, so then if you were to look at your balance sheet, you should see that same number as the cash asset balance, so that's where that fits.”

“So, I'll come to the balance sheet now. And for those of you who've been coming regularly, what I try to do is try to explain the balance sheet in terms of your own balance sheet.”

“It's a little bit hard to understand financial statements. I find it difficult. I don't know how people find it difficult. It's not the sort of stuff you read at night before you go to bed, I'm sure. But I just want to put it in a form that is possibly familiar to you. So, let's start with this thing called equity.”

“Now equity, in your sense, would be the equity of a new home, your car, money you've got in the bank, etc, etc. So effectively, what are you worth? Now, whether you're worth that number or not, that's totally up to you, but that's what the club effectively is worth.”

“Okay, now what makes that up?”

“We've got cash, which we saw. We've got stock on hand, inventory to sell, mainly stock, and other assets. So, they're called total current assets.”

“Now, what does that mean? Current means they're assets that are available to us to deal with in the next 12 months.”

“Then we've got payables. How much do we owe provisions, including employee provisions.”

“So, we have current liabilities, so their liabilities that we are due to pay within the next 12 months. So, a sign of business strength is the difference between current assets, what we have, and current liabilities, what we owe to give us this thing called net current assets.”

“Now you'll see that that has grown by \$600,000, that is a sign of business strength.”

“So, we have, well, I'll come to the number in a minute as to what is multiple years. But, yeah, you, if you're looking at other financial statements, you'll sometimes see this as net current assets.”

“If it's shown there may be a deficit. If it's a deficit and they've got a negative cash flow, they've got serious problems. That's a real indicator.”

“In your case, it's quite the contrary. Then we have these things called non-current items, so they're the amounts that are due beyond 12 months.”

“So, the land and buildings, we're not going to sell those within 12 months. Other assets that we'd appreciate, so they're non-current. So, when we do the add up to the takeaways, we come to net assets of \$24 109, which equals exactly the equity.”

“So, I hope that makes some sense. It's not in the same form as the balance sheet in your financial statements. I think they're a little hard to understand. That's coming from an accountant, so I just try to put it in those terms.”

“So then we come to some graphs, the difference between revenue and expenses. Obviously, this gap is profit. And so when you look at these things, you can see profit improvement in a picture rather than numbers. And the beauty of this is that we can go right back and which we do. And then we just add to it every year, and so we can see sometimes it's not so good. Sometimes, that's our situation.”

“Now, so this is the net profit. It makes it a little more obvious. It. Now this is this difference between current assets and current liabilities that I was talking about, the ability to meet your debts as and when they fall due. You can see how that's improved.”

“Effectively, over the year, that has increased, but not so much. So hence our what we call current ratio is 2.7% so that for every dollar we owe, we've got \$2.70 to pay for it. Very strong position. This is just interpreting all those numbers in the accounts, the net cash from operating activities. You can see how that has moved just having a look at so where does, what sections does our revenue come from?”

“Poker machines, 55% bar 35 other is 10% so having a look at that, then the expenses for each section. So I'll split back again here. So for instance, poker machines 55% and bar 35, when we have a look at the components of expenditure, poker machines was only 16 and bar was 30. So that's quite symbolic about where we get our net income.”

“Bar Revenue, how did that move during the year, and what's the trend?”

“These are just things looking at from an audit point of view, and then we have a look at gross profit margins from the bar and how they may have moved over the year again. So what were the costs operating on poker machines? You'll see 17% within government duties. That's why governments like poker machines and GST. That's just the gap between our gross takings and the government's GST. This one looks a bit busy. What its recording does.”

“In here, we're looking at the number of poker machines on hand. The red line, the yellow line, is the turnover from poker machines. So, for instance, there's the 2025 turnover. It's really difficult to read small, but that's 4.8 million compared to 3.9 last year. Average number of poker machines. The average is 84 compared to 71 and the gross takings per machine fell slightly from 61,000 to 50. But when you've got a large number of poker machines. That's it. Thankyou.”

Mark ends his presentation.

Chairman -

Request a mover and a seconder to receive and consider the report and statement of the Board of Directors.

Mover – Patricia Small – 4589

Secunder – Christine Sutherland – 6178

All those in favour. Motion carried.

Request a mover and a seconder to adopt the report and statement of the Board of Directors.

Mover – Sara Garside – 5837

Secunder – Dorothy Rosewall – 7171

All those in favour. Motion carried.

AGENDA ITEM 3

To receive and consider the balance sheet at the 30 June 2025, and supporting financial statement for the year ended together with the Auditor's report thereon.

To request a mover and a seconder to receive and consider the balance sheet at the 30 June 2025, and supporting financial statement for the year ended together with the auditor's report thereon.

Mover – Fiona York - 7675

Secunder – Paul Jenkins – 5535

Request a mover and a seconder to adopt the balance sheet at the 30 June 2025, and supporting financial statement for the year ended together with the Auditor's report thereon.

Mover – Peter Schumacher – 577

Secunder – Glenn McAuliffe – 2405

AGENDA ITEM 4

FIRST ORDINARY RESOLUTION (Simple Majority 50% +1)

To consider, if thought, fit past the ordinary resolutions regarding benefits to directors and others.

1. That for the purposes of sections 10(6)(d) and 10(6)(a) of the Registered Clubs Act 1976 the members hereby approve and agree to the reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities:
 - (a) reasonable expenses incurred by directors in attendance to business for the club, including without limitation:
 - The reasonable cost of a meal and beverage for each director when attending to club business, including immediately before or immediately after a board or committee meeting on the day of that meeting, when that meeting corresponds with normal meal time;
 - traveling to and from directors' meetings, committee meetings and to such places necessary to attend to club business of the club as approved by the board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure;
 - the provision of blazers and associated apparel for the use of directors in representing the club;
 - reasonable cost of the directors and their partners attending the annual Christmas luncheon and other functions as approved by the Board; and
 - The reasonable cost of directors, undertaking Directors Mandatory training under Clubs NSW, Continuing Professional Development Program.
2. The members acknowledge that the benefits in paragraph one are not available to members generally but only for those who are Directors of the Club and those persons who are directly involved in the above activities.

Request a Mover and Seconded to consider the Director benefits -

Mover – Peter Crimlisk – 2148

Seconded – Paul Jenkins – 5535

All in favour.

Motion carried.

Request a Mover and Seconded that the members hereby approve and agree to the reasonable expenditure by the Club until the next Annual General Meeting of the Club

(Simple Majority 50% + 1)

Mover – Christine Sutherland – 6178

Seconded – Sara Garside – 5837

All in favour.

Motion carried.

SECOND ORDINARY RESOLUTION

1. That for the purposes of section 10(6)(b) of the Registered Clubs Act 1976 the members hereby approve that the Board of the Club be granted Honoraria as follows, subject to paragraph (b) below:

- (a) President \$200 per week;
- (b) Deputy President \$180 per week;
- (c) Treasurer \$150 per week;
- (d) Other Directors \$100 per week.

2. The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club.

Request a Mover and a Seconder to consider the Director Honoraria -

Mover – John Barker – 7127

Seconder – Jim McSweeney – 6161

All in favour. None against.

Motion carried.

Request a Mover and a Seconder that the members hereby approve and agree to the Board of Directors being granted the honorary until the next Annual General Meeting.

Mover – Christine Sutherland 6178

Seconder - Gary Small – 12961

(Simple Majority 50% +1)

All in favour. None against.

Motion carried

THIRD ORDINARY RESOLUTION (Simple Majority 50% + 1)

The auditor of the club being Mark James Lennon trading as Business Partners Accountants, registered as an auditor of the club, with ASIC approving his resignation on the 11th of July 2025.

Mark James Lennon, trading as business partner accountants, has confirmed to the club that there are no disagreements between him, as the auditor and the management or directors of the club.

In accordance with section 320, 7c of the Corporations Act 2001, the board was, following the resignation of auditor, required to appoint an auditor to fill a Casual Vacancy arising from the resignation of the previous auditor. The appointed Auditor (Hayes Knight Audit (NSW) Pty Ltd) holds office until the next Annual General Meeting, at which time the appointment must be confirmed by members under Section 327b of the Act.

Rebecca Brabazon 10712, being a member of the club has nominated Hayes Knight Audit (NSW) Pty Ltd to be the new auditor of the club pursuant to section 328b of the Corporations Act, 2001 and a copy of the nomination is attached as Annexure "A" of this notice.

The board of the club approved the appointment of Hayes Knight Audit (NSW) Pty Ltd (52 142 320 590), subject to the passing of the above resolution by members at the Annual General Meeting.

Request a mover and a seconder to consider and if thought fit to pass the following ordinary resolution:

"That the members hereby approve the appointment of Hayes Knight (NSW) Pty Ltd (ABN 52 142 320 590) as the auditor of Sutherland United Services Club limited (ACN 001 028 771)."

Mover – Gary Small – 12961

Secunder – Soula Georgopoulos - 576

All those in favour.

Against.

Motion carried.

Request a mover and a seconder that the members hereby adopt Hayes Knight (NSW) Pty Ltd (ABN 52142 320 590) as the Auditor of Sutherland United Services Club Ltd (ACN 001028 771).

Mover – Sara Garside – 5837

Secunder – Paul Jenkins - 9535

(Simple Majority 50% + 1

Those in favour.

Against.

Motion carried

AGENDA ITEM 5

To deal with any other business that the meeting may approve of which due notice has not been given.

AGENDA ITEM 6

To consider, and if thought fit pass the following resolution, as special resolution:

That for the purposes of article 82 of the company's articles of association and section 136 of the Corporations Act 2001 and for all other purposes, the club adopt the provisions of the Constitution tabled at the meeting and signed for the purposes of identification by the chairperson as the Constitution of the club, in substitution for the present memorandum and articles of association of the company (as amended from time to time) which is repealed.

Request a mover to consider the proposed Constitution.

Mover – Peter Crimlisk – 2148

Seconder – Glenn McAuliffe - 2405

Show of hands requested, Scott and Rebecca counting recording.

The Chair then requested that if there was any other business (referring to Agenda Item 5) and requested members approach the microphone at the front of the room, if they would like to speak.

Peter Schumacher – 577

Peter discussed tables, stools and chairs and falls hazard, and requested the club look into it. Peter was speaking of a specific area, which, from the board's expressions and nodding to indicate they were aware of. (Microphone not working effectively, difficult to hear)

Jeffrey Passfield – 4985

Jeffrey discussed children in the club, not being monitored well by Parents. He discussed safety issues and queried who would be responsible if someone fell over. He spoke of the possibility of suing the

board of directors and Scott Lindsay, if he (Jeffrey) fell over a child. (Microphone not working effectively and difficult to hear).

Scott and Tony – Discussion of tape around corners and looking into hazards and staff training.

Unidentified member from the floor –
Name and badge number not stated -

“Can I ask a general question. I'm curious why we have dropped the current constitution. New Constitution. Was it broken? Any fixing, what was the purpose?”

Rebecca -

Discussion about refresher and updating the constitution with inappropriate references, such as “he” and “him”. Other parts were updated regarding different positions and triennial voting.

“We've introduced a triennial voting for board members, so when you might see previously, you might have someone on a board for 20 or 30, years. Now we're brought in, which a lot of clubs have as well. There'll be triennials, so it'll be a 3-year term, basically, for each of us. It's constantly rotating in and out. So, you've got constantly fresh blood. There're no stagnant people getting too comfortable and that kind of thing. So that was a big change that we put in. We didn't pass it last year. The only change we made from last year's proposal to this, was to keep the role of Treasurer, which I agreed. But I think that it's very important to continue to have a Treasurer. So that was the only change from last year to this, but it was only small in the document that was coming up.”

“It does detail the changes that were made, but it wasn't a huge change. It was just small things that needed to be corrected. So, it'll start next year.”

(Inaudible and name and badge not stated, from floor asking for further discussion)

“Yeah, you want to go through it. Scott?”

Scott -

“OK, so this has some notes here on the agenda in case someone asked. So, the first general meeting under the triennial rule being Sunday, subject to the adoption of the new constitution, so the members elected to the governing body at the first general meeting at which the new rule will be divided into three groups. So, the groups shall be determined by drawing lots. Letter A, B shall be nearly as practical, equal in number, and C shall be designated as group one, group two and group three, unless otherwise

disqualified, the members of the governing body. Group One shall hold office for one year, and group two shall hold office for two years. In group three shall hold office for three years. So therefore the 2025-26 board of directors will hold their positions as president, deputy president, treasurer and three directors up until the AGM on Sunday the 29th of November 2026 so the 2026 27 board directors will comprise president, deputy president, treasurer, and three directors. Group one will seek re-election in 2027. Group two in 2028. Group three will seek re-election in 2029. Any other questions?"

Tony -

"Thank you Scott. Any other questions at all?"

"Okay; moving on.

"We're going to move on, we've got a mover and a seconder that the members hereby adopt the proposed Constitution, all in favor?"

"So, if you could put your hands up for me, thank you?

"Stand up all those against?"

Motion carried.

Vote in favour of the new constitution -

In favour = 35

Against = Nil

Mover – Soula Georgopoulos – 576

Secunder – Sara Garside - 5837

AGENDA ITEM 7

To declare the names of the directors elected for the ensuing year, 2025-2026.

President – Tony Hogan

Deputy President - Rebecca Brabazon

Treasurer – Katherine Forman

Director - Lisa Price

Director - Tom Naden

Director - James Docherty

Tony - "Ross Perry couldn't be here today, but he's been on the board for the last years. He did step down for the next year. We want to thank him for his service throughout the last 12 months. He said he wasn't running."

"OK, Ladies and Gentlemen, I declare the meeting closed, and we'd like to invite you to stick around and have some refreshments down the back and some food available to all of you there. So, thank you once again for coming today and your attendance. Thank you."

Meeting closed at 11:38am