



**SHELLHARBOUR  
WORKERS' CLUB LTD**

ABN 69 001 068 864

**SHELLHARBOUR  
WORKERS' CLUB LTD**

# **2025 ANNUAL REPORT**

# OUR VISION

---

**TO ENABLE THE  
COMMUNITY TO  
REACH ITS HIGHEST  
POTENTIAL.**





# PRESIDENT'S REPORT

---

On behalf of the Board of Directors I am pleased to present the Annual Report for Shellharbour Workers' Club Limited for the year ending 30 June 2025.

I am pleased to report that the Group has recorded a profit before tax of \$1,001,106 and a profit after tax of \$1,236,297 for the 2025 Financial Year.

The Group has experienced a year of mixed emotions as we farewelled an inspiring, motivated and engaging leader in Debbie Cosmos. Debbie has dedicated and made many sacrifices in her 30 years, witnessing much change. Debbie was appointed CEO in 2013 and in this time helped the Club to diversify with her strong vision and drive. Debbie created the Club's masterplan and introduced both the Child Care and The Imperial at Clifton assets that transitioned our business from a Club to a Group. Her vision and leadership has enabled the Group to diversify and as a result has set the foundations of longevity. Debbie has inspired many staff and built a strong organisational structure that enables the Group for success. On behalf of the Board of Directors we thank Debbie for her continued sacrifices and wish her the best in her retirement.

As we close one chapter another opens. In December 2024 the Group provided opportunity for the Club's General Manager Jason Petrolo to be promoted to CEO. Jason has been with the Club since 2012 and in this time has shown strong values and leadership qualities that set him for success. The Board have full confidence that Jason can take our Group and its people into the next phase of our exciting journey. Jason has the support of the Management Team and our staff and we know that he has a commitment to our community. We look forward to watching Jason and our Group prosper under his leadership and his tenure to date provides confidence that our Club and its assets are in very good hands.



**Mark Climo**  
President

The year ahead will be focused on stability and reviewing our long-term plans. We have witnessed a significant shift in the economic climate however the last quarter results provide confidence that we are set for a strong 2025 / 2026 Financial Year. We are currently reviewing plans for a major refurbishment to our Fiftysix Dining area and adjacent terrace. More significantly our short term focus will be supporting the community and providing opportunity through exciting programs and events. We will continue to review diversification and build on our efforts to ensure the Club can be the pillar of our community in the many years ahead.

On behalf of the Board of Directors we are very grateful for the consistent support of our membership and community. The continued loyalty of our people allows the Club to be the community hub that we represent. A very special thanks to our amazing staff for delivering great service each and every day. This support ensures that year on year the Group is able to progressively grow and develop. Thank you to the Board of Directors for their continued commitment and their passion for this Group to be the best it can possibly be.

Thank you for your support,  
Mark Climo, President

# BOARD OF DIRECTORS

---



**Brian Goodall**  
Vice President



**Luke McPhie**



**Scott Murphy**



**Peter Cooper**



**Patrick Shortall**



**Lupcho Mazevski**



# CEO'S REPORT

---



**Jason Petrolo**  
CEO

It is both my pleasure and privilege to provide an end of financial year update on our Group and our people, highlighting significant milestones. It has been a busy 12 months with plenty of positive change and I am very excited for our future.

Firstly, I would like to acknowledge the wonderful achievements of a mentor and leader, Debbie Cosmos. Debbie has personally sacrificed so much of her life to this organisation and her vision has been truly inspiring for our staff and management. On behalf of the team, I'd like to acknowledge the contributions of Debbie within this community; she has set the business up for long term success. Debbie has been an inspiration and whilst I have big footsteps to follow, I have comfort that she has built the foundations for our future. We wish Debbie all the love and happiness as she enters her retirement.

This year has witnessed the impact of economic uncertainty which has been well documented in media outlets. The Group had to shift its focus as we faced increased pricing, emerging competitors and political agendas. We made changes to our operations and reviewed our organisational structures to provide the best opportunity for our future planning. The last quarter of the financial year was our strongest and we established a platform to build and grow. Together, our resilient team and Board of Directors will continue to embrace challenges and take this organisation to a new level.

Our focus is our people and ensuring we live and breathe our vision "to enable our community to reach its highest

potential". This has been a strong focus in my early tenure as CEO and I will ensure this is at the forefront of our staff and leadership groups. We will live our vision by upgrading our facilities, engaging with the community through funding and volunteering, creating activations/events and reviewing the Club's masterplan while ensuring synergy and services to our site. In addition to this, we offer a range of community-minded activities for all ages that include school holiday activities, bingo, snooker, table tennis and a lot more.

In the past 12 months we have provided over \$430,000 to our community via the ClubGRANTS Scheme. We have assisted in the funding of key projects and developments and this ongoing support is a focus both internally and externally. On behalf of the Club we would like to thank all the volunteers and participants for your excellent contributions and for making the community the best version of itself.

In September 2025, we will commence construction on facade upgrades to the eastern side of our building. As part of this project, we will be upgrading the exterior signage that is located on the corner of Liddell Street and Wattle Road and the corner of Wattle and Shellharbour Roads. This signage will make our community aware of who we are and what we represent. These works are expected to have minimal impact to our operations and we will work hard to ensure these works have a positive impact on our business and we appreciate your support in advance. The project has a 12 week timeline and will be delivered in preparation for our peak period in December.

## Executive Team

(L-R) Chief Marketing Officer, Vanessa Mitrevska, Chief Executive Officer, Jason Petrolo, Chief Finance Officer, Shandelle Rue & Chief Human Resources Officer, Amy Traviss.



On behalf of the Group, I would also like to thank our staff. They are the heart beat and soul of our organisation and without their commitment and devotion we would be unable to service our community. I'm so very proud to lead this team and very fortunate to have genuine people who have a focus on customer service and delivery. Thank you for the support from our Executive and Operational Management teams. You have embraced leadership change and have allowed our teams to be their best versions of themselves. I look forward to an inspiring year and sharing the success in the years to come.

At a time where loyalty and longevity in a hospitality organisation is rare, I would like to acknowledge the team members that have enjoyed long tenures with our business. The below staff have provided our Club with the framework and stability required to ensure success and their efforts and contributions should be acknowledged;

**GLENYS WILLIAMS – 20 YEARS**

**ABI MAGUIRE – 20 YEARS**

**PETRA HARRIS – 20 YEARS**

**NAOMI MATTHEWS – 20 YEARS**

**DAVID BROWN – 20 YEARS**

**CHERYL BROOKS – 20 YEARS**

**JEANETTE BURCH – 25 YEARS**

**MARINA RALSTON – 30 YEARS**

**MATTHEW DAVIS – 30 YEARS**

**ALISON SCOTT – 30 YEARS**

**JIM CAMPBELL – 40 YEARS**

On behalf of our Board of Directors, Management and staff thank you for your ability to diversify with our business, cope with change and most of all your dedication and commitment to our Club.

I've been a part of The Shellharbour Club for 12 years and have enjoyed the last 6 months in the role of CEO leading our teams and our vision. It has been a privilege and honour to hold this position and the responsibility does not escape me. We have an engaged and motivated team that will deliver results and I look forward to sharing many more updates in the years to follow. The Group is moving in a positive direction and I'm committed to ensuring that we enable our community to reach its highest potential.

I would like to thank the Board for putting their trust and faith in me to lead this organisation. We will continue to do great things together and your strategic vision for our business is exciting and inspiring.

Lastly, thank you to our members for your continued support and for loving our Club as much as we do. I will commit that our team will always act in the best interest of our members and that we will actively listen and engage.

I'm very proud of what we have accomplished thus far and look forward to our exciting future together.

Jason Petrolo, CEO

# OUR COMMUNITY

- **\$430,000 PROVIDED TO OUR COMMUNITY IN THE LAST YEAR ALONE THANKS TO THE CLUBGRANTS SCHEME.**

- **BUILDING CONNECTION.**

We've welcomed numerous community groups to our meeting facilities - to help foster our community and build community connections.

## ■ SPOTLIGHT ON: LIFE EDUCATION ILLAWARRA

**FUNDING RECEIVED:**  
\$30,000

**PURPOSE OF FUNDING:**  
THE OPERATION  
OF TWO MOBILE  
LEARNING CENTRES

Life Education Illawarra is dedicated to empowering young people to make healthy lifestyle choices, especially in the areas of drug and alcohol awareness. As a long-term supporter of the in-school program, we're so proud of our contributions to this important program over the last 5 years and beyond.

*Healthy Harold, now a household name, helps deliver an in-school program.*





## ■ SPOTLIGHT ON: HEALTHIER ILLAWARRA MEN



*Shellharbour Suns AFL Club recently participated in the Tomorrow Man workshops.*

**FUNDING RECEIVED:**  
\$40,000

**PURPOSE OF FUNDING:**  
TOMORROW MAN WORKSHOPS

Healthier Illawarra Men is an organisation focused on raising awareness of men's health issues and supporting the victims of domestic violence. We're proud to help enable the roll out of the 'Tomorrow Man' workshops in schools, workplaces, and community organisations across the Illawarra. The important workshops explore how participants can care for themselves, their mates and their families while redefining modern masculinity.

## ■ SPOTLIGHT ON: SHELLHARBOUR JUNIOR FOOTBALL CLUB



**FUNDING RECEIVED:**  
\$16,000

**PURPOSE OF FUNDING:**  
CLUB FACILITIES & EQUIPMENT

We're big fans of grassroots sports! We're proud of our contributions to the 1200 strong Shellharbour Junior Football Club. The funding has enabled the purchase of training equipment, storage facilities and CCTV cameras for use at it's home ground, Myimbarr Park.

*Shellharbour Junior Football Club at their Myimbarr Park facility.*

# OUR PEOPLE

## ■ CELEBRATING MILESTONES SPOTLIGHT ON: JIM CAMPBELL



**START DATE:** Nov 1985

**TENURE:** Almost... 40 years of service!

**TELL US ABOUT YOUR FIRST DAY ON THE JOB?** I started as a kitchen hand and spent 12 months in that role until I moved to the maintenance team. My first day was spent finding my way around the kitchen and making sure it was spick and span.

**MOST MEMORABLE MOMENT?** The Club's 50th birthday celebration – it was a great night!

**WHAT DO YOU LOVE ABOUT WORKING AT THE SHELLHARBOUR CLUB?** The people I work with. I get on very well with everyone – they're a caring bunch.



*Long term team members are joined by President Mark Climo, CEO Jason Petrolo and motivational speaker John Maclean.*

## ■ A NIGHT OF INSPIRATION

In May 2025, the business hosted a 'night of inspiration' featuring internationally renowned motivational speaker John Maclean. As an author, philanthropist and athlete, John Maclean was invited to share his story to engage and empower the team by providing a fresh, external perspective on navigating challenges, embracing change and demonstrating perseverance in the face of adversity.

During this celebration event, the business also took the opportunity to reward, recognise and celebrate some special tenure milestones with eleven of our team members celebrating 20+ years of service. It was a wonderful evening shared with the Board of Directors, Managers and some of our high performing and loyal team members.

## ■ TOTAL TEAM MEMBERS

**THE SHELLHARBOUR CLUB: 103**

**THE IMPERIAL AT CLIFTON: 33**

**TOTAL: 136**

## ■ ONLINE LEARNING

The business has partnered with ALLARA Learning to develop an online learning platform for all team members. This training platform, along with our bespoke induction modules, was created to assist team members through the on-boarding process.

Additionally, all employees have access to a range of unique, tailored courses as well as off the shelf courses in a range of topics including hospitality, compliance, skills development and leadership.

This training program is a strong investment in the skills of our people.

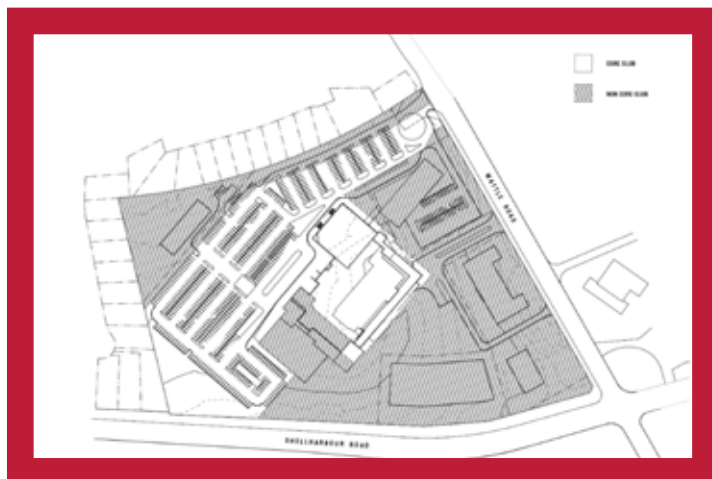


# OUR ASSETS

## ■ SHELLHARBOUR SITE

**The 78,250m<sup>2</sup> Shellharbour site centrally located on the corner of Shellharbour and Wattle Rds, Shellharbour.**

The site is zoned as 'R2 Low Density Residential' as per the Local Environmental Plan with Additional Permitted Uses. As part of our diversification strategy and master plan, the Club continues to explore commercial opportunities on the site.



*The Core and Non-Core Plan for the Primary Asset – Shellharbour was approved by the Members at the Annual General Meeting in October 2014.*

## ■ THE SHELLHARBOUR CLUB

**The hospitality venue trading as 'The Shellharbour Club' located on the Shellharbour site, Shellharbour NSW.**

The Shellharbour Club is a Registered Club and is the core business unit of the group. Proudly serving the community for over 65 years, The Shellharbour Club is a modern hospitality venue encompassing multiple dining options, bars, event spaces and kids' playgrounds.







## ■ THE IMPERIAL AT CLIFTON



**The hospitality venue trading as The Imperial at Clifton, located in Clifton, NSW which opened in December 2021.**

For decades, the Imperial Hotel was an important part of the coastal township of Clifton. Sitting idle for almost 20 years, the venue was reinvented as 'The Imperial at Clifton' in 2021 – a bespoke hospitality venue encompassing a restaurant, café and events space. Just 500m from the iconic Sea Cliff Bridge, and having undergone a significant historic restoration, the venue is the group's second hospitality venue.

## ■ CHILD CARE CENTRE

**A 120 place Child Care Centre with adjacent parking located on the south west boundary of the Shellharbour site, Shellharbour NSW.**

The Child Care Centre opened in 2021 and is currently operated by MindChamps on a long-term lease providing essential child care services to local families.





# FINANCIAL SNAPSHOT

---

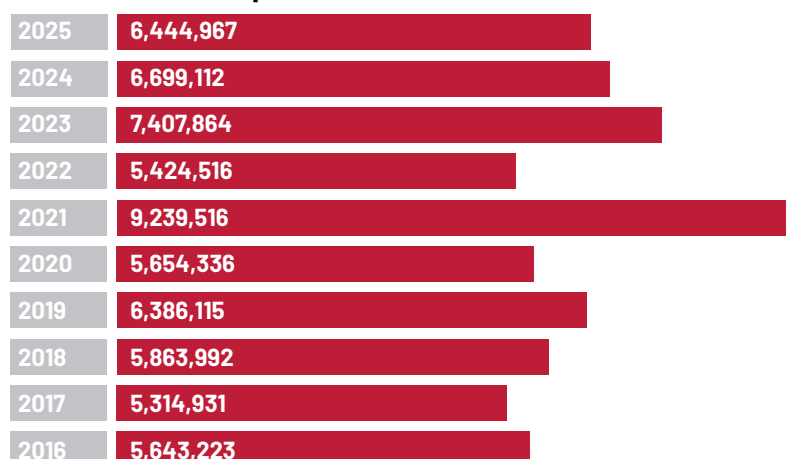
## GROUP GROSS REVENUE \$

2025	32,472,846
2024	33,762,041
2023	36,142,270
2022	27,097,566
2021	31,531,683
2020	24,050,346
2019	27,718,427
2018	28,005,059
2017	25,391,750
2016	25,178,101

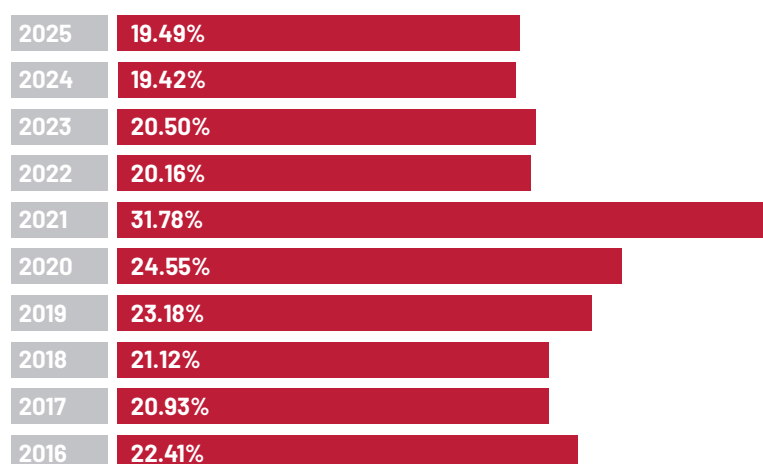
## GROUP GROSS PROFIT \$

2025	1,001,106
2024	1,542,262
2023	2,893,183
2022	1,163,915
2021	4,236,944
2020	1,923,585
2019	1,818,759
2018	1,773,392
2017	1,952,693
2016	2,572,471

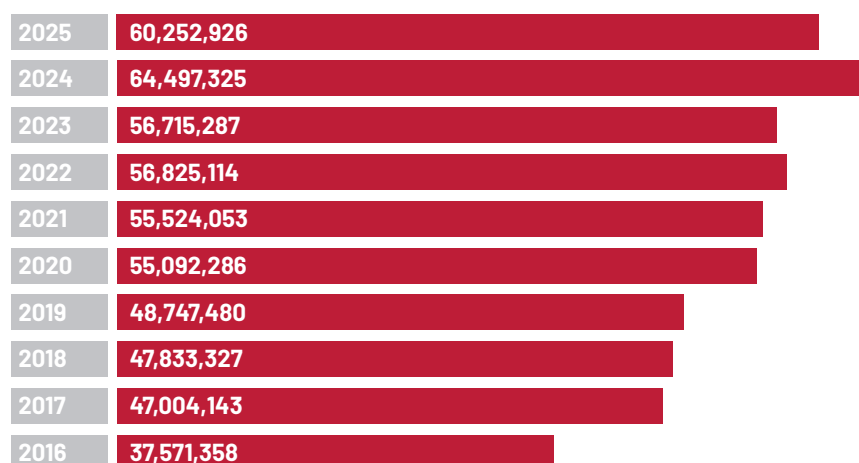
### GROUP EBITDA \$



### GROUP EBITDA %



### GROUP TOTAL ASSETS \$



# DIRECTORS' REPORT

The directors of Shellharbour Workers' Club Ltd (the "Company" or "Club") present this report, together with the financial statements for the financial year ended 30 June 2025.

## DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period.

NAME	POSITION	TERM	QUALIFICATION, EXPERIENCE AND RESPONSIBILITIES
MARK CLIMO	President	Director 2007 - Current Club Member 1990 - Current Life Member 2018 - Current	Occupation - Real Estate Sales Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
BRIAN GOODALL	Vice President	Director 2013 - Current Club Member 1996 - Current Life Member 2024 - Current	Occupation - Business Manager Sub-committees - Audit, Risk & Compliance Committee Remuneration Committee Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
PETER COOPER	Director	Director 2009 - 2013 Director 2015 - Current Club Member 2000 - Current Life Member 2021 - Current	Occupation - Social Worker (Retired) Sub-committees - Audit, Risk & Compliance Committee Remuneration Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling
LUKE MCPHIE	Director	Director 2013 - Current Member 1997 - Current Life Member 2024 - Current	Occupation - Police Officer (Retired) Sub-committee - ClubGRANTS Committee Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
SCOTT MURPHY	Director	Director 2016 - Current Member 1998 - Current	Occupation - Commercial Manager Sub-committees - Remuneration Committee ClubGRANTS Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling

NAME	POSITION	TERM	QUALIFICATION, EXPERIENCE AND RESPONSIBILITIES
<b>PATRICK SHORTALL</b>	Director	Director July 2018 - Current Member 2016 - Current	Occupation – Managing Director (Retired) Sub-committee – Audit, Risk and Compliance Committee Director – Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling
<b>LUPCHO MAZEVSKI</b>	Director	Director November 2023 - Current Club Member 2005 - Current	Occupation: NSW Public Service (Retired) Sub-committee – ClubGRANTS Committee Director – Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling

## CHIEF EXECUTIVE OFFICER/COMPANY SECRETARY

Jason Petrolo was appointed Chief Executive Officer and Company Secretary on 18 December 2024. Jason commenced employment with the Club in 2012 and has a Certificate IV in Corporate Governance, Responsible Service of Alcohol Certificate and Responsible Conduct in Gambling Certificate.

## PRINCIPAL ACTIVITY

The principal activity of the Company during the financial year was that of a Registered Club.

## OPERATING RESULTS FOR THE YEAR

The Company achieved a profit of \$1,236,297 for the 2025 year (2024: \$1,468,014).

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company during the year.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period which may affect either the Company's operations or results of those operations or the Company's state of affairs.

## BUSINESS OVERVIEW

Annually, the board of directors review and set the strategic direction for the Company. The annual strategic planning process is a collaboration of the board of directors and the management team working together to set priorities. It is a disciplined process that produces key actions that shape and guide what the business is, who it serves, what it does and why it does it, with a focus on the future. This process is always guided by our vision:

**"To enable the community to reach its highest potential."**

The strategic plan is underpinned by a detailed review of the business Strengths, Weakness, Opportunities and Threats (SWOT). In response to the SWOT analysis, four primary objectives are set that enable the Company to optimise strengths and possible opportunities whilst addressing identified weaknesses and minimising potential threats. The objectives provide a rolling five year view towards progressive growth of the business aimed at optimising the existing Company assets, capturing new products and services and working towards sustainable diversification. The corresponding strategies provide the specific direction required to achieve these objectives.

The four primary objectives of the Company are:

#### **Market Positioning**

To ensure that the Company is positioned strategically within the market to increase market share.

#### **Asset Management**

To manage the acquisition, development, use and disposal of Company Assets.

#### **People Culture**

To ensure the organisational design, human resources and systems enable optimal performance of the Company.

#### **Risk Management**

To implement and connect risk management to business planning and decision making.

### **MEASUREMENT OF SUCCESS**

The Club measures success against industry wide benchmarks and key performance indicators for:

- EBITDA – Earnings before interest, tax, depreciation and amortisation
- Revenue
- Patron visitation
- Member satisfaction
- Community benefit through the ClubGRANTS Scheme
- Community engagement

### **ENVIRONMENTAL ISSUES**

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

During the financial year, the Company paid premiums in respect of a contract insuring all directors and executives of Shellharbour Workers' Club Ltd against legal liability arising from any wrongful act committed, attempted or allegedly committed or attempted in the course of their duties as a director or executive of the Company. Total premiums paid during the financial year were \$6,486 (2024: \$6,127).

### **INDEMNIFICATION OF AUDITOR**

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

### **DIRECTORS' ENTITLEMENTS**

No director has received or become entitled to receive, during or since the end of financial year, a benefit because of a contract made by the Company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest with the exception of:

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the Company's accounts or the fixed salary of a full time employee of the Company, controlled entity or related body corporate.



## DIRECTORS' MEETINGS

The number of Director Meetings and Sub-committee Meetings attended by each director during the year were as follows:

NAME	BOARD MEETINGS		SUB-COMMITTEE MEETINGS		
	MONTHLY BOARD MEETING	SPECIAL BOARD MEETING	AUDIT, RISK & COMPLIANCE COMMITTEE	ClubGRANTS COMMITTEE	REMUNERATION COMMITTEE
MARK CLIMO	11	1	-	-	-
BRIAN GOODALL	12	1	2	-	2
PETER COOPER	11	1	2	-	2
LUKE MCPHIE	12	1	-	1	-
SCOTT MURPHY	12	1	-	1	2
PATRICK SHORTALL	11	1	2	-	-
LUPCHO MAZEVSKI	12	1	-	1	-

## MEMBER'S GUARANTEES

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2.00 (2024: \$2.00) each. At 30 June 2025, the number of members was 26,526 (2024: 26,031) as follows:

NUMBER OF MEMBERS	
LIFE MEMBERS	8
FULL MEMBERS	26,518
TOTAL MEMBERS	26,526

At 30 June 2025, the total amount that members of the Company are liable to contribute if the Company is wound up is \$53,052 (2024: \$52,062).

## PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found attached to the directors' report.

Signed in accordance with a resolution of the directors.



Mark Climo  
Director  
25 August 2025



Brian Goodall  
Director  
25 August 2025

## Auditor's independence declaration to the directors of Shellharbour Workers' Club Ltd

As lead auditor for the audit of the financial report of Shellharbour Workers' Club Ltd for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Daniel Cunningham  
Partner  
Sydney  
25 August 2025

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$	2024 \$
Revenue from contracts with customers	4	31,480,424	32,636,665
Other income	5.a	992,422	1,125,376
Cost of sales		(3,603,840)	(3,882,077)
Employee benefits expense	5.b	(9,816,121)	(10,231,364)
Depreciation expense		(4,068,638)	(3,385,630)
Other operating expenses	5.c	(12,678,022)	(13,681,927)
Finance income		74,816	207,937
Finance costs		(1,379,935)	(1,246,718)
<b>Profit before income tax</b>		<b>1,001,106</b>	<b>1,542,262</b>
Income tax benefit/(expense)	6	235,191	(74,248)
<b>Profit for the year</b>		<b>1,236,297</b>	<b>1,468,014</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1,236,297</b>	<b>1,468,014</b>

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

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	NOTES	2025 \$	2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash	7	2,059,727	3,835,101
Other receivables	8	147,633	218,426
Inventories	9	258,658	186,945
Prepayments		252,045	273,790
Income tax receivable		3,225	3,225
<b>Total current assets</b>		<b>2,721,288</b>	<b>4,517,487</b>
<b>Non-current assets</b>			
Property, plant and equipment	10	53,854,512	56,188,900
Investment property	11	2,508,867	2,622,679
Intangible assets	12	1,168,259	1,168,259
<b>Total non-current assets</b>		<b>57,531,638</b>	<b>59,979,838</b>
<b>Total assets</b>		<b>60,252,926</b>	<b>64,497,325</b>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade and other payables	14	2,303,841	2,209,356
Interest-bearing loans and borrowings	15	3,360,000	3,360,000
Employee benefit liabilities	16	1,091,469	1,285,556
Other liabilities	17	56,997	54,333
<b>Total current liabilities</b>		<b>6,812,307</b>	<b>6,909,245</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and borrowings	15	16,554,900	21,760,000
Employee benefit liabilities	16	156,203	98,403
Other liabilities	17	141,423	142,690
Deferred tax liabilities	6	-	235,191
<b>Total non-current liabilities</b>		<b>16,852,526</b>	<b>22,236,284</b>
<b>Total liabilities</b>		<b>23,664,833</b>	<b>29,145,529</b>
<b>Equity</b>			
Retained earnings		36,588,093	35,351,796
<b>Total equity</b>		<b>36,588,093</b>	<b>35,351,796</b>
<b>Total liabilities and equity</b>		<b>60,252,926</b>	<b>64,497,325</b>

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

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	RETAINED EARNINGS \$	TOTAL \$
<b>At 1 July 2024</b>	<b>35,351,796</b>	<b>35,351,796</b>
Profit for the year	1,236,297	1,236,297
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1,236,297</b>	<b>1,236,297</b>
<b>At 30 June 2025</b>	<b>36,588,093</b>	<b>36,588,093</b>
<b>At 1 July 2023</b>	<b>33,883,782</b>	<b>33,883,782</b>
Profit for the year	1,468,014	1,468,014
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1,468,014</b>	<b>1,468,014</b>
<b>At 30 June 2024</b>	<b>35,351,796</b>	<b>35,351,796</b>

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



# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025 \$	2024 \$
<b>Operating activities</b>			
Receipts from customers		35,620,888	37,053,134
Payments to suppliers and employees		(29,264,076)	(30,308,454)
Interest received		74,816	207,937
Interest paid		(1,379,935)	(1,440,018)
<b>Net cash flows from operating activities</b>		<b>5,051,693</b>	<b>5,512,599</b>
<b>Investing activities</b>			
Proceeds from sale of property, plant and equipment		31,795	-
Purchase of property, plant and equipment		(1,653,762)	(14,671,203)
<b>Net cash flows used in investing activities</b>		<b>(1,621,967)</b>	<b>(14,671,203)</b>
<b>Financing activities</b>			
Proceeds from borrowings		-	9,600,000
Repayment of borrowings		(5,205,100)	(3,390,000)
<b>Net cash flows (used in)/from financing activities</b>		<b>(5,205,100)</b>	<b>6,210,000</b>
Net decrease in cash and cash equivalents		(1,775,374)	(2,948,604)
Cash and cash equivalents at 1 July		3,835,101	6,783,705
<b>Cash and cash equivalents at 30 June</b>	7	<b>2,059,727</b>	<b>3,835,101</b>

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 2025

## 1. CORPORATE INFORMATION

The financial report of Shellharbour Workers' Club Ltd (the "Company" or "Club") for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the directors on 25 August 2025.

Shellharbour Workers' Club Ltd is a not-for-profit entity limited by guarantee, incorporated and domiciled in Australia.

The Company's registered office and principal place of business is Lot 105, Shellharbour Road, Shellharbour NSW 2529.

The nature of the operations and principal activity of the Company are described in the directors' report. Information on other related party relationships of the Company is provided in Note 18.

## 2. ACCOUNTING POLICIES

### a) Basis of preparation

These general purpose financial statements have been prepared in compliance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standards - Simplified Disclosures*. Australian Accounting Standards contain requirements specific to not-for-profit entities, including standards AASB 116 *Property, Plant and Equipment*, AASB 138 *Intangible Assets*, AASB 136 *Impairment of Assets* and AASB 1058 *Income For Not Profit Entities*.

This financial report has been prepared on a historical cost basis and is presented in Australian Dollars (\$).

### b) Changes in accounting policies, disclosures, standards and interpretations

#### New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 July 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### **AASB 2023-3 Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2**

The amendments to AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2* Entities specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- That a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments did not lead to the reclassification of liabilities in the Company's financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### c) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Company generated an operating profit during the year ended 30 June 2025 of \$1,236,297 (2024: \$1,468,014), and as at that date the Company's total current liabilities exceeded total current assets by \$4,091,019 (2024: \$2,391,758) and the Company's total assets exceeded total liabilities by \$36,588,093 (2024: \$35,351,796). The Company generated net cash inflows from operating activities for the year ended 30 June 2025 of \$5,051,693 (2024: \$5,512,599) and has \$9,745,100 of unused financing facilities available for use at 30 June 2025 (2024: \$8,140,000). Management have projected the Club will continue to generate positive cash flows and will be able to pay its debts as and when they become due and payable. Based on the above, the Directors have concluded that the use of the going concern assumption in the preparation of the financial statements is appropriate.

### d) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

### e) Cash

Cash in the statement of financial position comprises cash on hand and at bank.

For the purpose of the statement of cash flows, cash and cash equivalents include cash, as defined above.

### f) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate (EIR) method, less provision for expected credit loss (ECL).

For other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. To measure the expected credit losses, other receivables have been grouped based on outstanding balances, days past their due date and the corresponding historical credit losses experienced adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of customers to settle their debts.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### g) Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### h) Prepayments

Prepayments are carried at amortised cost and represent goods and services paid for by the Company prior to the end of the financial period that have not been received.

### i) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Land and buildings are measured at cost less accumulated depreciation on buildings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Class of fixed asset	Depreciation rate
Freehold land	Not depreciable
Buildings	2 - 8%
Plant and equipment	5 - 40%
Poker machines	10 - 50%
Motor vehicles	20 - 22.5%
Capital work in progress	Not depreciable

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### j) Investment property

Investment property is measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment property is measured at cost, net of accumulated depreciation and accumulated impairments losses, if any.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### j) Investment property (continued)

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

Depreciation is calculated using the diminishing value method at a depreciation rate of 2.5% over a useful life of 40 years.

### k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

### Licences

Licences pertaining to gaming machine entitlements which represents the right to operate gaming machines are granted for an indefinite period.

### l) Leases

#### Company as a lessor

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

### m) Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value and, net of directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss and other comprehensive income.

### n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### o) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Company makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount, by which the carrying amount of an asset exceeds recoverable amount, which is defined for not for profit entities as the higher of an asset's fair value less costs to sell or depreciated replacement cost. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows. An impairment loss is recognised in the statement of profit or loss and other comprehensive income.



# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### p) Employee benefit liabilities

#### Wages, salaries, annual leave and current long service leave

Liabilities for wages and salaries, including non-monetary benefits which are expected to be settled within 12 months of the reporting date are recognised 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.

#### Non-current long service leave

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

### q) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### r) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

#### Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

#### Rendering of services

Revenue from rendering of services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Club.

Revenue from rendering of services is recognised at a point in time when the control of right to be compensated for the services has been attained and can be reliably measured.

### s) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss and other comprehensive income due to its operating nature.

### t) Finance income

Interest income is recorded using the EIR. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### u) Finance costs

Finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

### v) Taxes

#### i. Income tax

The Income Tax Assessment Act 1997 (Amended) provides that under the concept of mutuality, Clubs are only liable for income tax on income derived from non-members and from outside entities. Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### ii. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows 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 part of operating cash flows.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

### Long service leave liability

As discussed in Note 2.p, 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 reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 4. REVENUE FROM CONTRACTS WITH CUSTOMERS

### a. Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	2025 \$	2024 \$
<b>Types of goods or service</b>		
Sale of goods	10,086,026	10,671,756
Rendering of services	21,394,398	21,964,909
<b>Total revenue from contracts with customers</b>	<b>31,408,424</b>	<b>32,636,665</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	10,086,026	10,671,756
Services transferred at a point in time	21,265,941	21,814,347
Services transferred over time	128,457	150,562
<b>Total revenue from contracts with customers</b>	<b>31,480,424</b>	<b>32,636,665</b>

## 5. OTHER INCOME/EXPENSES

### a. Other income

	2025 \$	2024 \$
Rental income	992,422	1,125,376

### b. Employee benefits expense

	2025 \$	2024 \$
Salaries and wages	5,227,377	8,828,189
Superannuation expenses	951,629	917,181
Other employee expenses	3,637,115	485,994
	<b>9,816,121</b>	<b>10,231,364</b>

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 5. OTHER INCOME/EXPENSES (CONTINUED)

### c. Other operating expenses

	2025 \$	2024 \$
Bar indirect expenses	158,526	178,911
Catering indirect expenses	379,729	458,477
Gaming indirect expenses	793,853	801,347
Poker machine tax	5,283,131	5,416,856
Advertising and promotional expenses	1,924,943	2,054,918
Impairment loss on property, plant and equipment	-	515,141
Loss on disposal of property, plant and equipment	1,529	-
Donations	413,077	423,368
Maintenance costs	635,949	764,228
Club services	2,195,317	2,100,750
Members expenses	92,113	84,807
Administration costs	799,855	883,124
<b>Total other operating expenses</b>	<b>12,678,022</b>	<b>13,681,927</b>

## 6. INCOME TAX

### a) The major components of income tax (benefit)/expense for the years ended 30 June 2025 and 2024 are:

	2025 \$	2024 \$
<b>Deferred tax:</b>		
Relating to the origination and reversal of temporary differences	(235,191)	74,248
<b>Income tax (benefit)/expense reported in the statement of profit or loss</b>	<b>(235,191)</b>	<b>74,248</b>

### b) A reconciliation of tax (benefit)/expense and the accounting profit multiplied by Australia's domestic tax rate for 2025 and 2024:

	2025 \$	2024 \$
Accounting profit before tax	1,001,106	1,542,262
At Company's statutory income tax rate of 30% (2024: 25%)	300,332	385,566
Recognition of deferred tax balances not previously recognised	(177,747)	-
Tax losses not recognised	448,489	-
<b>Non-deductible expenses for tax purposes:</b>		
Net income from members not subject to tax	(877,034)	(912,201)
Other non-deductible differences	70,769	600,883
<b>Aggregate income tax (benefit)/expense</b>	<b>(235,191)</b>	<b>74,248</b>

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 6. INCOME TAX (CONTINUED)

### Deferred tax

Deferred tax relates to the following:

	1 JULY 2024 \$	DEFERRED TAX BENEFIT RECOGNISED IN PROFIT OR LOSS \$	30 JUNE 2025 \$
Blackhole deductions	16,297	(16,297)	-
Borrowing costs	998	(60)	938
Prepayment	(7,419)	1,780	(5,639)
Provisions	84,634	16,054	100,688
Fixed assets	(432,461)	52,327	(380,134)
Poker machines	-	(16,911)	(16,911)
Tax losses	102,760	198,298	301,058
<b>Net deferred tax liabilities</b>	<b>(235,191)</b>	<b>235,191</b>	<b>-</b>

	1 JULY 2023 \$	DEFERRED TAX EXPENSE RECOGNISED IN PROFIT OR LOSS \$	20 JUNE 2024 \$
Blackhole deductions	32,594	(16,297)	16,297
Borrowing costs	1,283	(285)	998
Prepayment	-	(7,419)	(7,419)
Provisions	87,505	(2,871)	84,634
Fixed assets	(542,565)	110,104	(432,461)
Tax losses	260,240	(157,480)	102,760
<b>Net deferred tax liabilities</b>	<b>(160,943)</b>	<b>(74,248)</b>	<b>(235,191)</b>

The Company has recognised deferred tax assets in respect of tax losses that arose in Australia of \$301,058 (2024: \$102,760) that are available indefinitely for offsetting against future taxable profits.

### Franking credits

The Company has no franking credits available for use in the subsequent reporting periods (2024: \$nil)

## 7. CASH

	2025 \$	2024 \$
Cash on hand	1,237,445	1,399,124
Cash at bank	822,282	2,435,977
	<b>2,059,727</b>	<b>3,835,101</b>

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 8. OTHER RECEIVABLES

	2025 \$	2024 \$
<b>Current</b>		
Sundry debtors	147,633	218,426

## 9. INVENTORIES

	2025 \$	2024 \$
Stock on hand	258,658	186,945

During 2025, \$3,603,840 (2024 : \$3,882,077) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales.

## 10. PROPERTY, PLANT AND EQUIPMENT

	FREEHOLD LAND AND BUILDINGS	PLANT AND EQUIPMENT	POKER MACHINES	MOTOR VEHICLES	CAPITAL WORK IN PROGRESS	TOTAL \$
<b>Cost</b>						
At 1 July 2024	55,175,438	31,993,999	11,052,125	88,028	111,714	98,421,304
Additions	177,749	328,739	538,335	-	608,939	1,653,762
Transfers	449,065	-	-	-	(449,065)	-
Disposals	-	-	(458,665)	-	-	(458,665)
<b>At 30 June 2025</b>	<b>55,802,252</b>	<b>32,322,738</b>	<b>11,131,795</b>	<b>88,028</b>	<b>271,588</b>	<b>99,616,401</b>
<b>Accumulated depreciation and impairment</b>						
At 1 July 2024	13,119,196	20,971,967	8,104,126	37,115	-	42,232,404
Depreciation charge for the year	1,227,226	1,696,263	1,013,731	17,606	-	3,954,826
Disposals	-	-	(425,341)	-	-	(425,341)
<b>At 30 June 2025</b>	<b>14,346,422</b>	<b>22,668,230</b>	<b>8,692,516</b>	<b>54,721</b>	<b>-</b>	<b>45,761,889</b>
<b>Net book value</b>						
<b>At 30 June 2025</b>	<b>41,455,830</b>	<b>9,654,508</b>	<b>2,439,279</b>	<b>33,307</b>	<b>271,588</b>	<b>53,854,512</b>
<b>At 30 June 2024</b>	<b>42,056,242</b>	<b>11,022,032</b>	<b>2,947,999</b>	<b>50,913</b>	<b>111,714</b>	<b>56,188,900</b>

Additions in capital work in progress include interest capitalised during the year amounting to \$nil (2024: \$0.19m)



# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 11. INVESTMENT PROPERTY

### LAND AND BUILDINGS INVESTMENT - CHILDCARE \$

#### Cost

At 1 July 2024	3,553,314
<b>At 30 June 2025</b>	<b>3,553,314</b>

#### Accumulated depreciation

At 1 July 2024	930,635
Depreciation charge for the year	113,812
<b>At 30 June 2025</b>	<b>1,044,447</b>

#### Net book value

<b>At 30 June 2025</b>	<b>2,508,867</b>
<b>At 30 June 2024</b>	<b>2,622,679</b>

## 12. INTANGIBLE ASSETS

### LICENCES \$

#### Cost

At 1 July 2024	1,168,259
<b>At 30 June 2025</b>	<b>1,168,259</b>

#### Net book value

<b>At 30 June 2025</b>	<b>1,168,259</b>
<b>At 30 June 2024</b>	<b>1,168,259</b>

Poker machine licences are stated at cost. Poker machine licences have an indefinite useful life given they have no expiry date, and accordingly are not amortised but are to be assessed annually for impairment. Impairment has been tested at the reporting date and no loss has been recognised.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 13. LEASES

### Company as a lessor

In 2018, the Company has entered into operating lease on its investment property consisting of building. The lease is for a period of 10 years. The lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

### Operating leases

Future lease payments receivable under non-cancellable operating leases as at 30 June are as follows:

	2025 \$	2024 \$
Not later than 1 year	416,872	378,201
Later than 1 year but not later than 5 years	858,920	1,071,443
	<b>1,275,792</b>	<b>1,449,644</b>

## 14. TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
<b>Current</b>		
Trade payables	1,001,663	909,178
Other creditors and accruals	1,155,040	1,128,635
GST payable	147,138	171,543
	<b>2,303,841</b>	<b>2,209,356</b>

## 15. INTEREST-BEARING LOANS AND BORROWINGS

	2025 \$	2024 \$
<b>Current</b>		
Primary bank loan (i)	3,360,000	3,360,000
<b>Non-current</b>		
Primary bank loan (i)	16,554,900	21,760,000

- (i) The loan matures in November 2026 and is subject to quarterly repayments. The interest rate for 2025 as at reporting date is 5.38% (2024: 5.54%) and is secured by a First Registered Mortgage over all the Company's property and a registered floating charge over all the Company's assets in support of its guarantee and loan.

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 15. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

	2025 \$	2024 \$
<b>Loan facility limits</b>		
Primary bank loan	29,660,000	23,900,000
Other bank loans	-	9,360,000
	<b>29,660,000</b>	<b>33,260,000</b>
<b>Loan facilities available</b>		
Primary bank loan	9,745,100	8,140,000
	<b>9,745,100</b>	<b>8,140,000</b>

## 16. EMPLOYEE BENEFIT LIABILITIES

	2025 \$	2024 \$
<b>Current</b>		
Annual leave	711,701	834,190
Long service leave	379,768	451,366
	<b>1,091,469</b>	<b>1,285,556</b>
<b>Non-current</b>		
Long service leave	<b>156,203</b>	<b>98,403</b>

## 17. OTHER LIABILITIES

	2025 \$	2024 \$
<b>Current</b>		
Members' subscriptions in advance	<b>56,997</b>	<b>54,333</b>
<b>Non-current</b>		
Members' subscriptions in advance	<b>141,423</b>	<b>142,690</b>

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 18. RELATED PARTY DISCLOSURES

### a. Key Management Personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company is considered key management personnel.

The Key Management Personnel (KMP) of the Company during the year are:

Mark Climo	President
Brian Goodall	Vice President
Luke McPhie	Director
Peter Cooper	Director
Scott Murphy	Director
Patrick Shortall	Director
Lupcho Mazevski	Director
Jason Petrolo	Chief Executive Officer/Company Secretary
Shandelle Rue	Chief Financial Officer
Amy Traviss	Chief Human Resources Officer
Vanessa Mitrevska	Chief Marketing Officer
Mathew Ison	Operations Manager - The Shellharbour Club

The total remuneration/honorarium paid to key management personnel (KMP) of the Company during the year is as follows:

	2025 \$	2024 \$
Remuneration/honorarium	1,063,403	1,191,144

### b. Other Related Parties:

Other related parties include immediate family members of KMP; entities that are controlled or significantly influenced by those KMP individually or collectively with their immediate family members.

From time to time, the Company may enter into a commercial transaction with an entity or an individual that a director or KMP may have an interest in or be related to. In all instances, the Company ensures that the transaction is conducted on an arms length basis and that the director or KMP has no involvement in the transaction. The Company did not enter into any related party transaction during the year.

## 19. COMMITMENTS AND CONTINGENT LIABILITIES

### Capital commitments

The Company had no capital commitments as at 30 June 2025 (2024: \$nil).

### Contingent liabilities

There were no contingent assets or contingent liabilities as at the reporting date which would have a material effect on the Company's financial statements as at 30 June 2025 (2024: \$nil).

# NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

## 20. AUDITOR’S REMUNERATION

The auditor of Shellharbour Workers’ Club Ltd is Ernst & Young (Australia).

	2025 \$	2024 \$
<i>Amounts received or due and receivable by Ernst &amp; Young (Australia) for:</i>		
An audit or review of the financial report	93,390	93,700
Tax compliance	9,500	10,000
Compilation of financial statements	7,668	7,488
	<b>110,558</b>	<b>111,188</b>

## 21. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events occurring after the reporting period which may affect either the Company’s operations or results of those operations or the Company’s state of affairs.

## 22. MEMBERS GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 2.00 (2024 : \$ 2.00) each. At 30 June 2025, the number of members is 26,526 (2024 : 26,031).

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

---

Disclosure of subsidiaries and their country of tax residency, as required by subsection 295(3A) of the Corporations Act 2001, does not apply to the Company as the Company is not required by accounting standards to prepare consolidated financial statements.

# DIRECTORS' DECLARATION

---

In accordance with a resolution of the directors of Shellharbour Workers' Club Ltd (the "Company"), we state that:

In the opinion of the directors:

1. the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2025 and its performance for the year ended on that date; and
- complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*;

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

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

On behalf of the board



Mark Climo  
Director  
25 August 2025



Brian Goodall  
Director  
25 August 2025



## Independent auditor's report to the members of Shellharbour Workers' Club Limited

### Opinion

We have audited the financial report of Shellharbour Workers Club Limited (the "Company"), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 Company is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- b. complying with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 to report in this regard.

## **Responsibilities of the directors for the financial report**

The directors of the Company are responsible for the preparation of:

- a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards - 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

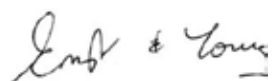
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ 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 Company'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 Company'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 Company 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 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.



Ernst & Young



Daniel Cunningham  
Partner  
Sydney  
25 August 2025

# NOTES

---

# NOTES

---



# **SHELLHARBOUR WORKERS' CLUB LTD**

---

ABN 69 001 068 864

**CNR. WATTLE & SHELLHARBOUR ROADS  
SHELLHARBOUR NSW 2529**

**PO BOX 4063  
SHELLHARBOUR NSW 2529**

**TELEPHONE 02 4296 7155**

**[shellys.com.au](http://shellys.com.au)**