



ClubsNSW

GUIDELINE FOR BOARD OPERATION

Guideline FOR BOARD OPERATION

1. PURPOSE

An effectively operating Board is an essential component of an effective Club. Effective Boards are clear about their practices, their role and their results. This Guideline aims to assist Members who seek effective and efficient operation of their Board by:

- a) describing a framework for effective Board functioning;
- b) identifying best practice strategies for Board functioning; and
- c) affirming individual Director responsibility.

2. DEFINITIONS

‘Business plan’ means any plan for the future administration of the Club (including strategic and operational plans) developed by senior management and approved by the Board.

‘Close associate’ means any family member, personal friend or business associate of a Director.

‘Material personal interest’ means the Director stands to personally benefit financially or in some other material way.

‘Board charter’ means an agreement that outlines the role, structure and responsibility of the Board.

3. GUIDING PRINCIPLES

Boards should pursue the aims and purpose of their Club by actively ensuring that management and staff:

- a) Make decisions that are consistent with the Club's role/purpose and the interests of members;
- b) Comply with any relevant legislative, industrial and administrative requirement and keep up to date with any changes;
- c) Maintain adequate documentation to support any decisions made;
- d) Treat each Club member and staff members with courtesy and sensitivity to their rights;
- e) Provide all necessary and appropriate assistance to members of the Club;
- f) Promote a culture of continuous professional development and training;
- g) Strive to obtain value for Club money spent and avoid waste and extravagance in the use of Club resources;
- h) Contribute to a safe, healthy and discrimination-free Club environment; and
- i) Not take or seek to take improper advantage of any Club information gained in the course of their appointment (in the case of Directors) or employment (in the case of managers/staff).

The Board should have a clearly defined and expressed statement¹ or equivalent expression of their aims and purpose as an organisation.

This should be clearly communicated to members and stakeholders.

4. FUNCTIONS OF THE BOARD OF DIRECTORS

The Board of a Club is responsible to members for the overall governance and performance of the Club. The functions of the Board include the following:

- a) Providing strategic direction to the Club by constructive engagement in the development, execution and modification of the Club's strategy;
- b) Appointing the Club manager and approving succession plans;
- c) Monitoring the performance of the Club manager and approving senior management remuneration policies and practices;
- d) Reporting to members and ensuring that all regulatory requirements are met;
- e) Providing advice and counsel to management on a periodic and ad hoc basis, adding strategic value;
- f) Ensuring appropriate compliance frameworks and controls are in place;
- g) Approving policies governing the operations of the Club;
- h) Monitoring financial results on an ongoing basis;
- i) Ensuring the Board's effectiveness by operating as a team;
- j) Ensuring the Club's business is conducted ethically and transparently; and
- k) Overseeing strategic risk management.

5. BOARD COMPOSITION

To provide competent leadership and direction, Boards should contain, if available, an appropriate mix of skills from professions such as business, management, law, accounting, public administration and marketing.

Board make-up should be representative of the Club membership. For example, Clubs that have

a large number of women in membership should actively encourage appropriately qualified women to seek directorship. Clubs should avail themselves of the services of the Club Directors Institute of ClubsNSW to provide training to prospective Board candidates from under-represented segments of the membership.

Boards should be of an optimum size², according to the needs of the Club. Excessively large Boards tend to be inefficient and should be avoided. However, diversity on the Board is encouraged.

6. ETHICS

In accordance with legal and statutory requirements, Directors should:

- a) Discharge their duties in good faith and act honestly, in the best interests of the Club, and with the level of skill and care agreed in their role expectations;
- b) Act with required care and diligence, demonstrating commercial reasonableness in their decisions;
- c) Declare any conflicts of interest;³
- d) Act for the benefit of the Club at all times;
- e) Not make improper use of information gained through their position as a Director or otherwise take improper advantage of the position of Director;
- f) Not allow personal interests, or the interests of any close associate, to conflict with the interests of the Club;
- g) Make reasonable enquiries to ensure that the Club is operating efficiently, effectively and legally towards achieving its goals; and
- h) Undertake diligent analysis of all proposals placed before the Board.

7. ROLE OF THE CHAIRPERSON

The Chairperson's responsibilities include:

- a) Providing appropriate leadership to the Board and the Club;

- b) Facilitating Board discussions to ensure the core issues facing the Club are addressed;
- c) Maintaining a regular dialogue and mentor relationship with the Club manager;
- d) Monitoring Board performance; and
- e) Guiding and promoting the on-going effectiveness and development of the Board and individual Directors.

8. ROLE OF THE CLUB MANAGER

The Club manager is responsible to the Board for the overall management and performance of the Club in accordance with the strategy, plans and policies approved by the Board to achieve the agreed results.

For more information on executive appointments, remuneration and evaluation refer to the *Guideline for Remuneration of Club Executives*.

9. CONDUCT OF BOARD MEETINGS

Key criteria for the conduct of Board meetings are:

- a) The Board should meet at least monthly on previously determined dates and conduct special meetings at the request of the Chairperson;
- b) The chairperson establishes the agenda for each Board meeting. Board members should be encouraged to suggest items for inclusion on the agenda;
- c) The agenda for each meeting should be provided to the Directors in advance of the meeting together with written materials on certain matters to be presented for consideration. Management should endeavour to provide material that is concise and informative;
- d) The agenda⁴ should, at a minimum, include:
 - i. minutes of the last meeting and business arising;
 - ii. finance (including gaming machine operations);
 - iii. Chairpersons' report;

- iv. tabling of ClubsNSW Circulars; and
- v. other business.
- e) Financial reports which accurately reflect the true financial position of the Club should be provided for each Board meeting.

10. CONFLICTS OF INTEREST

If a Director has a real or potential material personal interest relating to Club procurement of goods and services and/or major capital works, the nature of that interest should be disclosed at the earliest possible meeting of the Board.

11. CONFIDENTIALITY

Directors have a duty to question, request information, raise any issue which is of concern to them, fully canvas all aspects of any issue confronting the Club and cast their vote on any resolution according to their own judgement. Outside the boardroom, Directors should support the letter and spirit of Board decisions.

Directors should keep confidential Board discussions, dialogue and decisions that are not publicly known.

Confidential information received by a Director in the course of the exercise of directorial duties remains the property of the Club and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been properly authorised, or is required by law.

12. BOARD SUB-COMMITTEES

The full Board is ultimately responsible for the conduct of a Club's affairs. However, larger Clubs may opt for supervision of major functional areas to be handled by specialised Committees (eg, audit and remuneration) of the Board while ensuring that the full Board remains ultimately responsible for the Committees' decisions.

It is important that all Committees should be established with clearly defined objectives, authorities, responsibilities and tenure and that they report regularly to the full Board. The Board should ensure that the structure of each Committee is suitable having regard to the Club's size and business, the Board's composition and individual Directors expertise.

13. SUPPORTING TEAMWORK AND DIVERSITY

Each financial year the Board should facilitate:

- a) A review and modification of the Club's strategic plan to ensure the Club's aims and purpose are realised;
- b) The agreement of role expectations for each Director that identifies what results each Director has committed to deliver to the Board;
- c) Personal learning plans for each Director, agreed with the Chairperson, which identifies what and how new skills should be developed, based on the role expectations; and
- d) The giving and receiving of performance feedback for Directors by their peers based on the agreed role expectations.

14. RELATIONSHIP BETWEEN BOARD AND MANAGEMENT

Club Directors decide what matters are delegated to management and should ensure that adequate controls are in place to oversee the operation of these delegated powers.

Except in smaller Clubs with few paid staff where the use of volunteer staff is required, Directors should not participate in the day to day management of the Club. Agreements with suppliers, customers, employees, consultants, professional firms or other parties or organisations should be made by management unless such an

authority is explicitly delegated by the Board to a Director, either individually or as a member of a Committee.

15. STRATEGIC PLANNING

A critical role of the Board is to ensure that the Club is pursuing an appropriate strategy in line with its aims and purpose. To achieve this the Board should constructively engage with management concerning the development, execution and modification of the Club's strategy.

Management and the Board should agree on the processes used to develop the Club's strategy and business plan. Each financial year management and the Board should discuss the substantive elements that are to be considered in the development and execution of the strategy.

Management then prepares and proposes a written strategy for consideration and approval by Directors. The approved strategy forms the basis for the business plan, which is also prepared by management and considered and approved by the Board.

In reviewing the strategy and business plan, Directors should consider implementation and timing issues and monitor on a continuing basis the execution of the strategy against milestones and targets set down in the business plan.

The full Board should review and approve the strategic and business plans, including financial objectives and budgets.

16. BOARD CHARTER

The implementation of Board Charters for both Boards of Directors and Committees is becoming more commonplace to ensure that all Directors/Committee members are aware of their roles and responsibilities. A Board Charter endeavours to provide the framework for the Board to deliver best practice standards of corporate governance in the execution of the responsibilities reserved for the Board.

Management, in consultation with the Board should review and update the Board Charter annually, with all Directors required to review and 'sign-on' to the Charter following each election.⁵

(Endnotes)

- 1 Normally, this is contained in the Club's Constitution.
- 2 The optimum size of the Board is six Directors plus Chair.
- 3 Consistent with the requirements of the *Registered Clubs Act 1976*, a Director of a Club who has a material personal interest in a matter that relates to the affairs of the Club must as soon as practicable declare the nature of the interest at a meeting of the Board of Directors.
- 4 See Appendix 1 for model Board Agenda. Clubs can adapt this document for their individual circumstances.
- 5 See Appendix 2 for model Board Charter. Clubs can adapt this document for their individual circumstances.

Appendix 1

MODEL AGENDA

1. MINUTES

- Monthly Board of Directors Meeting [date]

2. FINANCIAL REPORTS [DATE]

- Complete profit and loss comparing actuals to budget
- Cash Payments report
- Director Benefits Report
- ClubGRANTS Report
- Bank Reconciliation
- Cash at Bank
- Statement that all Creditors have been paid in accordance with Club policy

3. COMPLIANCE REPORT

- ATO Activity Statement has been paid
- Payroll Tax has been paid
- Superannuation contribution has been paid
- Copies of Insurance and Workers Compensation payments (yearly)
- Essential Services
- OH&S Committee Report

4. CORRESPONDENCE (INCLUDING ALL CLUBSNSW CIRCULARS)

5. SECRETARY MANAGER'S REPORT

6. GAMING REPORT

- Detailed listing to ensure compliant with legislation

7. NEW MEMBERS – APPROVAL

8. CLUB FUNCTIONS AUTHORISATION

9. CHAIRMAN'S REPORT

10. CITATIONS

11. OTHER REPORTS

12. GENERAL BUSINESS

13. NEXT MEETING

Appendix 2

MODEL BOARD CHARTER

1. OVERVIEW AND PURPOSE OF THE CHARTER

The operations and activities of [Club name] and its subsidiaries are managed under the direction of the Board of Directors, in the best interest of the members as a whole.

The Board is responsible for the business and affairs of [Club name], except for matters reserved for members in general meeting. The Board is responsible to the members of [Club name] for the direction and performance of the Club. The Board is governed by all applicable law, the Club Constitution and the *Club Code of Practice* and *Best Practice Guidelines*.

The purpose of this Charter is to set out the functions, responsibilities and key protocols of the [Club name] Board and the basis of delegation of its authority to Board committees and members.

2. ROLE OF THE BOARD

The Board has responsibility to Club members for the conduct of the affairs and activities of [Club name]. In carrying out its responsibilities, the Board undertakes to serve the interests of all [Club name] members, employees, other stakeholders and the broader community.

Each Director of [Club name] will act in good faith in the best interests of [Club name] as a whole and collectively oversee and appraise the strategies, major policies, processes and performance of the company using care and diligence to ensure that [Club name's] long-term sustainability is assured.

3. STRUCTURE AND COMPOSITION OF THE BOARD

The [Club name] Constitution provides for the

election of [number of directors] made up of a [President/Chair, Vice President/Chair etc] and [insert] ordinary directors. The directors are elected [annually/biennially/triennially] to [one/two/three] year terms of office.

Board elections are held pursuant to clause [clause number] of the Constitution. Each Director will hold office until the applicable Annual General Meeting and/or as determined by the Constitution.

(Further information is available from paragraph 5 of the *Guideline for Board Operation*).

4. BOARD RESPONSIBILITIES

The Board is responsible to members for the overall governance and performance of the Club, for determining the strategic direction of the Club and monitoring Club management's implementation of that strategy.

The Board:

- Selects and appoints the Secretary Manager and identifies an appropriate succession plan;
- Determines the Secretary Manager's conditions of service, delegate responsibilities and monitors his/her performance against established objectives;
- Approves senior management remuneration policies and practices;
- Monitors financial outcomes and the integrity of reporting, particularly approving annual budgets and longer-term strategic and business plans;
- Sets specific limits of authority for management to commit to new expenditure, enter new contracts or acquire businesses without Board approval;
- Approves acquisitions and disposals of businesses and investments above the delegated limits of authority;

- Approves significant changes of key policies;
- Monitors compliance with legislative requirements and ethical standards and reporting back to members on these issues;
- Appoints any such Committees of the Board as may be appropriate to assist in the discharge of its responsibilities, determines their responsibilities and approves a charter for each Committee;
- Ensures that the Club conforms with the principles and practices of economic, social and environmental sustainability and best practice wherever possible;
- Ensures that the Club's business is conducted ethically and transparently;
- Oversees strategic risk management; and
- Meets in accordance with the Constitution and By-Laws of the Club and any other relevant legislative requirements.

5. CLUB CONSTITUTION

The Board is governed by the Constitution of [Club name]. This Charter supports the Constitution of [Club name]. The Constitution takes precedence in the event of inconsistency.

6. DELEGATIONS OF AUTHORITY AND COMMITTEES

To assist in the discharge of its responsibilities, the Board has delegated the following responsibilities to the Secretary Manager and Committees.

Secretary Manager:

- The Board delegates the responsibility for the day to day operation and management of the Club's business to the Secretary Manager;
- A Director will not interfere with the day to day operation and management of [Club name], and will make all enquiries concerning employees, contractors or the operation of the Club to the Secretary Manager;
- Management must report to the Board on a regular basis to maintain accountability

and to inform the Board so that it can make its decisions in the best interests of [Club name] and the members as a whole;

- Deals with attendance of management and invited experts at Board meetings; and
- The Board will ensure that it retains its independence which may require independent expert advice from time to time.

(Further information is available from paragraph 14 of the *Guideline for Board Operation*).

Board Committees:

- The Board, in accordance with the Club Constitution, may form advisory and other Board Committees to assist in carrying out its responsibilities;
- The Board will appoint the members of each Committee, including each Committee Chair who will be responsible for governing the Committee and may allow for external expertise where appropriate;
- The Board will establish Charters setting out matters relevant to the composition, responsibilities and administration of the Committees and other matters that the Board may consider appropriate; and
- A Committee to which any powers have been delegated must exercise the powers delegated in accordance with the Charter for that Committee, as approved by the Board from time to time.

7. DIRECTORS' DUTIES

Directors must carry out their duties in compliance with all applicable law including the Corporations Act, [Club name] Constitution and By-Laws, the *Club Code of Practice* and *Best Practice Guidelines* and all Club policies and procedures. In discharging his/her duties, each Director must:

- Exercise care and diligence;
- Inform themselves about the subject matter of a decision to the extent they reasonably believe to be appropriate;
- Act in good faith in best interest of the Club;

- Declare any material personal interest or pecuniary/financial interest they have in the affairs of the Club;
- Not improperly use his/her position or misuse information of the Club;
- Maintain Board confidentiality at all times;
- Commit the time necessary to discharge effectively his/her role as a Director; and
- Engage in ongoing skill development in relation to their role as Director.

(Further information is available from paragraph 6 of the *Guideline for Board Operation*).

8. ROLE OF THE CHAIR

The responsibilities of the Chair are principally to:

- Lead the Board;
- Chair Board and General Meetings of the Club competently, ethically and transparently and ensure Board effectiveness;
- Ensure that general meetings are conducted efficiently and that members have adequate opportunity to express their views and obtain answers to their queries;
- Liaise with the Secretary Manager to ensure that new Board members are briefed and have access to information on aspects of the Club's operations;
- Facilitating the effective contribution of all Directors;
- Establish the agenda for Board meetings in consultation with the Secretary Manager;
- Be the main point of contact and communication between the Board and the Secretary Manager, ensuring that the Board's views are communicated clearly and accurately;
- Lead the review of the Board's performance and the review of the Secretary Manager's performance, ensuring that the delegated authority of the Secretary Manager and expected key performance criteria for the Secretary Manager are clear;
- Ensure that there is regular and effective evaluation of the Board's performance;
- Set a standard for Board members in

terms of attendance at meetings and prior familiarity with Board Papers distributed and issues to be raised; and

- Be the media spokesperson for the Board where appropriate and represent the Club's interests.

(Further information is available in paragraph 7 of the *Guideline for Board Operation*).

9. ROLE OF THE SECRETARY MANAGER

The Secretary Manager is responsible for the day to day management of [Club name] in an efficient and effective manner. The Secretary Manager is to have a formal employment agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.

The role of the Secretary Manager includes but is not limited to:

- Organising Board Meetings, Agendas, Board Papers etc;
- Monitoring compliance with the Club Constitution and this Charter;
- Advising the Board on compliance with meeting procedure (in line with paragraph 9 of the *Guideline for Board Operation*); and
- Preparing minutes of Board meetings, arranging approval of minutes and entering into minute book within one month of the meeting.

10. BOARD ATTENDANCE BY MANAGEMENT

In the interests of ensuring the full accountability and support of the Secretary Manager by the Board, the Secretary Manager (or in his/her absence the Acting Secretary Manager) is, in general, the only member of management who attends Board meetings.

However, the Secretary Manager at his/her discretion and in consultation with the Chair, may arrange for senior staff members to attend parts of

Board meetings where he/she determines that there is benefit in relation to his/her providing clarification to the Board.

11. BOARD AND DIRECTOR MEETINGS

Full Board meetings will occur at a frequency determined by the current Constitution of [Club name] and the *Registered Clubs Act*, which is generally at least once each month.

Board Meetings are to be conducted in accordance with the Club Constitution, standing orders and fair rules of debate.

Sub-committee meetings will occur at a frequency determined by the current Constitution of [Club name] or at a frequency determined by the Board which is congruent with any requirement of the Constitution.

(Further information is available from paragraph 9 of the *Guideline for Board Operation*).

12. PROFESSIONAL DEVELOPMENT

Prior to and after their election, each Director is to commit to ongoing education and professional skills development as determined by the Board, ClubsNSW or applicable law, and is subject to annual review. The Board will have access to resources and training specific to the Club Industry as offered by ClubsNSW and other providers.

13. CLUB CODE OF CONDUCT AND PROTOCOLS

The Board and Directors will be guided at all times by the *Club Code of Practice* as published by ClubsNSW and from time to time revised. Directors are bound by the principle of transparency and will at all times ensure that issues are discussed in open forums where the Board is able to openly evaluate strategies, ideas and suggestions.

14. REVIEW OF PERFORMANCE

The Board will conduct regular reviews of its performance. The method of conducting each review and the extent of that review is for the Board to determine from time to time and in conjunction with the [Club name] Constitution and *Club Code of Practice*.

The Chair or the Board may elect to be assisted by an external independent agency in undertaking the Review of Performance. The review of the Chair's performance will also be conducted in accordance with this Charter.

15. REVIEW OF THE CHARTER

The Board will regularly review this Charter and the Charters of Board Committees to ensure they remain consistent with the Board's objectives and responsibilities and relevant standards of corporate governance.

16. PUBLICATION OF THE CHARTER

This Charter will be made available to the Club's members upon request and key features may be outlined in the [Club name] Annual Report.

17. AMENDMENT OF THE CHARTER

This Charter has been adopted by the Board. Any amendment to this Charter can only be approved by the Board.

The Secretary Manager is responsible for reviewing this Charter on an annual basis to ensure its continued compliance with legal requirements, corporate governance requirements applicable to the Club and the *Club Code of Practice*, and if necessary, suggesting amendments to the Charter for consideration by the Board.



**SHELLHARBOUR
WORKERS' CLUB LTD**

CONSTITUTION 2025

CONTENTS

SECTION 1.....	6
PRELIMINARY CLAUSES.....	6
1. Name.....	6
2. Non-Proprietary Company	6
3. Purpose.....	6
4. Displacement of Replaceable Rules.....	6
5. Registered Office.....	7
6. Definitions Reference	7
7. Trading Name.....	7
SECTION 2.....	8
VISION, MISSION, VALUES AND OBJECTS.....	8
8. Vision	8
9. Mission.....	8
10. Values.....	8
11. Objects.....	8
SECTION 3.....	10
CORPORATE POWERS	10
12. Powers	10
SECTION 4.....	12
MEMBERS LIABILITY AND GUARANTEE.....	12
13. Limited Liability	12
14. Member's Guarantee.....	12
15. Distribution on Winding Up	12
16. Accounts	12
SECTION 5.....	13
PROPERTY AND INCOME	13
17. Property and Income	13
17A. Core Property	13
17B. Non-Core Property.....	13
17C. No Profit Or Advantage.....	13
17D. Power To Lease	13
18. No Payment to Board Members	14
SECTION 6.....	15
LIQUOR AND GAMING	15
19. Sale of Liquor.....	15
20. Functions Under Registered Club's Act.....	15
21. Gaming	15
22. No Payment Based on Liquor Sales.....	15
23. No Prize or Reward for Director and Associates.....	15
24. No Sharing of Gaming Receipts	15

25. No Interest in Gaming Machines	16
26. Responsible Service of Alcohol and Liquor Accord.....	16
27. Multi-Venue Exclusion - Members.....	16
28. Provision of Identification Details.....	16
 SECTION 7	 17
MEMBERSHIP OF REGISTERED CLUB	17
29. Membership Numbers	17
30. Membership Classification.....	17
31. Membership Eligibility	17
32. Membership Admission	18
33. Authorised Officer	19
34. Publicising Applications for Membership	19
35. Applications to be Dealt With	20
36. Rejection of Application	20
37. Election to Membership	20
38. Membership Obligations.....	20
39. Membership Committee.....	22
40. Employees May be a Member.....	22
41. Resignation of Member.....	22
42. Disciplinary Proceedings	22
43. Debts Due by Member.....	23
44. Forfeiture of Rights of Member	23
45. Suspension of Member.....	23
46. Register of Members	24
47. Visitors' Obligations	24
48. Members Responsible for Visitors.....	25
49. Refusal of Visitors	25
50. No Supply of Refreshment.....	25
51. Not Used	25
52. Delegated or Authorised Officer	25
53. Entrance Fees and Subscriptions.....	25
54. Unfinancial Members	25
 SECTION 8.....	 26
BOARD OF DIRECTORS	26
55. Management.....	26
56. Board Appointed Directors.....	26
57. Triennial Rule.....	26
58. Board's Delegation	28
59. Board Discretion	28
60. Management Committee	28
61. Board Appointed Committees.....	28
62A. Adoption of Charters and Policies	28
62B. Strategic Plan, Estate Mandate and Estate Plan	29
63. Eligibility of Board Members	29
 SECTION 9.....	 31
ELECTION OF BOARD	31
64. Annual Elections	31
65. Nomination of Candidates	31
66. Election Process	32
67. Election of Officer Bears and Committees.....	32

68. Services Voluntary	32
69. Votes of Members.....	32
70. Members Voting Rights	32
SECTION 10.....	34
POWER AND DUTIES OF BOARD	34
71. Powers and Duties.....	34
72. Appeal from Determination of Sub-Committee or authorised officer:.....	36
72A. Limitations Of Appeals And Actions	36
73. By-Laws, Rules, Policies & Charters	37
SECTION 11.....	38
BOARD MEETINGS AND ACTIONS	38
74. Meetings	38
75. President to Preside – no deliberate vote.....	38
76. Resolutions	38
77. Casual Vacancies	38
78. Disqualification From Office.....	38
79. Acts of Board of Directors.....	39
SECTION 12.....	40
80. CHIEF EXECUTIVE OFFICER.....	40
SECTION 13.....	41
GENERAL MEETINGS OF MEMBERS	41
81. Notice to Members of Meeting.....	41
82. Annual General Meeting.....	41
83. Extraordinary General Meeting.....	41
84. Calling EGM.....	41
85. Notice of General Meeting	41
86. Quorum	41
87. Resolutions	42
88. Business of Annual General Meeting	42
SECTION 14.....	43
PROCEEDINGS AT ALL GENERAL MEETINGS	43
89. President to Preside	43
90. Show of Hands	43
91. Declaration of Vote	43
92. Adjournment of Meeting.....	43
93. Poll Demanded	43
94. Continuance of Meeting.....	44
95. Minutes	44
SECTION 15.....	45
ACCOUNTS AND FINANCIAL REPORTS	45
96. Financial Year	45
97. Accounts And Audit	45
98. Financial Records to be Kept at Registered Office	45
100. Audit.....	46

101. Audit Conclusive	46
102. Annual Returns	46
SECTION 16.....	47
MISCELLANEOUS PROVISIONS.....	47
103. Notice.....	47
104. Indemnity	47
105. Amendments to The Constitution	47
106. Authentication Of Deeds And Documents	48
107. Head Notes	48
SECTION 17.....	49
108. DEFINITIONS.....	49

CONSTITUTION

of

**SHELLHARBOUR WORKERS' CLUB LIMITED
(ACN 001 068 864)**

**FOR THE PURPOSES OF THIS CONSTITUTION
THE REGISTERED CLUB IS THE GROUP
THE SHELLHARBOUR CLUB IS THE HOSPITALITY VENUE PREMISES**

SECTION 1

PRELIMINARY CLAUSES

Name

1. The name of the Company is SHELLHARBOUR WORKERS' CLUB LIMITED being the Registered Club, (herein referred to as the Group) and for the purposes of this Constitution shall be referred to as "the Group" which shall be the corporate entity.

Non-Proprietary Company

2. The Group shall be a non-proprietary company.

Purpose

3. The company is established for the purposes set out in this Constitution. To achieve the purposes set out in this Constitution the Board of Directors shall from time to time adopt and implement a Strategic Plan encompassing an Estate Mandate and an Estate Plan to assist the Club in achieving the strategic Vision, Mission, Values and Objects of the Group.

Displacement of Replaceable Rules

4. Pursuant to Section 135(2) of the Act all replaceable rules referred to in the Act are hereby displaced or modified as provided in this Constitution.

Registered Office

5. The registered office of the Group is The Shellharbour Club Cnr of Wattle and Shellharbour Roads, Shellharbour, New South Wales, or such other place as may be approved by the members.

Definitions

6. Definitions of words and expressions utilised throughout the Constitution and interpretation thereof appear in section 17, 103 hereof.

Business and Trading Name

7. The Registered Club will trade under the business name of:

"The Shellharbour Club"

which shall be the name utilised for the Hospitality Venue Premises and the Board of Directors may from time to time approve and adopt any other trading name for use by the Registered Club, the Group or any other business activity undertaken by the Group.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 2

VISION, MISSION, VALUES AND OBJECTS

Vision

8. The Vision of the Group is: ***"To enable the Community to reach its highest potential"***.

Mission

9. The Mission of the Group adopted by the Board (as may be varied from time to time) embraces the investment and operation of assets that are sustainable and have community value and to be the leading hospitality venue responding to market needs.

Values

10. The Values of the Group are to maintain:
- (i) integrity;
 - (ii) commitment;
 - (iii) empowerment; and
 - (iv) excellence.

Objects

11. As a social enterprise fostering its Corporate Vision, Missions and Values the Objects of the Group are:
- a. To fulfill the Corporate Vision, Missions and Values of the Group as articulated in paragraphs **8**, **9** and **10** the Group shall purchase, hire, lease or otherwise acquire and hold for the purposes of the Group any real or personal property and any rights and privileges of any nature which the Group may think necessary or convenient for the carrying out of its Corporate Vision and Missions, Objects and the Group may alter, add to, improve, enlarge, relinquish or diminish the tenure of same; lay out and construct, erect, furnish, maintain and provide facilities in all such buildings and grounds and carry out all such other improvements as are considered by the Group to be necessary or convenient for its purposes.
 - b. To provide for members and for members' guests a Hospitality Venue Premises.

- c. To carry on all such activities as may be necessary or convenient for the purposes of the Group and to do all such acts, deeds, matters and things or to enter into and make such agreements as are incidental or conducive to the attainment of the Corporate Vision, Missions and Objects, of the Group.
- d. To embrace and fulfill the Corporate Vision, Missions and Values of the Group as articulated in paragraphs 8, 9 and 10 hereof the Group shall and is hereby authorised to:
 - (i) establish, support or aid in the establishment and support of or make grants or donations in cash or kind to or for charitable or benevolent purposes or associations in support of community interests;
 - (ii) to promote such sports, games, amusements, recreations, entertainments, pastimes and competitions as the Group may deem expedient and to offer and grant or contribute towards the provision of prizes, awards and distinctions and to arrange and control open matches and competitions.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 3

CORPORATE POWERS

Powers

12. Without limiting the further Powers specified herein and subject to paragraphs **13 to 18** inclusive hereof, the Group shall have the powers of an individual and all of the powers of a Corporation pursuant to the Act to be exercised in achieving its Vision, Mission, Values and Objects and such further specific Powers as follows:
- a. To pay all costs, charges and expenses incurred by and incidental to the promotion, formation, management, operation, governance and establishment of the Group.
 - b. To apply for and obtain and hold a club licence or any other licence or licences or certificate of registration under the Registered Clubs Act, Gaming Machines Act, Liquor Act or any other Act or laws for the time being operative and for such purpose or purposes incidental or conducive to the attainment of the Corporate Vision, Missions and Objects, of the Group appoint, an Approved Manager or other officer or officers to act as Licensee or Licensees and hold the licence or licences or certificate of registration on behalf of the company.
 - c. To hire and employ all persons considered necessary for the purposes of the Group and subject to paragraph **17** of this Constitution to pay to them salaries in return for services rendered to the Group, wages and gratuities.
 - d. To effect or make payments towards insurance for any purpose for the protection and/or benefit of Directors and employees whilst carrying out their respective duties and to provide (where necessary) a superannuation fund for the servants or employees of the Group.
 - e. To take such steps to make known the Corporate Vision, Missions and Objects, aims and activities of the Group or otherwise to promote the Corporate Vision, Mission and Objects of the Group by means of email, telephone or television or other like means or in the press or in books or other publication or electronic publications or such other manner or by such other means whether of a like or of a different nature to the foregoing as the Group may think fit. In doing so it may print and publish any newspapers, periodicals, books, circulars, notices or leaflets that the Group may think desirable for promotion of its Objects.
 - f. (i) To borrow money from time to time and for such purposes to give debentures, liens, mortgages, charges or other security over the whole or any part of the property real or personal of the Group.

- (ii) To raise money by way of subscriptions, entrance fees, levies, the holding of functions or otherwise and to accept donations, legacies, bequests, devises and gifts of property.
- g. To give, sell, mortgage, exchange, hire, lease or otherwise dispose of or alienate the property of the Group as described in Clause (a) hereof or any part or parts thereof subject to this Constitution.
- h. To invest and deal with any moneys of the Group not immediately required for the purposes thereof upon such securities and in such manner as may be deemed fit and from time to time to vary and realise such investments.
- i. To take or reject any gift of property money or goods whether subject to any special trust or not.
- j. To make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- k. To indemnify any person or persons whether members of the Group or not who may incur or have incurred any personal liability for the benefit of the Group.
- l. To subscribe to or become a member of, affiliate, amalgamate or co-operate with any other association whether incorporated or not whose Objects are altogether or in part similar to those of this Group.
- m. The Board of Directors will ensure that the management and operation of the Group will be conducted in accordance with best industry practice and accordingly adopts the ClubsNSW Code of Practice as may be varied from time to time and the spirit and intent of the Best Practice Guidelines.

AND IT IS HEREBY DECLARED that in the interpretation of the above the meaning of any of the Group's Objects or Powers shall not be restricted by reference to any other Object or Power or by the juxtaposition of two or more Objects or Powers and in the event of any ambiguity this clause shall be construed in such a way as to widen and not to restrict the powers of the Group.

AND IT IS HEREBY DECLARED that the Objects or Powers specified in each paragraph above shall be regarded as independent Objects or Powers and except where otherwise expressed in such paragraph shall in no wise be limited or restricted by reference to or inference from the terms of any other paragraph.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 4

MEMBERS LIABILITY AND GUARANTEE

Limited Liability

13. The liability of the members is limited as described in paragraph **14** hereof.

Member's Guarantee

14. Every member of the Registered Club undertakes to contribute to the assets of the Group in the event of the same being wound up during the time that he/she is a member or within one year afterwards for payment of the debts and liabilities of the Group contracted before the time at which he/she ceases to be a member and of the costs, charges and expenses of winding up the Group and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding Two Dollars (\$2.00).

Distribution on Winding Up

15. If upon the winding up or dissolution of the Group there remains after satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or distributed amongst the members of the Registered Club, but shall be given or transferred to some other institution or institutions having objects similar to the Objects of the Group to be determined by members of the Registered Club at or before the time for dissolution in accordance with the requirements of this Constitution for the passing of an ordinary resolution at a General Meeting of the Group or in default thereof by such Judge of the Supreme Court of New South Wales as may have or acquire jurisdiction in the matter.

Accounts

16. True accounts shall be kept of the sums of money received and expended by the Group and the matters in respect of which such receipt and expenditure take place and of the property credits and liabilities of the Group and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Group for the time being shall be open to the inspection of the members. Once at least in every year the accounts of the Group shall be examined and the correctness of the balance sheet ascertained by one or more qualified members of the Institute or Chartered Accountants of New South Wales.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 5

PROPERTY AND INCOME

Property and Income

17. The income and property of the Group however derived shall be applied solely towards the promotion of the Corporate Vision, Missions, Values and Objects of the Group as set forth in this Constitution. No portion of the income shall be paid or transferred directly or indirectly by way of dividend bonus or by way of profit distribution to or amongst the members of the Group provided that nothing herein contained shall prevent the payment in good faith of interest to any such member in respect of moneys advanced by him/her to the Group or otherwise owing by the Group to him/her or of remuneration of any officers or servants of the Group, or to any member of the Group or other person in return for any services actually rendered to the Group.

Core Property

- 17A. The Registered Club shall operate from the Hospitality Venue Premises and such premises shall be available for the use of members and constitutes the Core Property as defined in s 41J of the *Registered Clubs Act*. Core Property can only be leased, licensed, sold or disposed of pursuant to a resolution passed by the majority of ordinary members present at a general meeting.

Non-Core Property

- 17B. All or any other real property owned by the Group which does not form part of the Hospitality Venue Premises is Non-Core Property and is able to be dealt with by the Board of Directors as may be determined to be appropriate from time to time. Members do not have any specific right of use or access to Non-Core Property other than in accordance with this Constitution.

No Profit or Advantage

- 17C. No person other than the Group or its members shall directly or indirectly derive any profit or advantage from the fact that the Registered Club is or may be registered in accordance with the provisions of Part II of the Registered Clubs Act or any other relevant legislation or from any added value which may accrue because of such registration to the land upon which the Hospitality Venue Premises are situated.

Power to Lease

- 17D. The power to lease contained in the Constitution shall not be exercised in respect of any part or parts of the Hospitality Venue Premises which may be the subject of a Certificate of Registration granted under the provisions of the Registered Clubs Act or any other

relevant legislation other than in accordance with Section 41J of the Registered Clubs Act.

No Payment to Board Members

18. Provided further that no member of the Board of Directors or Governing Body shall be appointed to any salaried office of the Group or any office of the Group paid by fees and that no remuneration shall be given by the Group to any member of such Board of Directors or Governing Body provided that nothing herein contained shall be construed as to prevent the allowance of an honorarium to any such member in respect of special honorary services rendered or the repayment to any such member of out-of-pocket expenses and interest on money lent or hire of goods.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 6

LIQUOR AND GAMING

Sale of Liquor

19. Liquor shall not be sold, supplied or disposed of on the Hospitality Venue Premises other than in accordance with the *Liquor Act* or any other relevant legislation.

Functions Under Registered Club's Act

20. Paragraph 19 does not apply in respect of the sale, supply or disposal of liquor to any person at a function in respect of which an authority is granted to the Club under Section 23(1) of the Registered Clubs Act.

Gaming

21. Gaming shall only be conducted on the Hospitality Venue Premises in accordance with the *Gaming Machines Act* and all or any other relevant legislation.

No Payment Based on Liquor Sales

22. The Chief Executive Officer or any employee, director or member of any committee of the Group shall not be entitled under this Constitution or otherwise to receive directly or indirectly any payment calculated by reference to the quantity of liquor purchased, supplied, sold or disposed of by the Group or the receipts of the Group for any liquor supplied or disposed of.

No Prize or Reward for Director and Associates

23. Directors and employees (and their spouse or partner) shall not be eligible for the receipt of any prize, benefit or reward other than as may be specified by the Board of Directors from time to time whether or not such person is a member of the Registered Club.

No Sharing of Gaming Receipts

24. Subject to subsection 2(b) of Section 73 of the *Gaming Machines Act 2001*, the Club shall not share any receipts arising from the operation of an approved gaming machine kept by the Club and shall not make any payment or part payment by way of commission or an allowance from or on any such receipts.

No Interest in Gaming Machines

25. Subject to subsection 2 of Section 74 of the *Gaming Machines Act 2001*, the Registered Club shall not grant any interest in an approved gaming machine kept by the Registered Club to any other person.

Responsible Service of Alcohol and Liquor Accord

26. The Registered Club is obliged to ensure a safe and responsible drinking environment and as a consequence the Group:
- (i) has adopted certain policies/codes of conduct relating to the consumption of alcohol and acceptable patron behaviour whilst on or seeking entrance to the Hospitality Venue Premises; and
 - (ii) has joined the Shellharbour Liquor Accord and has or will embrace the Liquor Accord Terms, to be adopted or varied from time to time by the Shellharbour Liquor Accord; and
 - (iii) will enforce such multi venue exclusions and barring policies of the Liquor Accord.
- 26A. The Board may, by majority resolution, determine to discontinue the Clubs membership or association with the Shellharbour Liquor Accord on such basis as the Board considers appropriate.

Multi-Venue Exclusion

27. All members and visitors of the Group who are or become the subject of a multi venue exclusion, ban or barring order shall be subject to disciplinary action by the Group as provided in paragraph **42** of the Constitution.

Provision of Identification Details

28. As part of the Group's obligations under the Shellharbour Liquor Accord Terms, the Group may be required to provide certain identification details and information to the Liquor Accord in respect of members who may become or be investigated in respect of a multi venue exclusion, ban or barring. Each member consents to the provision of such information by the Group.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 7

MEMBERSHIP

Membership Numbers

29. For the purposes of registration but not by way of limitation the number of members of the Registered Club is declared not to exceed fifty thousand (50,000) but the Board may, with the approval from the relevant authority and any other necessary approval, from time to time register an increase or decrease of members beyond or below such figure.

Membership Classification

30. The membership shall be divided into the following classes:
- a. Ordinary Members
 - b. Life Members
 - c. Honorary Members
 - d. Temporary Members

Membership Eligibility

- 31.
- a. No person under the age of eighteen (18) years shall be admitted as a member
 - b. **Ordinary members** shall be those persons who have made application for membership in accordance with this Constitution and have been duly admitted.
 - c. **Life Membership** may be conferred upon an Ordinary Member who has rendered outstanding service to the Group. The Board will from time to time adopt certain criteria to establish what constitutes outstanding service and to assist in determining whether or not a member has rendered outstanding service to the Group and the Community. Before recommending a member for Life Membership to a General Meeting, the Board shall ensure that such criteria has been satisfied. To be eligible for Life Membership a member must be recommended by the Board and such recommendation subsequently endorsed by a two-thirds majority of members present and voting at a general meeting. A Life Member shall have all the rights and privileges of an Ordinary Member and shall be subject to the same obligations including contributions to winding up except that the Life Member shall not from the date of election to Life Membership be liable to pay any further subscription, levy or other contribution. Any reference in the Constitution to an Ordinary Member shall unless specifically excluded mean and include a Life Member.

- d. The following persons may at the discretion of the Board be admitted as **Honorary Members**:
 - (i) The Patron or Patrons for the time being provided that this number does not exceed six (6).
 - (ii) Any prominent citizen or dignitary visiting the Hospitality Venue Premises for a special occasion or a special event. Honorary Members shall be relieved of any obligation or liability with respect to the payment of entrance fees and/or subscriptions but shall otherwise be subject to the same obligations as Ordinary Members. Except as aforesaid Honorary Members shall be entitled to exercise all the facilities of the Hospitality Venue Premises.
 - (iii) No Honorary Member shall be permitted to hold any office in the Group or to attend or vote at any meeting of the Members.
 - (iv) The Board may cancel the Honorary Membership of any person at any time without assigning any reason therefore.
- e. The Board or Authorised Officers may admit **Temporary Members** to the Hospitality Venue Premises on the following basis:
 - (i) No temporary member shall be permitted to hold any office in the Group or to attend or vote at any meeting of the members and the board may cancel the temporary membership of any person at any time without assigning any reason therefore.
 - (ii) When a Temporary member first enters the Hospitality Venue Premises proof of identity is to be provided and the following particulars shall be entered in the Group's Records:
 - i. the name in full of the Temporary member;
 - ii. the residential address of the Temporary member;
 - iii. the date on which Temporary membership is granted;
 - iv. the signature of the Temporary member.

Membership Admission

32.

- a. A person shall not be admitted as an ordinary member referred to in paragraph **31** above unless that person is elected to membership by a resolution of a duly appointed Membership Committee of the Group, or the Board.
- b. The names of the applicants for membership presented to the Membership Committee meeting shall be recorded by the Chief Executive Officer.
- c. Every application for membership shall be signed by the applicant and shall be in such form as the Board may from time to time prescribe and shall contain the following particulars:

- (i) The full name of the applicant;
 - (ii) The residential address of the applicant;
 - (iii) The date of birth of the applicant;
 - (iv) The signature of the applicant;
 - (v) Such other particulars as may be prescribed by the Board from time to time.
- d. Every form of application for membership shall be presented by the applicant to an authorised officer of the Group together with:
 - (i) the entrance fee (if any) and the appropriate subscription;
 - (ii) such identification as may reasonably be required.
- e. The authorised officer to whom the application for membership is presented shall compare the particulars of the applicant as appearing on the application with the particulars of the applicant as appearing in the identification. If the authorised officer is satisfied that the particulars of the applicant in the application and in the form of identification correspond, the authorised officer shall sign the application and shall cause the application to be sent to the Chief Executive Officer for submission for consideration by the Membership Committee pursuant to paragraph **32(a)** hereof.
- f. A person whose application has been signed by an authorised officer in accordance with paragraph (e) and who has paid the entrance fee (if any) and the first annual subscription for the membership applied for shall become a Provisional member until determination of the application by the Membership Committee.
- g. Provisional membership shall cease:
 - (i) upon the provisional member being elected to ordinary membership; or
 - (ii) upon the application for membership being rejected by the Membership Committee.

Authorised Officer

33. For the purposes of this Constitution, a reference to an authorised officer refers to a person who has been duly authorised and appointed by the Board to receive, process and forward applications for membership to the Chief Executive Officer in accordance with paragraphs (d), (e) and (f) contained therein.

Publicising Applications for Membership

34. Each application for membership shall be published in the manner prescribed from time to time by the Board.

Applications to be Dealt With

35. The Membership Committee shall as soon as possible deal with the application provided that the names of applicants may be placed on a waiting list until such time as the Membership Committee is able to resolve to admit further members.

Rejection of Application

36. The Membership Committee may reject any application for membership without assigning any reason for such rejection. The Chief Executive Officer shall notify the candidate and return the amount of any entrance fee and subscription lodged with his/her application.

Election to Membership

37. On the election of a member the Membership Committee shall notify such member of his/her election.

38. Membership Obligations

- a. Every person elected to membership and informed of his/her election as directed by the foregoing Paragraph agrees to and shall be deemed to be bound by the Constitution and by-laws and the payment of the entrance fee or part thereof and/or the said subscription or part thereof shall be conclusive of such agreement.
- b. Every member must produce his/her membership card and any other acceptable form of identification upon request by the Chief Executive Officer or delegated officer as required or to gain admission to the Hospitality Venue Premises.
- c. No member shall make available his or her membership card to any other person for any purpose whatsoever and any member who breaches this provision shall be liable to disciplinary action and shall reimburse the Group the amount of any fine, cost or expense incurred in respect thereof.

Offences by Members

- d. It shall be an offence for any member to:
 - i. Seek admission or entrance or remain on the Hospitality Venue Premises whilst, in the reasonable opinion of the Chief Executive Officer or responsible officer if the member is showing signs of intoxication or the effects of any illicit drug or substance or if the member introduces liquor on the Hospitality Venue Premises without permission.
 - ii. Use objectionable or obscene language or behave or conduct himself or herself in a manner which the Chief Executive Officer or responsible officer considers to be inappropriate or offensive and/or not in the best interests of the Group.
 - iii. Damage Group property.

- iv. Remove Group property without proper authority.
- v. Enter or remain on Group premises at unauthorised times.
- vi. Disregard the lawful instructions of any member of the Board of Directors or an authorised officer when duly warned by same.
- vii. Infringe the rules and by-laws of the Group.
- viii. Cause offence to any member or members of the Group which is prejudicial to the good order of the Group or the comfort or welfare of any such member or members.
- ix. Organise, arrange or partake in any betting or gambling or the playing of any games without the approval of the Board of Directors or Chief Executive Officer.
- x. Sell or supply liquor to any non-member under eighteen (18) years of age or permit any non-member under eighteen (18) years of age to operate or play gaming machines.
- xi. Lend his or her membership card to any other person for any purpose.
- xii. Display, distribute or exhibit or attempt or cause to display, distribute or exhibit any subscription list, promotional material, advertisement, "how to vote" tickets or information or any literature within the Hospitality Venue Premises without the permission of the Board of Directors or Chief Executive Officer.
- xiii. Incur any debt except by prior arrangement with the Chief Executive Officer or fail to repay any debt so incurred within the approved terms thereof.
- xiv. Tender payment to the Group by way of a cheque where such cheque is not met on presentation to the member's banker.
- xv. Operate, play or seek to operate or play gaming machines contrary to the standard operating instructions in respect of such machines and any rule, regulation, policy or by-law approved by the Board of Directors from time to time.
- xvi. Breach any provision of this Constitution or any rules, regulations, policies or by-laws adopted by the Board of Directors from time to time.

Membership Committee

39.

- a. The Board may delegate to a committee called the Membership Committee (pursuant to paragraph **56** or **66(a)**) the authority and power of the Board to deal with and determine all applications for membership except such applications as

are for life membership or honorary membership, which Committee shall also constitute the Disciplinary Committee.

- b. The Membership Committee shall consist of such persons as the Board of Directors shall appoint from time to time.
- c. Where any application for membership dealt with by the Membership Committee is declined, the applicant shall have the right to appeal that decision to the full Board who shall determine such appeal within two (2) months of receipt thereof.
- d. The Board shall not be obliged to give reasons for its determination of such appeal.

Employees May be a Member

- 40. An employee of the Group shall be entitled to be a Member.

Resignation of Member

- 41. A member may at any time resign his/her membership but shall continue to be liable for current entrance fee or annual subscription and all arrears due and unpaid at the date of his resignation and for any sum not exceeding Two Dollars (\$2.00) as a member of the Registered Club.

Disciplinary Proceedings

- 42. If any member shall wilfully refuse or neglect to comply with the provisions of the Constitution and the by-laws rules and regulations adopted from time to time, or if any member shall in the opinion of the Chief Executive Officer or delegated officer be guilty of any conduct deemed by the Chief Executive Officer or delegated officer to be unbecoming of a member or prejudicial to the interests of the Group or if any member is or becomes subject to a multi venue exclusion, ban or barring order as referred to in paragraph 26 hereof such member may be suspended or expelled by the Disciplinary Committee established pursuant to paragraph 66(q) hereof.

PROVIDED:

- a. That at least one (1) week before the meeting of the Disciplinary Committee at which such action is dealt with the member concerned shall have been notified in writing of the intended action and that he/she shall be entitled to attend and that he/she shall at such meeting and before such resolution has been moved have an opportunity of giving orally or in writing any explanation or defence he/she may think fit.
- b. The meeting shall be held within two (2) months of the date of the alleged offence or the date on which the charge is laid, and its deliberations shall be confidential.
- c. Any resolution under this rule shall require for its passage the affirmative votes of a simple majority of the members of the Disciplinary Committee present at such meeting and the decision of the Disciplinary Committee shall be final subject to the right of appeal set out in paragraph 67 hereof.

- d. Any member notified or any member proposed to be notified in accordance with clause (a) above may be immediately suspended from all privileges of membership until such time as the meeting is held provided that if for good reason a decision is deferred the Disciplinary Committee may further suspend or restore such privileges until a resolution dealing with the member is passed.
- e. That any member aggrieved by the determination of the Disciplinary Committee shall have a right of appeal to the Board of Directors pursuant to paragraph **67** hereof.

Debts Due by Member

- 43. Should a member incur any debt to the Group and fails to discharge such debt upon request in writing by the Chief Executive Officer he/she may by resolution of a meeting of the Membership Committee be suspended or expelled from membership provided that before so resolving the Membership Committee shall give the member concerned due notice of its intention to take such course. The provisions of paragraph **42** shall not apply in these circumstances.

Forfeiture of Rights of Member

- 44. Every person ceasing to be a member whether by retirement, expulsion, death, neglecting to pay the entrance fee or the subscription or otherwise shall forfeit all rights or claims upon the Group or its property or assets.

Suspension of Member

- 45. Any member suspended pursuant to paragraph **42** and **43** inclusive shall not, during the period of such suspension not, be entitled to:
 - a. attend at the Hospitality Venue Premises for any purpose without the permission of the Board;
 - b. participate in any of the social or sporting activities of or at the Hospitality Venue Premises or any sub club without the permission of the Board;
 - c. attend or vote at any meeting or election of the Group;
 - d. nominate or be elected or appointed to the Board for a period of three (3) years following the period of suspension;
 - e. propose, second or nominate any eligible member for any office of the Group;
 - f. propose, second or nominate any eligible member for Life Membership.

Register of Members

- 46.
 - a. The Chief Executive Officer shall keep at the Registered Office a register/record of members setting forth the name and address of each member and specifying the class of membership to which he/she belongs and the date of the last payment by each member of his/her subscription.

- b. The Chief Executive Officer shall keep at the Registered Office a register/record in which he/she shall enter or cause to be entered the names and addresses of all persons (not being persons whose names and other particulars have been entered in the register/record kept pursuant to part (a) of this Rule) who are admitted as Honorary Members and Temporary Members for a limited period and the dates upon which such period commenced and terminates.
- c. Every member shall notify the Chief Executive Officer in writing of any change of address. The address so given shall be deemed to be the member's registered address for the purpose of issue of notices.

Delegated or Authorised Officer

- 47. The Chief Executive Officer or the Board of Directors may from time to time nominate a person or persons as delegated or authorised officers for the purposes of ensuring compliance with the Members' and Visitors' Obligations.

Entrance Fees and Subscriptions

- 48. The entrance fees, annual subscriptions and other annual fees or charges payable by any class of members, the amount thereof and the time and manner of payment thereof and all other matters pertaining thereto not herein specially provided for shall be such as shall from time to time be prescribed by the Board provided that the annual Subscription shall be not less than Two Dollars (\$2.00).

All fees, charges and subscriptions payable by any member shall be paid in advance on or before 1 July in any year where such subscriptions fees or charges are due

Unfinancial Members

- 49. Subject to paragraph 54 Members unfinancial on the 1st September in any year in which his/her subscription is due shall be removed from the Membership Register. A reminder shall be provided by the Chief Executive Officer to members of the provisions of this Rule but no further notice need be given.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 8

BOARD OF DIRECTORS

MANAGEMENT

50. The determination of Strategic direction in line with the Vision, Mission and Objects of the Group, the management and the custody and control of its funds and property shall be vested in the Board of Directors which shall consist of up to nine (9) members of which seven (7) will be elected by Members and two (2) will be appointed by the Board of Directors.

Board Appointed Directors

51. At the General Meeting of the Group seven (7) directors elected shall be declared to hold office in accordance with paragraph **52** hereof and following election of the directors at the General Meeting, the directors shall at their discretion appoint two (2) further persons as Directors and those persons shall hold office for such period as the Board of Directors shall nominate at the time of the appointment. Following appointment by the Board of Directors of the two (2) additional Directors, the appointment thereof shall be ratified at the next General Meeting.

Triennial Rule

52. The Directors to be elected and declared at the Annual General Meeting shall be elected in accordance with the Triennial Rule for election of Directors for a term of three (3) years as provided in Schedule 4 of the *Registered Clubs Act 1976* as follows:

- a) For the purposes of this rule:

“General Meeting” means a meeting of the Members at which members of the Board of Directors (governing body) are to be declared as elected.

“Triennial Rule” means this rule which is in accordance with Schedule 4 of the Registered Clubs Act.

“Year” means the period between successive General Meetings.

- b) **First General Meeting under Triennial Rule**

- i. The members elected to the Board of Directors (governing body) at the first General Meeting at which the Triennial Rule applies shall be divided into three (3) groups.

- ii. The groups shall be determined by drawing lots and shall be as nearly as practicable equal in number and shall be designated as group 1, group 2 and group 3.
- iii. Unless otherwise disqualified, the members of the Board of Directors (governing body) shall hold office for the following terms:
 - group 1 shall hold office for one (1) year; and
 - group 2 shall hold office for two (2) years; and
 - group 3 shall hold office of three (3) years.

c) Subsequent General Meetings

At each General Meeting held while the Triennial Rule is in force (other than the first such meeting) the number of the members required to fill vacancies on the Board of Directors shall be elected and shall, unless otherwise disqualified, hold office for three (3) years.

d) Casual Vacancies

- i. A person who fills a casual vacancy in the office of a member of the Board of Directors elected in accordance with this Triennial Rule shall, unless otherwise disqualified, hold office until the next succeeding General Meeting.
- ii. The vacancy caused at a General Meeting by a person ceasing to hold office under sub-clause (i) shall be filled by election declared at the General Meeting and the person elected shall, unless otherwise disqualified, hold office for the residue of the term of office of the person who caused the casual vacancy initially filled by the person who ceased to hold office at the General Meeting.

e) Re-Election

A person whose term of office as a member of the Board of Directors under this Triennial Rule expires is not for that reason ineligible for election for a further term.

f) Revocation of Triennial Rule

- i. If the Triennial Rule is revoked at a General Meeting, all the members of the Board of Directors cease to hold office or if the Triennial Rule is revoked at a meeting other than a General Meeting, all the members of the Board of Directors cease to hold office at the next succeeding General Meeting and in either case an election shall be held and declared at the meeting.

- ii. The Triennial Rule cannot be revoked by the Group if the rule is taken to apply pursuant to a regulation made for the purposes of Section 30(1)(a1) of the Registered Clubs Act.

Board's Delegation

- 53. The Board of Directors may delegate specific tasks or functions to a Management Committee consisting of a number of senior employees as nominated from time to time by the Board.

Board Discretion

- 54. The Board may at its discretion:
 - a. Fix a charge for the use of property or services of the Group by its members and may at any time amend or remove such charge and may make such additional levies as may be necessary from time to time to keep the Group in a sound financial position.
 - b. Suspend the payment of entrance fees at any time either generally or in respect of individual cases and shall have discretionary power to fix and determine or waive the entrance fee chargeable to any member under any special circumstances that may arise.

Management Committee

- 55. The Management Committee appointed by the Board shall be authorised to oversee the performance of all strategic and operational matters relevant to the Group and to make recommendations to the Board of Directors or as maybe directed from time to time by the Board of Directors to appropriate Committees appointed by the Board.

Board Appointed Committees

- 56. The Board of Directors may delegate any specific tasks or functions to a Committee which Committee shall be constituted at the discretion of the Board from time to time. The Board may second any other person with the requisite skills necessary onto any Committee and such persons so seconded shall have the level of involvement and authorisation as approved or prescribed by the Board from time to time and shall be appointed for such duration as the Board of Directors consider necessary or appropriate.

Adoption of Charters and Policies

- 57A. The Board of Directors have adopted and will from time to time adopt various Charters and Policies which will have the force and effect of regulations or by-laws of the Registered Club and such Charters and Policies shall enable and empower the Board of Directors to fulfil the Corporate Vision, Missions, Values and Objects of the Group. The Board of Directors may from time to time vary, amend remove or replace such Charters and Policies at its discretion.

Strategic Plan, Estate Mandate and Estate Plan

- 57B. The Board each year will review and adopt the Strategic Plan, Business Plan and 5 year Financial Plan to enable and empower the Group to achieve its Vision, Mission, Values and Objects.

Eligibility of Board Members

58.

- a. Subject to the remaining sub paragraphs hereof, all Financial Ordinary and Life Members who are not otherwise disqualified by the provisions of this Constitution or any Rules or Regulations made thereunder shall be eligible for election or appointment to the Board of Directors. No Member of the Registered Club who is also an employee of the Club shall be eligible to be a Member of or be elected or appointed to the Board of Directors.
- b. A member shall be disqualified from nominating for or being elected or appointed to the Board of Directors if that person:
 - (i) has been declared bankrupt or insolvent;
 - (ii) has been suspended from membership within a period of three years prior to the time of nomination for election or appointment;
 - (iii) is indebted to the Group at the time of nomination for election or appointment;
 - (iv) has, in the period five (5) years preceding nomination, been convicted of an offence connected with the promotion formation or management of a company or involving fraud; and

Where any such event as listed above occurs to a Director during the period of the Director's term of office, such Director shall be disqualified from continuing in the role of Director.

- c. Members of the Board of Directors are required to be and remain active members of the ClubsNSW Directors Institute (CDI) (or any replacement organisation) and shall adhere to and embrace the ClubsNSW Code of Practice as adopted by the Board and embrace and work towards implementation of the Corporate Vision, Missions and Values of the Group. All Board Members are obligated to attend and complete training and development seminars conducted by CDI and any other educational courses specified by the Board of Directors and satisfy minimum mandatory requirements for training and education of Directors.
- d. Any person who proposes to or nominates for election as a Director shall:
 - i. attend a pre-nomination information program/session as determined by the Board of Directors; and
 - ii. acknowledge his/her obligation to be bound by the provisions of paragraph **58c** hereof,

failing which the Group shall not be bound to accept such nomination.

Where the eligibility criteria specified in sub paragraph (c) and (d) above are not

satisfied by a nominee, the Chief Executive Officer shall refer such nomination to the Board of Directors or the person nominated by the Board as the Returning Officer for the election, for final determination. The Chief Executive Officer, Board or Returning Officer must notify the nominee as to the outcome of such determination.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 9

ELECTION OF BOARD

Annual Elections

59. The Directors to be elected annually shall be elected by the general body of members from persons nominated as hereinafter provided;
- (i) At least fourteen (14) days (or such other period as the Board may determine) before the day fixed for the Annual General Meeting at which an election is to be held nominations for the position of Directors to be elected at that meeting shall be delivered to the Chief Executive Officer;
 - (ii) Out of the eligible nominations the general body of members shall elect those Directors to be elected at that meeting.

Nomination of Candidates

- 60.
- a. Nominations for election to the Board of Directors shall be made in writing and signed by the nominee and signify his/her consent to the nomination.
 - b. The Returning Officer shall immediately after closing of nominations prepare a Ballot Paper. The order in which the names of candidates shall be placed on the Ballot Paper shall be the order in which their names are drawn from a box containing the names of all candidates. The Ballot Paper shall be signed by the Returning Officer. A copy of the Ballot Paper shall immediately thereafter be posted on the notice board, the Group website or by some other electronic or digital means and shall constitute the Ballot Paper used for the election of the Board of Directors.
 - c. If the full number of candidates for the positions of director are not nominated as prescribed, additional nominations with the consent of the nominee or nominees may be made at the Annual General Meeting. If there be more than the required number nominated an election by ballot shall take place but if there be only the requisite number nominated these shall be duly elected.
 - d. The method of ballot if this shall become necessary at the meeting, shall be determined by a simple majority of the members present at the meeting on a show of hands, provided however, that should the Board of Directors so elect at the commencement of the meeting, a secret ballot shall be conducted.

Election Process

61. If at the time of closing of nominations it shall be necessary to conduct an election by ballot then same shall be conducted in the following manner:

The Returning Officer shall prepare and supervise the ballot which shall be secret. Voting shall be conducted at the Registered Office under the constant scrutiny of the Returning Officer or his/her assistant as soon as possible prior to the date of the meeting and at the following times:

Friday	2.00 p.m.	to	8.00 p.m.
Saturday	12 noon	to	5.00 p.m.
Sunday	10.00 a.m.	to	5.00 p.m.

Upon closing of the ballot, the Returning Officer will count the votes and declare the result of the ballot. Each candidate or one scrutineer on his/her behalf shall be entitled to be present at and to witness the counting of votes. If there shall be a tie any election necessary, as a result thereof, shall be made at the annual general meeting.

Election of Officer Bears and Committees

62. a. The election and appointment of the President and Vice-President from the seven (7) Board Members duly elected as above, shall be made by the Board at its first meeting after the annual general meeting at which the Board of Directors is elected. Any changes to the President or Vice-President during the ensuing years shall also be made by the Board.
- b. The Board shall, at its first meeting after the Annual General Meeting appoint its various members to the Committees of the Board.

Services Voluntary

63. Subject to the provisions of paragraphs **17** and **18** of the Constitution hereof as applicable to honoraria, no member of the Board shall receive any remuneration for his services in his capacity as a member of the Board.

Votes of Members

64. Every member eligible to vote shall vote on a show of hands and on the taking of a poll have one vote, provided however, that should the Board of Directors or the President so elect at the commencement of any meeting or prior to any vote being taken, a secret ballot shall be conducted.

Members Voting Rights

65. a. Ordinary Members and Life Members shall be deemed to be the general body of members who shall alone be entitled to take part in the management of the Group and to attend and vote at any meeting of the Group.
- b. No Ordinary Member shall be entitled to attend or vote at any meeting unless

his/her entrance fee, subscription and/or any other fees or charges then due and payable shall have been paid.

- c. No employee shall be entitled to vote at any meeting of the Group.
- d. No employee shall be a member of or be eligible to stand or be elected as a member of the Board.
- e. No employee who is a member shall be permitted to attend meetings of the Group except in the course of duty unless otherwise expressly permitted by the Board.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 10

POWER AND DUTIES OF BOARD

Powers and Duties

66. The business and general affairs of the Group shall be under the management of the Board which shall have full control of the property and income of the Group and the conduct and administration of all the affairs and the business of the Group except in so far as is otherwise expressly provided by this Constitution. In particular, but without derogating from the general powers hereinbefore conferred, the Board shall have the following powers from time to time:

Sub-Committees

- a. To appoint from among its members or members or senior management Sub-Committees for any purpose whatsoever which from time to time it may think desirable and to delegate to any such Sub-Committee such powers as it may think fit.

By-Laws Rules and Regulations

- b. To make such by-laws, rules or regulations and adopt such Charters and Policies as in the opinion of the Board are necessary for the proper control, administration and internal management of the Group's affairs, interests, effects and property and for the convenience, comfort and well being of the members and to amend or rescind from time to time any such by-laws, rules and regulations.

Enforce By-Laws

- c. To enforce the observance of all by-laws, rules or regulations by expulsion or suspension from enjoyment of Registered Club privileges.

Delegates of Club

- d. To appoint any delegate or delegates to represent the Group for any purpose with such powers as may be thought fit.

Employees

- e. Authorise the Chief Executive Officer to engage, control and dismiss the Group's employees or paid officials.

Chief Executive Officer

- f. To appoint, discharge and arrange the duties of the Chief Executive Officer.

Acquire Property

- g. To purchase or otherwise acquire any property, rights or privileges which the Group is authorised to acquire at such price and generally on such terms and conditions as it shall think fit.

Contracts

- h. To secure the fulfilment of any contracts or engagements entered into by the Group by mortgaging, charging or securing all or any of the property of the Group as may be thought fit.

Legal Proceedings

- i. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Group or its officers or otherwise concerning the affairs of the Group and also to compound or allow time for payment and satisfaction of any debts due to any claims or demand by or against the Group.

Signatories

- j. To determine who shall be entitled to sign or endorse on the Group's behalf contracts, receipts, acceptances, cheques, bills of exchange, promissory notes and other documents or instruments.

Deal with Property

- k. To invest and deal with any of the moneys, property or assets of the Group in accordance with this Constitution.

Borrow and Secure Funds

- l. From time to time to borrow or secure the payment of any sum or sums of money for the purposes of the Group and to borrow, raise or secure the payment of such sum or sums of money for the purposes of the Group in such manner and upon such terms and conditions in all respects as it shall think fit and whether charged upon or secured against all or any of the Group's property both present and future and to enter into any mortgage, charge, debenture or security interest upon or over all or any part of the Group's property both present and future. Any debentures or other securities may be issued with any special rights and privileges which the Board of Directors may think proper to confer on the holders.

Disposal of Property/Assets

- m. To sell, exchange, or otherwise dispose of any furniture, fittings, equipment, plant or other goods or chattels belonging to the Group and let, lease or licence the property of the Group, exchange or sell, subdivide, develop or carry out

construction on all or any of the lands and buildings or other property or rights of the Group but only pursuant to Section 41J of the Registered Clubs Act.

Honorarium

- n. To recommend the amount of honorarium payable to any member of the Board of Directors under paragraph **18** of this Constitution and subject to subsequent approval by a General Meeting to pay such honorarium.

Directors' Expenses

- o. To repay actual out-of-pocket expenses incurred by any member of the Board of Directors.

Employees

- p. Notwithstanding the provisions of paragraph **71(e)** hereof the Board may delegate to the Chief Executive Officer for the time being powers of engagement in and dismissal from employment of the paid employees or paid official of the Group.

Delegate to Chief Executive Officer

- q. The Board may delegate to the Chief Executive Officer or any Committee nominated by the board for that purpose for the time being, disciplinary powers pursuant to paragraph **42** hereof, such disciplinary powers to be exercised in accordance with the specific direction of the Board.

Appeal from Determination of Sub-Committee or authorised officer:

- 67. Where the Board delegates its power or powers pursuant to paragraphs **32, 33, 55** and **66(a), 66(p)** and **66(q)** and the delegated power is exercised, any member or person aggrieved by the determination pursuant to the delegated power has the right to appeal to the Board provided that such appeal must be in writing and delivered to the Chief Executive Officer for the attention of the Board of Directors within thirty (30) days of posting of the notice/letter to the member or person advising the determination. For the purpose of this paragraph, delivery to the Chief Executive Officer shall be deemed to be effected if written notice of the appeal is either delivered by hand or sent by prepaid, certified mail to the office of the Chief Executive Officer for the time being.

Limitations of Appeals and Actions

- 72A The decision of the Board of Directors duly made in accordance with its powers under this Constitution shall be final and conclusive, manifest error excepted, and the Board shall not be required to subscribe its reasons for any such decision. The Group, the Board and any member thereof, and any officer or employee of the Group, shall not be liable for any action, costs or damages howsoever incurred as a consequence of any such decision or any act done or notice given or caused to be done or given as a consequence thereof or by any person distressed or affected by or challenging any decision of the Board.

By-Laws, Rules, Policies & Charters

68.

- a. Any by-law, rule or regulation made by the Board shall come into force and be fully operative upon the posting of a copy thereof on the notice board, the Group's website or otherwise electronically or digitally communicated to Members.
- b. Any Corporate Policy adopted by the Board shall be effective and shall come into force from the date it is adopted by the Board; and
- c. Any specific Charter adopted by the Board for the purpose of any committee or sub-committee established by the Board for the guidance of that committee or sub-committee shall be effective from the date of its adoption or amendment by the Board.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 11

BOARD MEETINGS AND ACTIONS

Meetings

69. The Board shall meet at least once in every month for the transaction of business. The names of all members of the Board present and voting and minutes of all resolutions or proceedings of the Board shall be properly recorded as required by law. The quorum of the Board shall be four (4) elected members.

President to Preside – no deliberate vote

70. The President shall, if present, preside at all meetings of the Board, in his/her absence the Vice-President shall preside and in the absence of both President and Vice-President, the Board shall elect an Ordinary Member of the Board to be Chairman of the Meeting. The Chairman of the Meeting shall have a deliberative vote only.

Resolutions

71. A resolution or motion of the Board shall have effect if it is passed by a majority of the members of the Board present and voting.

Casual Vacancies

72. Where any casual vacancy occurs on the Board, such vacancy shall be filled by the Board at the Board's discretion and the appointee to fill such casual vacancy shall satisfy the provisions of paragraph **58** hereof. Where a Director seeks leave of absence from the Board, the Board shall be entitled to grant such leave of absence which shall be treated as a casual vacancy. The person appointed by the Board to fill any casual vacancy shall be appointed for the period specified by the Board at its discretion.

Disqualification from Office

73. If any Director shall fail to attend a regular Board meeting for three (3) consecutive meetings without leave of absence or if he/she shall resign or ceases to be a member or is suspended from membership for any period of time or if he/she shall become bankrupt or of unsound mind or if he/she is otherwise disqualified by law or fails to meet or satisfy the provisions of this Constitution and any rules or regulations made thereunder, he/she shall cease to be a Director and the casual vacancy occurring shall be filled by the Board as above provided.

Acts of Board of Directors

74. Bone fide decisions of the Board and any actions of any Director shall be valid and effective notwithstanding that there may have been some irregularity or defect in the election or appointment of any Director or any technical irregularity or discrepancy at a Board Meeting.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 12

CHIEF EXECUTIVE OFFICER

75.

- a. There shall be a paid Chief Executive Officer of the Group who shall be the Chief Executive Officer of the Group and Secretary of the Registered Club. The Chief Executive Officer shall be subject to the control, authority and directions of the Board and shall carry out such duties as may be determined from time to time by the Board. The salary of the Chief Executive Officer shall be determined by the Board by contract or otherwise from time to time.
- b. The Board may also appoint a person to act as Chief Executive Officer in the absence of the Chief Executive Officer.
- c. No payment to any Chief Executive Officer or person acting in that capacity or any other officer or servant or official of the Group shall be made by way of commission or allowance from or upon the receipts of the Group from liquor sold or from the keeping, using and operations of electronic gaming machines or other gambling facilities.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 13

GENERAL MEETINGS OF MEMBERS

Notice to Members of Meeting

76. Notice to all members of all general meetings of the Group (including annual general meetings) shall be sufficient for all purposes if given by the means adopted by the Board from time to time including electronic transmission or digital transmission or display to members or as otherwise prescribed or required by Law.

Annual General Meeting

77. The annual general meeting shall be held at the Registered Office on a Sunday morning in a month within 5 months of the end of the financial year pursuant to the Act of which at least twenty-one (21) days' notice shall be given.

Extraordinary General Meeting

78. All general meetings other than the annual general meeting shall be called extraordinary general meetings.

Calling EGM

79. An Extraordinary General Meeting may be called on any date by the Board and must be called by the Board upon receipt by it of a written requisition which need not be in one (1) document signed by not less than 200 Ordinary or Life Members stating the business to be considered. On receipt of such a requisition the Board shall call such meeting to be convened within sixty (60) days after receipt thereof.

Notice of General Meeting

- 80.
- a. Every notice convening a general meeting shall specify the place, the day and the hour of the meeting and such information concerning the business proposed to be transacted as is required to be given by this Constitution or by the Act.
 - b. The period of notice in respect of general meetings shall be twenty-one (21) days in respect of annual general meetings and extraordinary general meetings.

Quorum

81. At any annual general meeting and extraordinary general meeting, thirty (30) Ordinary or Life Members present in person shall form a quorum. If a quorum be not present

within fifteen (15) minutes of the time fixed for such meeting, same shall be adjourned to the same day in the next week at the same time and place provided however when such meeting has been convened on or by requisition of Ordinary members same shall be immediately dissolved. If at the adjourned meeting a quorum is not present within fifteen (15) minutes from the time fixed the Ordinary members present shall form a quorum.

Resolutions

82. A resolution shall have effect as a special resolution if it is duly passed by a majority of not less than three-fourths of the members present and entitled to vote thereon. Any other resolution shall have effect if it is passed by a simple majority of members present and entitled to vote thereon. In each case the Chairman of the meeting shall have a deliberative as well as a casting vote.

Business of Annual General Meeting

83. The business of the annual general meeting shall be as follows:
- a. To confirm the minutes of the previous annual general meeting.
 - b. To receive reports from the Board and Senior Management.
 - c. To receive and consider the income and expenditure account, the balance sheet and the reports of the auditor or auditors.
 - d. To deal with any other business that the meeting may approve of which due notice has not been given.
 - e. Declare the election of or elect Directors for the ensuing year, should this be necessary under the appropriate provisions of this Constitution hereof; otherwise to announce the Board for the ensuing year.
 - f. To appoint an auditor or auditors.
 - g. To deal with any other business of which due notice has been given.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 14

PROCEEDINGS AT ALL GENERAL MEETINGS

President to Preside

84. The President shall, if present, be entitled to preside at all general meetings of the Group. In the event of the President being absent, a Vice-President shall preside and in the event of the President and Vice-President being absent the Board shall select a member of the Board to be Chairman of the meeting.

Show of Hands

85. Every question or motion submitted to a general meeting shall be decided in the first instance by a show of hands, provided however, that should the Board of Directors so elect at the commencement of any meeting, a secret ballot shall be conducted.

Declaration of Vote

86. At any general meeting unless a poll is demanded by the Chairman or by not less than two hundred (200) of the members present and entitled to vote at the meeting a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the Minutes of the Meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Adjournment of Meeting

87. The Chairman of the general meeting may with the consent of the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Any general meeting at which a quorum is present may be adjourned by resolution as the meeting may determine and no notice of such adjournment need be given.

Poll Demanded

88. If a poll is demanded it shall be taken in such manner at such place and time as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. In case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.

Continuance of Meeting

89. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. A poll demanded on a question of adjournment shall be taken at the meeting without adjournment.

Minutes

90. The Board shall cause minutes to be kept in the records provided for the purpose:
- a. of all appointments of Directors made in general meetings or by the Board;
 - b. of all meetings of the Board and of the names of the Directors present and voting at each meeting of the Board;
 - c. of the number of members present and voting at all general meetings;
 - d. of all resolutions and proceedings.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 15

ACCOUNTS AND FINANCIAL REPORTS

Financial Year

91. The financial year of the Group shall commence on the first day of July and end on the last day of June in each year.

Accounts and Audit

92. The Board shall cause proper accounts and books to be kept with respect to:
- a. all sums of money received and expended by the Group and the matters in respect of which the receipt and expenditure takes place;
 - b. all sales and purchases of goods;
 - c. all assets, credits and liabilities;
 - d. all such other matters in respect of which the Board considers it proper to keep records.

Financial Records to be kept at Registered Office

93. All Financial Records/accounts shall be kept at the registered office of the Group or at such other place as the Board thinks fit and shall always be open to the inspection of members of the Board.
94. Financial Accounts for General Meeting
- a. The Board shall from time to time in accordance with the relevant provisions of the Act, cause to be prepared and to be laid before the Annual General Meeting, such income and expenditure accounts balance sheets and reports as are referred to in the Act.
 - b. The report of the Board referred to in the foregoing subclause includes statements required by and in compliance with the Act and the law:
 - c. A copy of the balance sheet, auditor's report and income and expenditure accounts accompanied by a copy of the report of the Board shall be available to Members at least twenty-one (21) days before the date of the general meeting at which the said accounts and reports are to be presented.
 - d. The Board shall from time to time determine whether and to what extent and at which times and places and under what conditions or regulations the accounts and books or any of them shall be open to the inspection of the members of the Group and no member (not being a member of the Board) shall have any right of

inspecting any account or book or document except as conferred by statute or authorised by the Board or by a resolution in a general meeting.

Audit

95. Auditors shall be appointed and their duties shall be regulated in accordance with the relevant provisions of the Act.

Audit Conclusive

96. Every account of the Board that is audited and approved by a general meeting shall be conclusive except as regards an error discovered therein within three (3) months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive. Whenever an error is discovered after the period of three months, an explanation as to such error, certified by the auditor, shall be put before the next general meeting for approval, adoption and/or ratification and upon such approval, adoption or ratification such amended account shall be conclusive.

Annual Returns

97. The Group shall make the requisite annual returns in accordance with the relevant provisions of the Act.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 16

MISCELLANEOUS PROVISIONS

Notice

98.

- a. Except in the case of notices of meetings as provided in paragraph **81** hereof, a notice may be given by the Group to any member either personally or by sending it by post to him/her to his/her registered address (if he/she has no registered address within the said State of New South Wales to the address if any within the said State supplied by him/her to the Group for the giving of notices to him/her).
- b. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and to have been received at the expiration of five (5) days after the letter containing same is posted or in any other case at the time at which the letter would have been delivered in the ordinary course of post.
- c. If a member or visitor has no registered address within the State of New South Wales and has not supplied to the Group an address within the said State of New South Wales for the giving of notices to him/her, a notice posted to the last known address shall be deemed to be well served on such member at the expiration of five (5) days after it is so posted. Notices shall also be deemed sufficient and valid in the alternative method prescribed by paragraph **81** hereof.

Indemnity

99. Every Director, the Chief Executive Officer or other Officers of the Group or any person employed by the Group as Auditor shall be indemnified out of the funds of the Group against liability (including legal costs on a full indemnity basis) incurred by him/her as such Director, Chief Executive Officer, Officer, Auditor arising out of the defence of any proceedings whether civil or criminal in which judgment is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted him/her by the Court or which he/she has been authorised to defend by the Board.

Amendments to the Constitution

100. The Constitution may be altered or amended by a special resolution called in accordance with the Act and these Rules for that purpose and in accordance with the procedures prescribed by the Act.

Authentication of Deeds And Documents

101. Subject to the provisions of the Act, any amendment thereto or re-enactment thereof, the following provisions shall have effect:
- a. All deeds and documents executed on behalf of the Group may (in so far as the same are within the powers and authorities of the Board) be in such form and contain such powers, provisos, conditions, covenants, clauses and agreements as the Board shall think fit.
 - b. All negotiable instruments and/or securities shall be accepted, made, drawn or endorsed for and on behalf of the Group and all cheques or orders for payment shall be signed on behalf of the Group in such manner and by such person or persons as the Board may from time to time determine.
 - c. All moneys belonging to the Group shall be paid to such financial institutions as the Board shall from time to time appoint and all receipts for money paid to the Group shall be issued by such officers as the Board may appoint for that purpose.

Head Notes

102. Head notes attached to any of these Rules shall not affect or have any authority in the interpretation of the Constitution and are only intended to be a guide.

CONSTITUTION
OF
SHELLHARBOUR WORKERS CLUB LIMITED

SECTION 17

DEFINITIONS

103. In this Constitution unless there be something in the subject or context inconsistent, the words and expressions below have the meaning ascribed to them as follows:

"The Act" means the *Corporations Act (Cth) 2001*. Any reference to a provision of the Corporations Act includes a reference to the same or similar provision in any legislation replacing, amending or modifying the Corporations Act however that provision may be amended in that legislation.

"Annual General Meeting" means the General Meeting held annually as required by the Act and this Constitution.

"Board" means the members for the time being of the Board of Directors as constituted in accordance with this Constitution.

"By-laws" means the by-laws for the time being in force, made in accordance with this Constitution.

"Chief Executive Officer" includes the Secretary, Secretary/Manager, Acting Secretary, Honorary Secretary, Acting Honorary Secretary, Chief Executive Officer appointed to that office or any other title attributed to the person and the aforementioned titles mean "Chief Executive Officer" who shall be the Secretary of the Club, for the purposes of the Registered Clubs Act.

"Constitution" means this Constitution may be amended from time to time.

"Core Property" means the Hospitality Venue Premises.

"Corporate Policy/ies" means the policies adopted by the Board of Directors from time to time and entitled Corporate Policy/ies derived from the ClubsNSW Best Practice Guide, specialist accounting and/or legal advice and other relevant and appropriate sources which policy/ies shall be utilised by the Board of Directors, Management and any other sub-committee of the Board of Directors.

"Estate Mandate" means the establishment of the rules, protocols and procedures adopted by the Board of Directors from time to time for the implementation of the Strategic Plan.

"Estate Plan" means the plan adopted by the Board outlining the vision and framework for the development of the Group's assets forming part of the Strategic Plan.

"Financial Member" means a member who has been duly accepted by the Board and who has paid the entrance fee for membership and the annual subscription and shall have paid all other moneys due to the Group within fourteen (14) days after formal demand has been made for the same pursuant to a Resolution of the Board.

"Full Member" in relation means a person who is an Ordinary Member or a Life Member of the Club.

"Gaming Machines Act" means the *Gaming Machines Act 2001*. Any reference to a provision of the Gaming Machines Act includes a reference to the same or similar provision in any legislation replacing, amending or modifying the Gaming Machines Act however that provision maybe amended in that legislation.

"Group" means the Registered Club and includes The Shellharbour Club and all or any other business or entity owned, operated or controlled by the Board.

"Hospitality Venue Premises" means that part of the Registered Club covered by any Certificate of Registration operated as a social recreational venue and operating in accordance with the Registered Clubs Act including the car park utilised for the purposes of the Hospitality Venue Premises.

"Member" in relation to the Hospitality Venue Premises means a person who is a full member or an honorary member as defined in this Constitution or any amendment thereto.

"Month" means calendar month.

"Non-Core Property" means all or any real estate owned or controlled by the Group which is not the "Core Property".

"Notice Board" means the facility approved by the Board of Directors on which notices for the information of members are posted including the Group's website or other electronic or digital means of publication of notices.

"Office" means the Registered Office for the time being of the Group.

"Ordinary Member" includes "Life Member".

"Register" means the register of members to be kept pursuant to the Act.

"Registered Club" means the operating entity, licensed to operate the Registered Club from the Hospitality Venue Premises for the purposes of the *Registered Clubs Act* or any other relevant legislation.

"Registered Clubs Act" means the Registered Club's Act 1976. Any reference to a provision of the Registered Club's Act includes a reference to the same or similar provision in any legislation replacing, amending or modifying the Registered Club's Act however that provision may be amended in that legislation.

"Registered Office" means the Hospitality Venue Premises at Cnr of Wattle and Shellharbour Roads, Shellharbour NSW.

"Regulations" means the regulations adopted by the Board from time to time.

"Returning Officer" means a person appointed by the Board of Directors to undertake an election by ballot.

"Rules" means the rules adopted by the Board from time to time.

"Special Resolution" has the meaning assigned thereto by the Act.

"Specific Charter" shall mean the charter adopted from time to time by the Board of Directors for the guidance of any committee or sub-committee as to the operation of that sub-committee.

"Strategic Plan" means the Estate Plan, Business Plan and 5-year Financial Plan.

"Written" and "in writing" include printing, typing, lithography, photocopying and any other mode of representing or reproducing words in visible form.

Words importing the singular number also include the plural and vice versa and words importing the masculine gender shall include, where applicable, the female gender and vice versa. Words importing persons shall include reference to Corporations.



**SHELLHARBOUR
WORKERS' CLUB LTD**

ABN 69 001 068 864

**SHELLHARBOUR
WORKERS' CLUB LTD**

2026 ANNUAL REPORT

OUR VISION

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



PRESIDENT'S REPORT

Mark Climo
President



On behalf of the Board of Directors it is my pleasure to present this year's Annual Report for the Shellharbour Workers' Club Limited group, reflecting on a year of continued progress, strong community engagement and meaningful investment in the future of our Group.

Throughout the year, the Group has remained focused on delivering value to our members, whilst strengthening our role as a community driven organisation. Our commitment to our community continues to guide our approach, ensuring that everything we do is centred around connection, inclusion and impact.

From a financial perspective, the Club delivered another strong result, achieving a revenue of \$33,309,118 and a profit after tax of \$1,322,983. The result provides the Club with stability whilst still offering our members strong promotions and discounts and also ensuring we remain well positioned to invest in our community, staff and facilities in the future.

This has been a significant year for our organisation. The Club's 70th anniversary provided an opportunity to celebrate the Club's history and, most importantly, to recognise the people who have contributed to our success. Our celebrations were about giving back to the community that has supported us throughout our journey. On behalf of the Board of Directors, I sincerely thank our members and community for their continued support. In particular, we acknowledge our Life Members, whose dedication and service have played an important role in enabling the Club to reach this significant milestone. I would also like to recognise our staff, past and present. The Club could not operate seven days a week or deliver the experiences and services our members and customers expect without the commitment of our people. To everyone who has contributed to the Club over the past 70 years, thank you. Your loyalty, dedication and contribution form an important part of our history and our future.

The Clubs' commitment to the community has strengthened and the Group has invested significantly to improve infrastructure, programs and facility within our direct locality. Our proudest moment this year was winning the ClubsNSW Clubs and Community Award for our work in Mental Wellbeing. The award was an

acknowledgement of our continued partnership with Healthier Illawarra Men. We are incredibly grateful for the work of Healthier Illawarra Men and we will continue to provide funding to increase the awareness of mental health within our community. We have so many strong organisations and volunteers throughout Shellharbour and we look forward to strengthening our relationships in order to do more good.

As we look ahead, our focus will be on maintaining the momentum we have built while continuing to review and develop both our short and long-term plans.

We recognise that the economic environment continues to evolve and that the Club, like the broader registered club industry, is operating within an increasingly complex regulatory and compliance environment. Our priority continues to be the safety and wellbeing of our people, members and customers, supported by a strong corporate governance framework and a commitment to responsible management. We are also reviewing plans for a major refurbishment of our Food and Beverage areas over the next three years. This represents an important investment in the future of the Club and reflects our commitment to continually improving our facilities, services and member experience. We will continue to explore opportunities for diversification and look at how we can maximise the value and potential of our existing assets.

I would like to acknowledge the dedication and commitment of our Board of Directors, management team and staff, whose ongoing efforts continue to drive the success of our Group. Their commitment ensures that the Group remains a strong, sustainable and forward-thinking organisation.

On behalf of the Board of Directors we are very grateful for the consistent support of our membership and community. We could not have reached this remarkable 70 year milestone without you. We are incredibly grateful for the support and loyalty of our members and we will continue to invest and make decisions that will enable our community to reach its highest potential.

Thank you for your continued 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 gives me great pride in delivering the end-of-year update for our Group. The goal is simple “to enable the community to reach its highest potential” and this year we have put in much time and energy to ensure we remind our people of this powerful vision. While our vision may be easy to articulate, bringing it to life is where the real challenge lies. In a year marked by significant challenges, we believe we have successfully delivered on that vision – achieving meaningful progress both within our organisation and in the broader community.

This year has been particularly significant as we celebrated 70 years of Club operations. Reaching this milestone is a remarkable achievement and one that would not have been possible without the generations of members, staff, volunteers and community supporters who have helped shape our Club and its place within the Shellharbour community. For 70 years, our Club has evolved alongside our community. While much has changed during that time, our commitment to providing value to our members and making a positive contribution to the community remains at the heart of who we are. It was critical to celebrate the milestone not only with our members, but the broader community as a whole and we worked with many stakeholders to deliver the following;

- Staff volunteering – while our original objective was to deliver 70 hours of volunteering, our staff went above and beyond, contributing more than 120 hours of volunteering within the community. Thank you to the participating organisations for making our team feel so welcome. We truly appreciate our partnerships and we are in awe of your commitment to serving our community.
- In partnership with Shellharbour City Council, we planted over 70 trees within the Shellharbour Community as a mark of respect for the land that surrounds our Club.
- Inside the Club an artist drew a live mural to represent the significant landmarks in the region that were later decorated by our current and emerging leaders within the Shellharbour Community.

- We launched our community brand ‘Together’ and developed a series of social media reels that showcased the shared experiences of our members, staff members and community members throughout the Clubs’ long history.

We are truly appreciative of the overall support of our community and would like to make special mention of the staff and members who have made our organisation stronger by being there from day dot.

All Clubs play an important role in supporting their communities, and our Club is committed to ensuring that our funding is direct, targeted and meaningful – focused on initiatives that make a genuine difference to the wellbeing of our community. In the 2025/2026 Financial Year over \$430,000 was returned to our local community via the ClubGRANTS scheme. This contribution ensures our current and emerging generations have service, facilities and social connection for years to come.

Whilst we don’t do this for recognition or awards our proudest achievement this year was being named ClubsNSW Clubs and Community award winners for our work in the category of Mental Wellbeing. This is the first time the Club has been recognised at these industry awards – a significant achievement that reflects the determination, dedication and commitment of our team to making a genuine difference. I’d like to provide special thanks to the Committee of Healthier Illawarra Men who trusted our Club as a partner to deliver the “Breaking the Man Code” program to over 1,600 students in our local community. Together, we have built a program that delivers purposeful workshops to increase the mental fitness of our young men. On the back of this very successful partnership, we look forward to continuing to work closely with our community stakeholders to understand and respond to the needs of our community.

We have been busy planning what our future will look like in both the immediate and long-term future. Over the next three years we are committed to delivering the following projects within the venue;

Executive Team

(L-R) CFO Shandelle Rue, CEO Jason Petrolo, CMO Vanessa Mitrevska, CHRO Amy Traviss.



- Precinct – We’re turning up the fun for families with more comfort and bigger play. Something exciting is taking shape...we can’t wait to tell you more (very, very soon!)
- Fiftysix Dining and Terrace – we’re planning a brand-new, modern destination designed for everyone. The area will include an outdoor play area for the kids and sophisticated spaces for the grown-ups.
- Main Lounge and Café – We are bringing light, energy and atmosphere to our lounge area and café to create an experience that feels vibrant, connected and made to be enjoyed.

We understand we need to upgrade and we need to be better. These updates will be our first food and beverage updates since 2016 and with the introduction of a new kitchen leadership team, we are very busy planning for our future. Over the next 3 years I look forward to seeking feedback on how we can best serve our members and community.

In addition, we are working closely with Shellharbour City Council to find ways to add value to the community in the form of infrastructure and diversification. We have 5 hectares of land and we want to protect our future. We are currently working on a re-zone to increase our land value, building heights, floor space ratio and add further permissible uses so we can provide facilities and services that will add strong synergy to our Club and wider community. While these opportunities will evolve over time, we are currently reviewing opportunities in seniors living, medical, small retail, gym/wellbeing and more childcare. Our future is diversification. We look forward to working closely with Council to improve our estate framework. Watch this space!

We love people and we particularly love our people! Thank you to our members for sharing your experiences and your general connection. Our members are the heartbeat of our organisation and without your loyalty our group cannot survive. We appreciate your willingness to trust our business as a place to celebrate and socialise.

Thank you to our staff – you are amazing! Without the care or commitment of our team, we would be unable to achieve all the amazing things that we do! We appreciate your engagement in community events, the service provided to our customers and your sacrifices to ensure we operate 7 days a week, 18 hours a day. Further to this, this year our staff have embraced the opportunity to give back through volunteering and fundraising. Their enthusiasm, generosity and commitment demonstrates that our people are truly engaged in making a difference. We will continue to build on this momentum, creating even more opportunities for our team to contribute to the community.

In addition, thanks to the Executive, Operational and Shift Manager Teams, who provide so much drive and work tirelessly to ensure our people are looked after, and our organisation has a future. A special mention to the new leadership group at The Imperial at Clifton led by Venue Manager Brad Pettitt who has been a welcome addition to our team. I look forward to watching the team at The Imperial at Clifton thrive and outperform.

It’s been a busy year, and we are only getting started. Whilst we will experience challenges in the form of economy, competitors, political agendas, regulator controls and much more we will always work on our connection within the community. I welcome you to meet our team and ask questions and provide feedback as we are never shy of making new relationships and learning. Thank you for your ongoing support and look forward to another successful year with our community by our side.

Remember, we are here to enable our community to reach its highest potential! Together from day dot.

Thank you for your ongoing support,

Jason Petrolo, CEO

OUR 70TH CELEBRATIONS

We celebrated our 70th anniversary by giving back to the community who has given us so much.

We launched our community campaign ‘Together’, interviewed our members, community partners and past employees about the role the Club has played in their life and we stepped out into the community...

70 VOLUNTEER HOURS IN OUR COMMUNITY

Giving back has always been part of who we are, so to mark 70 years in our community our team members rolled up their sleeves and set out to deliver 70 volunteer hours to support local community organisations. The team took over cooking operations at Lifeline South Coast’s community kitchen, helped bridge the gap between homelessness at Wollongong Homeless Hub, gave the Shellharbour Sharks volunteers a well-deserved day off and helped Multicultural Communities Illawarra make way for a new community space.

Cooking up a storm in Lifeline South Coast’s community kitchen.



Team members volunteering for Wollongong Homeless Hub at its market day in Warilla.



70 TREES PLANTED

Our Directors and Executive Team joined forces to plant 70 trees in our local community – one for every year of community growth.

That’s 70 years of growth, celebrated by putting down some roots for the future. Shellharbour War Memorial Park is looking greener already!



Directors and Management joined forces to plant trees as part of the celebrations.

LIVE MURAL

To celebrate the connection between the Club and our community we commissioned a live-drawn mural of Shellharbour featuring key landmarks such as the Bass Point gravel loader and local surf spot ‘The Farm’. We were delighted to have Shellharbour City Mayor Chris Homer, Shellharbour MP Anna Watson and Shellharbour Public School students add some colour and their own contributions to the mural.

Just add colour! Shellharbour Public School students brought the mural to life by adding colour.



OUR COMMUNITY

ClubGRANTS is one of the ways we're able to put our success back into the Shellharbour community.

This year alone, we provided over \$430,000 worth of funding to local organisations, sporting clubs, community groups and initiatives that make a real difference to people across Shellharbour. Check out some of our projects...

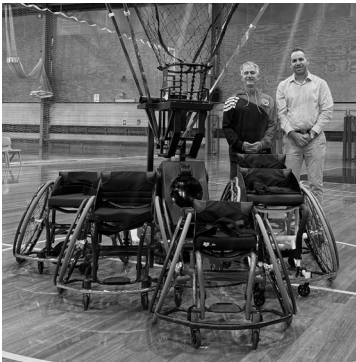
ILLAWARRA WHEELCHAIR BASKETBALL

FUNDING RECEIVED: \$11,500

PURPOSE OF FUNDING:
NEW WHEELCHAIR

We have been a proud and longstanding supporter of Illawarra Wheelchair Basketball, helping to support the organisation's growth and development through the funding of specialised sporting wheelchairs.

Recently, we further strengthened our commitment by funding yet another wheelchair through the ClubGRANTS scheme, helping provide more athletes with the opportunity to participate, compete and enjoy the sport of wheelchair basketball.



Illawarra Wheelchair Basketball's Brian Gardner and CEO, Jason Petrolo take stock of the wheelchairs and sporting equipment funded by The Shellharbour Club to date.

LIFELINE SOUTH COAST

FUNDING RECEIVED: \$30,000

PURPOSE OF FUNDING:
SUICIDE PREVENTION AND
CRISIS SUPPORT

Lifeline South Coast exists so that no person has to face their darkest moments alone. The ClubGRANTS funding has enabled Lifeline South Coast to recruit, train and support volunteer crisis support workers to meet the increasing demand for services in the Shellharbour LGA. As a result, the Shellharbour community has access to support in times of crisis or distress.

STINGRAYS JUNIOR RUGBY LEAGUE FOOTBALL CLUB

FUNDING RECEIVED: \$8,000

PURPOSE OF FUNDING:
NEW GOAL POSTS

Kicking (literal) goals in our community. Stingrays Junior Rugby League Football Club received ClubGRANTS funding towards a new set of goal posts as part of ground improvements at Flinders Field. With more than 410 junior players registered across 30 teams, the new sporting equipment will help the growing footy club flourish.

Stingrays Juniors with CEO, Jason Petrolo at their home ground.



Directors, Management and representatives from Healthier Illawarra Men attended the 2026 Clubs & Community Awards.



(L-R) Vice-President Brian Goodall, CEO Jason Petrolo and Director Scott Murphy celebrate the win.

WINNERS CLUBS & COMMUNITY AWARDS

We've been recognised as a leader in community wellbeing, taking home the Mental Wellbeing Award at the 2026 ClubsNSW Clubs & Community Awards for our work with Healthier Illawarra Men.

The ClubsNSW Clubs & Community Awards are designed to celebrate the outstanding social impact made by clubs across the state and recognise initiatives that deliver meaningful benefits to their local community.

The Shellharbour Club was the only Illawarra-based club to receive an award at the prestigious industry event. Competing against 17 finalists in one of the awards program's largest and most competitive categories, we were recognised for our partnership with Healthier Illawarra Men in the delivery of the 'Breaking the Man Code' workshops designed to support mental wellbeing across the local community.

We continue to partner with Healthier Illawarra Men to promote men's health in our local community. With more than \$90,000 provided to the organisation via ClubGRANTS to date, we look forward to reaching more community members.

About the program...

BREAKING THE MAN CODE WORKSHOPS

Picture it: a Year 10 classroom, a local footy club changeroom, a group of young men who are used to keeping things in. Now picture those same young men standing shoulder to shoulder, opening up about pressure, identity, fear, sadness and what it really means to be a man today.

This is what breaking the man code looks like.

The program quite literally challenges the unspoken rules many boys grow up with - don't show weakness, don't talk about feelings, toughen up. Rules that sit at the heart of poor mental health outcomes for men.

Breaking the Man Code is about redefining outdated ideas of masculinity, building emotional literacy and reducing stigma around mental health and the program was delivered at scale across the Illawarra thanks to our partnership with Healthier Illawarra Men.



Shellharbour Suns AFL Club have benefited from the Breaking the Man Code workshops.

OUR PEOPLE

A strong club starts with great people and this year our team have embraced community engagement activities while continuing to upskill and exceed expectations.

FREEZIN’ FOR A REASON



All in! Team members jumped into icy waters to raise funds for Special Olympics Illawarra.

On a cold winters morning our CEO, Jason Petrolo plunged into Wollongong Continental Pool alongside 11 team members as part of Polar Plunge 2026 to help raise money for an important cause. As a long-term supporter of Special Olympics Illawarra and the amazing local athletes within our community, our team took the plunge to ensure people with intellectual disability continue to have opportunities to play sport, experience joy and belong.

The team raised over \$5,000 for Special Olympics Illawarra proudly holding the title of largest fundraising total for the event!

LEAP FOR LIFE

Our team members jumped headfirst into doing good.

12 team members jumped out of a plane to raise awareness, funds (and heart rates) all at once as part of Leap for Life - a partnership between Skydive Illawarra and Healthier Illawarra Men.

Every jump resulted in a healthy donation to Healthier Illawarra Men to allow them to continue their important work with men’s mental health.

The initiative resulted in \$19,000 raised - proof that a little courage can go a long way... especially when you’re 15,000 feet in the air.

Team members jumped out of a plane to help raise awareness for men’s mental health.



TENURE

We are incredibly proud to acknowledge the dedication, commitment and loyalty of team members who have provided more than ten years of service to the Club this year.

- JIM CAMPBELL:** CELEBRATED 40 YEARS’ SERVICE NOVEMBER 2025
- ALISON SCOTT:** CELEBRATED 30 YEARS’ SERVICE IN DECEMBER 2025
- MATT ISON:** CELEBRATED 10 YEARS’ SERVICE DECEMBER 2025
- ALESIA STANNARD:** CELEBRATED 10 YEARS’ SERVICE JUNE 2026

We also farewell Marina Ralston, Food & Beverage Attendant who recently retired after 33 years of dedicated service with the business. Marina has vast experience having worked in the former Auditorium, Italian Restaurant and Chinese Restaurant. Most recently, Marina has been a valued member of the Fiftysix Dining team working in the various roles of Cashier, Bar and Front of House.



Marina Ralston celebrating three decades of service.

INVESTING IN OUR PEOPLE

Our training program demonstrates our strong commitment to investing in the skills, knowledge and growth of our people.

This year alone, we dedicated more than \$157,000 to external and on-the-job training, supporting our team to build capability and confidence. This investment was further supported through the completion of 1,878 courses via our online learning and development platform, Allara. These initiatives reflect our commitment to creating a culture of continuous learning and development.

SPOTLIGHT ON: TROY WEBB

Troy Webb has successfully completed his Certificate III in Commercial Cookery, marking an exciting milestone in his career.

Troy commenced his apprenticeship at The Imperial at Clifton in June 2024. Due to Troy’s exceptional skills, performance and commitment demonstrated throughout his apprenticeship, Troy was able to achieve an early competency-based completion and obtain his qualification as a qualified chef in July 2026. To recognise Troy’s achievement, he was promoted to the role of Chef de Partie and presented with a Shun Classic 200mm Chef’s Knife – a well-deserved reward to mark the completion of his apprenticeship and the beginning of his career as a qualified chef.

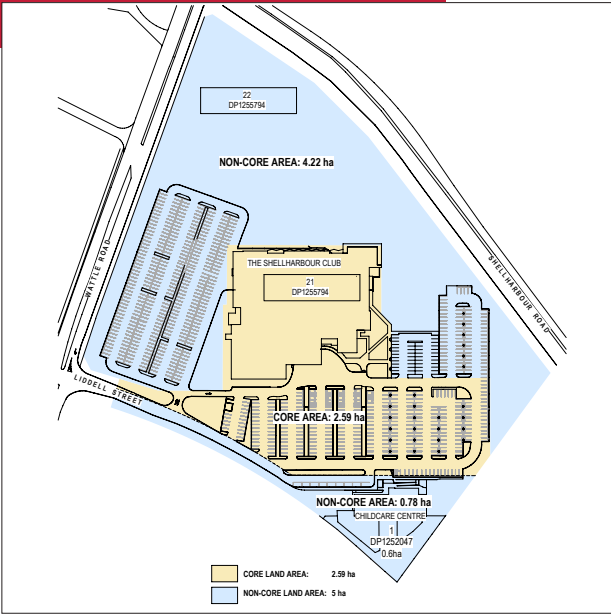
Congratulations Troy on the exciting next chapter in your career.

OUR ASSETS

SHELLHARBOUR SITE

The 78,250m2 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 and most recently updated at the Annual General Meeting in November 2025.



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.

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.



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 \$

FINANCIAL YEAR END	2026	33,309,118
	2025	32,472,846

GROUP GROSS PROFIT \$

FINANCIAL YEAR END	2026	1,322,983
	2025	1,001,106

GROUP EBITDA \$

FINANCIAL YEAR END	2026	6,133,301
	2025	6,444,844

GROUP EBITDA %

FINANCIAL YEAR END	2026	18.11
	2025	19.49

GROUP TOTAL ASSETS \$

FINANCIAL YEAR END	2026	57,877,504
	2025	60,252,926



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 2026 .

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 October 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 October 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 October 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 May 2013 - Current Club 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 October 2016 - Current Club 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
PATRICK SHORTALL	Director	Director July 2018 - Current Club 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
LUPCHO MAZEVSKI	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 \$1,322,983 for the 2026 year (2025: \$1,236,297).

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 (2025: \$6,486).

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	12	2	-	-	-
BRIAN GOODALL	11	2	3	-	2
PETER COOPER	12	2	3	-	2
LUKE MCPHIE	12	2	-	3	-
SCOTT MURPHY	12	2	-	3	2
PATRICK SHORTALL	12	2	3	-	-
LUPCHO MAZEVSKI	12	2	-	3	-

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 (2025: \$2.00) each. At 30 June 2026, the number of members was 24,875 (2025: 26,526) as follows:

NUMBER OF MEMBERS	
LIFE MEMBERS	11
FULL MEMBERS	24,864
TOTAL MEMBERS	24,875

At 30 June 2026, the total amount that members of the Company are liable to contribute if the Company is wound up is \$49,750 (2025: \$53,052).

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.

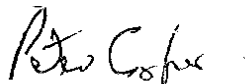
AUDITOR’S INDEPENDENCE DECLARATION

The lead auditor’s independence declaration for the year ended 30 June 2026 has been received and can be found attached to the directors’ report.

Signed in accordance with a resolution of the directors.



Brian Goodall
Director
24 August 2026

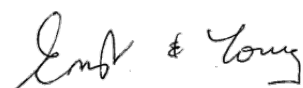


Peter Cooper
Director
24 August 2026

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 2026, I declare to the best of my knowledge and belief, there have been:

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



Ernst & Young



Daniel Cunningham
Partner
Sydney
24 August 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	NOTES	2026 \$	2025 \$
Revenue from contracts with customers	4	32,405,266	31,480,424
Other income	5.a	903,852	992,422
Cost of sales		(3,830,919)	(3,603,840)
Employee benefits expense	5.b	(9,968,496)	(9,816,121)
Depreciation expense		(3,504,257)	(4,068,638)
Other operating expenses	5.c	(13,680,290)	(12,678,022)
Finance income		47,177	74,816
Finance costs		(1,049,350)	(1,379,935)
Profit before income tax		1,322,983	1,001,106
Income tax benefit/(expense)	6	-	235,191
Profit for the year		1,322,983	1,236,297
Other comprehensive income		-	-
Total comprehensive income for the year		1,322,983	1,236,297

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	NOTES	2026 \$	2025 \$
Assets			
Current assets			
Cash	7	2,066,146	2,059,727
Other receivables	8	77,676	147,633
Inventories	9	208,786	258,658
Prepayments		328,496	252,045
Income tax receivable		3,225	3,225
Total current assets		2,684,329	2,721,288
Non-current assets			
Property, plant and equipment	10	51,639,145	53,854,512
Investment property	11	2,385,771	2,508,867
Intangible assets	12	1,168,259	1,168,259
Total non-current assets		55,193,175	57,531,638
Total assets		57,877,504	60,252,926
Liabilities and equity			
Current liabilities			
Trade and other payables	14	2,175,366	2,303,841
Interest-bearing loans and borrowings	15	3,360,000	3,360,000
Employee benefit liabilities	16	1,169,217	1,091,469
Other liabilities	17	49,585	56,997
Total current liabilities		6,754,168	6,812,307
Non-current liabilities			
Interest-bearing loans and borrowings	15	12,914,900	16,554,900
Employee benefit liabilities	16	139,513	156,203
Other liabilities	17	157,847	141,423
Total non-current liabilities		13,212,260	16,852,526
Total liabilities		19,966,428	23,664,833
Equity			
Retained earnings		37,911,076	36,588,093
Total equity		37,911,076	36,588,093
Total liabilities and equity		57,877,504	60,252,926

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 2026

	RETAINED EARNINGS \$	TOTAL \$
At 1 July 2025	36,588,093	36,588,093
Profit for the year	1,322,983	1,322,983
Other comprehensive income	-	-
Total comprehensive income for the year	1,322,983	1,322,983
At 30 June 2026	37,911,076	37,911,076
At 1 July 2024	35,351,796	35,351,796
Profit for the year	1,236,297	1,236,297
Other comprehensive income	-	-
Total comprehensive income for the year	1,236,297	1,236,297
At 30 June 2025	36,588,093	36,588,093

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 2026

	NOTES	2026 \$	2025 \$
Operating activities			
Receipts from customers		36,549,645	35,620,888
Payments to suppliers and employees		(30,732,039)	(29,264,076)
Interest received		47,177	74,816
Interest paid		(1,049,350)	(1,379,935)
Net cash flows from operating activities		4,815,433	5,051,693
Investing activities			
Proceeds from sale of property, plant and equipment		266,061	31,795
Purchase of property, plant and equipment		(1,435,075)	(1,653,762)
Net cash flows used in investing activities		(1,169,014)	(1,621,967)
Financing activities			
Repayment of borrowings		(3,640,000)	(5,205,100)
Net cash flows (used in)/from financing activities		(3,640,000)	(5,205,100)
Net increase/(decrease) in cash and cash equivalents		6,419	(1,775,374)
Cash and cash equivalents at 1 July		2,059,727	3,835,101
Cash and cash equivalents at 30 June	7	2,066,146	2,059,727

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

1. CORPORATE INFORMATION

The financial report of Shellharbour Workers’ Club Ltd (the “Company” or “Club”) for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 24 August 2026.

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 new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2026 do not materially impact the financial statements of the Company.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the annual reporting year ended 30 June 2026. The Company intends to adopt these new and amended standard and interpretations when they become effective.

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 2026 of \$1,322,983 (2025: \$1,236,297), and as at that date the Company’s total current liabilities exceeded total current assets by \$4,069,839 (2025: \$4,091,019) and the Company’s total assets exceeded total liabilities by \$37,911,076 (2025: \$36,588,093).

The Company generated net cash inflows from operating activities for the year ended 30 June 2026 of \$4,815,433 (2025: \$5,051,693) and has \$10,025,100 of unused financing facilities available for use at 30 June 2026 (2025: \$9,745,100). 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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

p) (Continued) Employee benefit liabilities

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

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

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.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

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

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.

w) Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in the presentation of the statement of profit or loss and other comprehensive income but resulting in no impact to the profit for the year.

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 2026

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:

	2026 \$	2025 \$
Types of goods or service		
Sale of goods	10,413,855	10,086,026
Rendering of services	21,991,411	21,394,398
Total revenue from contracts with customers	32,405,266	31,480,424
Timing of revenue recognition		
Goods transferred at a point in time	10,413,855	10,086,026
Services transferred at a point in time	21,836,514	21,265,941
Services transferred over time	154,897	128,457
Total revenue from contracts with customers	32,405,266	31,480,424

5. OTHER INCOME/EXPENSES

a. Other income

	2026 \$	2025 \$
Rental income	903,852	992,422

b. Employee benefits expense

	2026 \$	2025 \$
Salaries and wages	8,473,488	8,404,666
Superannuation expenses	1,014,529	951,629
Other employee expenses	480,479	459,826
	9,968,496	9,816,121

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

5. OTHER INCOME/EXPENSES (CONTINUED)

c. Other operating expenses

	2026 \$	2025 \$
Bar indirect expenses	176,147	158,526
Catering indirect expenses	404,791	379,729
Gaming indirect expenses	693,056	793,853
Poker machine tax	5,403,517	5,283,131
Advertising and promotional expenses	2,354,130	1,924,943
Loss on disposal of property, plant and equipment	3,220	1,529
Donations	439,793	413,077
Maintenance costs	733,874	635,949
Club services	2,308,245	2,195,317
Members expenses	85,978	92,113
Administration costs	1,077,539	799,855
Total other operating expenses	13,680,290	12,678,022

6. INCOME TAX

a) The major components of income tax (benefit)/expense for the years ended 30 June 2026 and 2025 are:

	2026 \$	2025 \$
Deferred tax:		
Relating to the origination and reversal of temporary differences	-	(235,191)
Income tax (benefit)/expense reported in the statement of profit or loss	-	(235,191)

b) A reconciliation of tax (benefit)/expense and the accounting profit multiplied by Australia's domestic tax rate for 2026 and 2025:

	2026 \$	2025 \$
Accounting profit before tax	1,322,983	1,001,106
At Company's statutory income tax rate of 30% (2025: 25%)	396,895	300,332
Recognition of deferred tax balances not previously recognised	-	(177,747)
Tax losses not recognised	459,571	448,489
Non-deductible expenses for tax purposes:		
Net income from members not subject to tax	(1,047,333)	(877,034)
Other non-deductible differences	190,867	70,769
Aggregate income tax (benefit)/expense	-	(235,191)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

6. INCOME TAX (CONTINUED)

Deferred tax

Deferred tax relates to the following:

	1 JULY 2025 \$	DEFERRED TAX BENEFIT RECOGNISED IN PROFIT OR LOSS \$	30 JUNE 2026 \$
Borrowing costs	938	(295)	643
Prepayment	(5,639)	(2,144)	(7,783)
Provisions	100,688	57,018	157,706
Fixed assets	(380,134)	79,425	(300,709)
Poker machines	(16,911)	64,068	47,157
Tax losses	301,058	(198,072)	102,986
Net deferred tax liabilities	-	-	-

	1 JULY 2024 \$	DEFERRED TAX EXPENSE RECOGNISED IN PROFIT OR LOSS \$	30 JUNE 2025 \$
Blackhole deductions	16,297	(16,297)	-
Borrowing costs	998	(60)	938
Prepayment	(7,419)	1780	(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
Net deferred tax liabilities	(235,191)	235,191	-

The Company has recognised deferred tax assets in respect of tax losses that arose in Australia of \$102,986 (2025: \$301,058) 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 (2025: \$nil)

7. CASH

	2026 \$	2025 \$
Cash on hand	1,014,094	1,237,445
Cash at bank	1,052,052	822,282
	2,066,146	2,059,727

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

8. OTHER RECEIVABLES

	2026 \$	2025 \$
Current		
Sundry debtors	49,246	147,633
Other receivables	28,430	-
	77,676	147,633

9. INVENTORIES

	2026 \$	2025 \$
Stock on hand	208,786	258,658

During 2026, \$3,830,919 (2025: \$3,603,840) 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 \$
Cost						
At 1 July 2025	55,802,252	32,322,738	11,131,795	88,028	271,588	99,616,401
Additions	71,653	150,624	387,626	-	825,172	1,435,075
Transfers	954,183	-	-	-	(954,183)	-
Disposals	-	-	(325,005)	-	-	(325,005)
At 30 June 2026	56,828,088	32,473,362	11,194,416	88,028	142,577	100,726,471
Accumulated depreciation						
At 1 July 2025	14,346,422	22,668,230	8,692,516	54,721	-	45,761,889
Depreciation charge for the year	973,458	1,818,198	585,636	3,869	-	3,381,161
Disposals	-	-	(55,724)	-	-	(55,724)
At 30 June 2026	15,319,880	24,486,428	9,222,428	58,590	-	49,087,326
Net book value						
At 30 June 2026	41,508,208	7,986,934	1,971,988	29,438	142,577	51,639,145
At 30 June 2025	41,455,830	9,654,508	2,439,279	33,307	271,588	53,854,512

Additions in capital work in progress include interest capitalised during the year amounting to \$nil (2025: \$nil)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

11. INVESTMENT PROPERTY

	LAND AND BUILDINGS INVESTMENT - CHILDCARE \$
Cost	
At 1 July 2025	3,553,314
At 30 June 2026	3,553,314
Accumulated depreciation	
At 1 July 2025	1,044,447
Depreciation charge for the year	123,096
At 30 June 2026	1,167,543
Net book value	
At 30 June 2026	2,385,771
At 30 June 2025	2,508,867

12. INTANGIBLE ASSETS

	LICENCES \$
Cost	
At 1 July 2025	1,168,259
At 30 June 2026	1,168,259
Net book value	
At 30 June 2026	1,168,259
At 30 June 2025	1,168,259

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 2026

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:

	2026 \$	2025 \$
Not later than 1 year	433,547	416,872
Later than 1 year but not later than 5 years	654,571	858,920
	1,088,118	1,275,792

14. TRADE AND OTHER PAYABLES

	2026 \$	2025 \$
Current		
Trade payables	1,035,679	1,001,663
Other creditors and accruals	997,132	1,155,040
GST payable	142,555	147,138
	2,175,366	2,303,841

15. INTEREST-BEARING LOANS AND BORROWINGS

	2026 \$	2025 \$
Current		
Primary bank loan (i)	3,360,000	3,360,000
Non-current		
Primary bank loan (i)	12,914,900	16,554,900

- (i) The loan matures in 28 February 2029 and is subject to quarterly repayments. The interest rate for 2026 as at reporting date is 5.06% (2025: 5.58%) 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 2026

15. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

	2026 \$	2025 \$
Loan facility limits		
Primary bank loan	26,300,000	29,660,000
Loan facilities available		
Primary bank loan	10,025,100	9,745,100

16. EMPLOYEE BENEFIT LIABILITIES

	2026 \$	2025 \$
Current		
Annual leave	706,382	711,701
Long service leave	462,835	379,768
	1,169,217	1,091,469
Non-current		
Long service leave	139,513	156,203

17. OTHER LIABILITIES

	2026 \$	2025 \$
Current		
Members’ subscriptions in advance	49,585	56,997
Non-current		
Members’ subscriptions in advance	157,847	141,423

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

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:

	2026 \$	2025 \$
Remuneration/honorarium	1,197,274	1,063,403

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 CONTINGENCIES

Capital commitments

The Company had no capital commitments as at 30 June 2026 (2025: \$nil).

Contingencies

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 2026 (2025: \$nil).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

20. AUDITOR’S REMUNERATION

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

	2026 \$	2025 \$
<i>Amounts received or due and receivable by Ernst & Young (Australia) for:</i>		
An audit or review of the financial report	97,690	93,390
Tax compliance	10,500	9,500
Compliance of financial statements	8,000	7,668
	116,190	110,558

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 (2025 : \$ 2.00) each. At 30 June 2026, the number of members is 24,875 (2025 : 26,526).

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:

- 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 2026 and its performance for the year ended on that date; and
 - complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act* is true and correct;

On behalf of the board



Brian Goodall
Director
24 August 2026



Peter Cooper
Director
24 August 2026



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

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 2026, 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:

- giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
- 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:

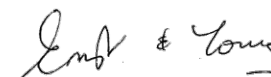
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

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
24 August 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

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