

ANNUAL REPORT



**DAPTO
LEAGUES
CLUB**
ESTD 1955



THE GRANGE

OUR VISION

To be the leading venues in quality hospitality and customer service, financially secure and socially responsible.



OUR MISSION

To provide our members, guests and visitors with outstanding hospitality and leisure experiences and to support our local region by being a major employer of choice and by helping local sporting and community orientated organisations.



PRESIDENT'S REPORT

WITH DAVID SMITH



It gives me great pleasure to present the 2025 President's Report in the year of Dapto Leagues Club's 70th birthday.

The Club continues posting strong financial results, with this year's profit of \$1,450,130, and with revenue of some \$31.4 million. Our Club is in a very strong financial position. With the Club's first stage development starting on 25th August 2025, with the construction of a brand new multi-storey car park, which will increase our capacity to 377 car spaces. The undercover parking will give us direct entry to the Club. The car park will also feature a 350kw solar array, to help with the cost of power.

First stage will also feature a new reception area along with a new food and beverage outlet, a cafe style venue with a larger menu as well as alfresco area, to give our members and guests more ways to enjoy the Club.

I would like to say thank you to our CEO David Hiscox, the management team, and all our staff for their hard work and dedication over the past year. David and his team have done an excellent job in keeping our Club strong and growing, as well as being debt free. The Grange continues to perform strongly and also had another very strong year, well done to our Golf Operations Manager Matt Carter and his team at The Grange.

Also, I would like to thank my Board for their support, hard work and dedication given to myself and club over the past year.

Our Club is now 70 years old. What a milestone. What a great day the 12th of July was celebrating 70 incredible years of DLC, and many more 70th birthday celebrations to come between now and the end of the year. Thank you to Bronwyn Newman and her marketing team for their hard work in putting all this together.

A huge thank you to all our past and present members to which totals 27,000+ today for being so supportive of our club. A special mention to our founding members and life members past and present, thank you for all you have done in making this club what it is today.

This year also saw two long serving gentleman leave our Club. Matt Gooden who started here over 38 years ago as a cook and worked his way up to become Food, Beverage and Operations Manager of our Club. Well done and thank you for all your hard work and dedication you have given to DLC all the best to you, your wife Rosie and family for the future in your retirement.

Ted Bate being the other gentlemen to leave the Club this year due to personal reasons, Ted served 32 years on the Board in many different roles. His last position being Jr Vice President Ted is also a Life Member of both the Leagues Club and Dapto Rugby League Football Club, and was President of the Junior League Club for over 27 years. Thank you for all your hard work and dedication you have given to both of these Clubs and all the best to you and your family for the future.

Finally – To all our members, I wish you and your families good health and all the very best for 2026.

David Smith
President

OUR COMMUNITY

Community Grants

We are part of and support a range of organisations and initiatives within both our local and wider community, this is central to our ethos of social responsibility.

WE HAVE PROUDLY GIVEN \$800,000 IN CASH AND IN KIND DONATIONS to various charities, local projects and community groups in 2024.

CLUBGRANTS 2025 CATEGORY 1 FUNDING COMMITMENT

These organisations and the many others we contribute to could not provide adequate services to our community without our financial support

CareWays Community Inc.
Hayes Park P&C Association
Healthy Cities Illawarra
Illawarra Drug Awareness Group
Learning Links
Raise Foundation
Riding for the Disabled
Association Illawarra Centre

St Vincent DePaul Dapto
Supported Accommodation
and Homelessness
Services Shoalhaven Illawarra
The Smith Family
The Top Blokes
Foundation

SPORTING & OTHER COMMUNITY GRANTS

We're active people - which makes sense given our sporting history.
We are active supporters of our local sporting & community groups including:

Lake Illawarra VIEW Club
Autism Spectrum Australia (Aspect)
Dapto Chiefs Baseball Club Inc
Dapto Combined Probus
Dapto Cricket Club Inc
Dapto Hockey Club
Dapto JRLFC
Dapto Lions Club
Dapto Little Athletics
Dapto Netball Club Inc
Dapto Phoenix FC
Dapto Physical Culture Club

Dapto Public School
Dapto Red Cross
Dapto Rural Fire Brigade
Dapto Swimming Club
Dapto Toastmasters Club
Football South Coast
Hayes Park P&C Association
Illawarra Numismatic Association
Lakeside Lions JFC
Mount Brown P&C Association
Rotary Club of Dapto
Wollongong Branch NSW GBOTA

DAPTO LEAGUES CLUB LTD

ABN 52 001 020 480

ANNUAL FINANCIAL REPORT 30 JUNE 2025

Dapto Leagues Club Ltd

Directors' Report

The directors present their report, together with the financial statements of Dapto Leagues Club Ltd (the company) for the year ended 30 June 2025.

Directors

The directors of the company in office at any time during or since the end of the financial year are:

Name	Occupation	Period of directorship (years)
David Smith	Retired	26
Michael Clark	Retired	26
Edward Bate *	Retired	32
Ron Adams	Retired	12
David Jones	Business Engineer	8
Gary Tozer	Retired	51
Alex Constandinidis	Maintenance Officer	3
Robert Sykes	Delivery Driver	2
Nikolce Trajkovski	Alternative Transport Planner	2
Kristie-Lea Ruprecht **	Bank Officer	1

* Retired 29 July 2025

** Appointed 29 July 2025

Directors' meetings

The number of meetings of the company's Board of Directors (the Board) and of each board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

Director	BOARD MEETINGS	
	Number of Meetings Attended	Number of Meetings Held*
David Smith	12	13
Michael Clark	13	13
Edward Bate	8	13
Ron Adams	11	13
David Jones	11	13
Gary Tozer	12	13
Alex Constandinidis	12	13
Robert Sykes	12	13
Nikolce Trajkovski	12	13

* Number of meetings held during the time the director held office during the year.

Dapto Leagues Club Ltd

Directors' Report

Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2025 and the comparison with last year is as follows:

	2025	2024
Ordinary	27,171	26,667
Life	12	13
	27,183	26,680

Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. The total liability in the event of winding up is \$54,366 (2024: 53,380).

Operating result

The table below shows a reconciliation of earnings before interest, income tax, depreciation, amortisation and impairment losses (EBITDA).

	2025 \$	2024 \$
Net profit after income tax expense attributable to members	1,450,130	1,977,166
Add back:		
Depreciation and amortisation expense	2,912,302	2,624,296
Finance costs	5,607	22,092
EBITDA	4,368,039	4,623,554

Objectives

The short and long term objective for the club is to continue to trade successfully by delivering quality food, beverages, gaming, golfing and function facilities whilst meeting community needs.

Dapto Leagues Club Ltd

Directors' Report

Strategy for achieving the objectives

1. **Capture the Local Market**
Develop a clear understanding of how the local market is changing, and what its future needs will be.
2. **Growing Market**
Ensure the club has the capacity to capture and meet the needs of its growing market.
3. **Execute Masterplan**
Develop and commence the masterplan for the main venue that will ensure the club is placed to meet the needs of its growing and changing market.
4. **Financial Strength**
Improve the club's financial strength and, in turn, its ability to fund and execute the masterplan.
5. **Strong Governance**
Assess the current governance framework and determine what change is required to ensure the ongoing success of the club.

Principal activities

The principal activities of the company during the financial year were those of a leagues club and golf club. No significant change in the nature of these activities occurred during the year.

Performance measurement and key performance indicators

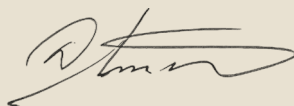
The club uses industry accepted KPIs and budget tracking to monitor performance in terms of service delivery to members, financial results and liquidity levels.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the directors.

Dated at Dapto the 28th day of October 2025.



David Smith
President

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF DAPTO LEAGUES CLUB LTD

As lead auditor of Dapto Leagues Club Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Clayton Eveleigh
Director

BDO Audit Pty Ltd

Dapto, 28 October 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Dapto Leagues Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dapto Leagues Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors report, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 that gives a true and fair view in accordance with Australian Accounting Standards 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 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 related 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 has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



Clayton Eveleigh
Director

Dapto, 28 October 2025

Dapto Leagues Club Ltd

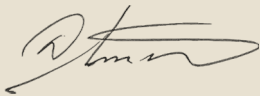
Directors' Declaration

The directors of the company declare that:

- (a) In the Directors' opinion the financial report and notes set out on pages 9 to 28 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the company's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards - Simplified Disclosures; the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (c) The information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to section 295 (5)(a) of the *Corporations Act 2001*.

Dated at Dapto on 28th October 2025.



David Smith
President

Dapto Leagues Club Ltd

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Sale of goods revenue		10,338,816	10,574,750
Rendering of services revenue		21,032,848	20,091,279
Other income		67,626	121,448
Total revenue and other income	1	31,439,290	30,787,477
Expenses			
Raw materials and consumables used		(4,154,529)	(4,265,826)
Employee benefits expense		(10,474,121)	(9,876,355)
Depreciation and amortisation		(2,912,302)	(2,624,296)
Finance costs		(5,607)	(22,092)
Grants and donations paid		(372,877)	(373,185)
Sponsorship expenses		(434,750)	(427,517)
Marketing and promotional expenses		(1,747,443)	(1,510,237)
Poker machine licences and taxes		(4,286,136)	(4,100,081)
Occupancy expenses		(1,888,570)	(1,833,254)
Repairs and maintenance		(293,829)	(289,542)
Subscriptions		(678,190)	(602,323)
Other expenses		(2,740,806)	(2,885,603)
Total expenses		(29,989,160)	(28,810,311)
Profit before income tax		1,450,130	1,977,166
Income tax expense	2	-	-
Net profit after income tax expense		1,450,130	1,977,166
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of property, plant & equipment	4	-	8,672,311
Other comprehensive income for the year, net of tax		-	8,672,311
Total comprehensive income for the year		1,450,130	10,649,477

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 30.

Dapto Leagues Club Ltd

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		5,780,659	3,063,545
Inventories		438,855	411,872
Financial assets	3	-	1,000,000
Other current assets		285,027	328,041
Total Current Assets		6,504,541	4,803,458
Non-Current Assets			
Financial assets		750	750
Property, plant and equipment	4	57,005,454	57,285,158
Intangible assets	5	961,290	979,794
Total Non-Current Assets		57,967,494	58,265,702
Total Assets		64,472,035	63,069,160
LIABILITIES			
Current liabilities			
Trade and other payables	6	1,711,768	1,986,342
Financial liabilities	8	18,775	74,984
Employee benefits	7	1,815,410	1,631,086
Other provisions		91,279	76,683
Income received in advance		500,815	516,342
Total Current Liabilities		4,138,047	4,285,437
Non-Current Liabilities			
Employee benefits	7	184,030	170,930
Financial liabilities	8	87,035	-
Total Non-Current Liabilities		271,065	170,930
Total Liabilities		4,409,112	4,456,367
Net Assets		60,062,923	58,612,793
Members' Funds			
Reserves	9	18,504,130	18,504,130
Retained earnings		41,558,793	40,108,663
Total Members' Funds		60,062,923	58,612,793

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 30.

Dapto Leagues Club Ltd
Statement of Changes in Members' Funds
For the Year Ended 30 June 2025

	Reserves \$	Retained Earnings \$	Total Members' Funds \$
Balance at 1 July 2023	9,831,819	38,131,497	47,963,316
Net profit after income tax expense for the year	-	1,977,166	1,977,166
Other comprehensive income for the year, net of tax	8,672,311	-	8,672,311
Total comprehensive income for the year	8,672,311	1,977,166	10,649,477
Balance at 30 June 2024	18,504,130	40,108,663	58,612,793
Net profit after income tax expense for the year	-	1,450,130	1,450,130
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,450,130	1,450,130
Balance at 30 June 2025	18,504,130	41,558,793	60,062,923

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 30.

Dapto Leagues Club Ltd
Statement of Cash Flows
For the Year Ended 30 June 2025

	2025 \$	2024 \$
Cash Flows from Operating Activities		
Receipts from customers (inclusive of GST)	34,492,324	33,742,662
Payments to suppliers and employees (inclusive of GST)	(30,253,439)	(28,668,462)
Rent received	29,604	108,149
Interest received	37,500	12,500
Finance costs paid	(5,607)	(22,092)
Net cash inflow from operating activities	4,300,382	5,172,757
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,473,034)	(2,020,139)
Transfers from/(to) term deposits	1,000,000	(1,000,000)
Net cash outflow from investing activities	(1,473,034)	(3,020,139)
Cash Flows from Financing Activities		
Repayment of borrowings	-	(438,100)
Lease payments	(110,234)	(98,956)
Net cash outflow from financing activities	(110,234)	(537,056)
Net increase in cash and cash equivalents	2,717,114	1,615,562
Cash and cash equivalents at the beginning of the financial year	3,063,545	1,447,983
Cash and cash equivalents at the end of the financial year	5,780,659	3,063,545

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 30.

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

About this report

Dapto Leagues Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia and is a non-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Dapto Leagues Club Ltd as a standalone legal entity.

The financial statements were approved for issue by the Directors on 28th October 2025.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for not-for-profit orientated entities;
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Estimation of useful lives of assets	Note 4
Fair Value of land and buildings	Note 4
Impairment of poker machine entitlements	Note 5

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Revenue and Other Income

	2025 \$	2024 \$
Sale of Goods Revenue		
Bar and catering sales	10,143,689	10,406,439
Pro shop sales	195,127	168,311
	10,338,816	10,574,750
Rendering of Services Revenue		
Poker machines - net clearances	17,873,380	17,166,076
Members' subscriptions	701,526	653,717
Entertainment and promotions	435,896	425,573
Keno and TAB sales	402,263	400,095
Commission received	182,060	196,011
Golf club revenue	1,155,034	974,783
Sundry income	282,689	275,024
	21,032,848	20,091,279
Other Income		
Interest received	37,500	12,500
Rent received	29,604	108,149
Other income	522	799
Total other income	67,626	121,448
Total Revenue and Other Income	31,439,290	30,787,477

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Sale of Goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at the point in time when the performance obligation is satisfied, that is, on delivery of goods to the customer.

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Revenue and Other Income (continued)

Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at the point in time the services are provided.

Golf club revenue comprises competitions fees, green fees, cart hire fees and sponsorship sales. Revenue is recognised at the point in time the services are provided.

Members' subscriptions are payable in advance which represents fees for a one year or three-year membership, and the membership fees are generally paid for the year from July to June. Membership subscription revenue is recognised over time, through the period to which it relates. Any membership subscription revenue relating to periods beyond the current financial year is carried forward in the Statement of Financial Position as income received in advance.

Interest Income

Interest income is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Rent Income

Rent income is recognised on a straight-line basis over the term of the relevant lease.

2 Income Tax

The club only pays tax on income derived other than from members. The club has carried forward losses for income tax purposes and has therefore incurred no income tax expense for the current year.

Deferred Tax Assets Not Taken to Account

Deferred tax assets attributable to tax losses carried forward and temporary differences has not been recognised as an asset because recovery is not probable:

	2025 \$	2024 \$
Tax losses carried forward	285,560	285,560
Temporary differences - employee provisions	88,510	81,309
	374,070	366,869

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Income Tax (continued)

Recognition and Measurement

Current tax assets and liabilities are measured at the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted in Australia by the reporting date.

The company calculates its income in accordance with the mutuality principle which excludes from taxable income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. Poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations. Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

These benefits will only be obtained if:

- i) The company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised;
- ii) The company continues to comply with the conditions for deductibility imposed by law; and
- iii) No changes in tax legislation adversely affect the company in realising the benefit.

3 Financial assets

	2025 \$	2024 \$
Current		
Term deposits	-	1,000,000

Recognition and Measurement

Financial assets comprise of term deposits with a maturity of greater than 3 months. The amounts were transferred out of term deposits and into operating cash balances during the financial year.

Dapto Leagues Club Ltd
Notes to the Financial Statements
For the Year Ended 30 June 2025

4 Property, Plant and Equipment

	2025 \$	2024 \$
Freehold Land and Buildings <i>At revalued amount, less accumulated depreciation</i>	49,744,142	50,825,833
Plant and Equipment <i>At cost</i>	12,909,354	15,527,536
<i>Accumulated depreciation</i>	(9,291,008)	(12,084,773)
	3,618,346	3,442,763
Poker Machines <i>At cost</i>	7,328,680	11,445,266
<i>Accumulated depreciation</i>	(5,256,491)	(9,331,815)
	2,072,189	2,113,451
Total plant and equipment	5,690,535	5,556,214
Capital work in progress <i>At cost</i>	1,570,777	903,111
Total property, plant and equipment net book value	57,005,454	57,285,158

Refer to Note 8 for details of security over property, plant and equipment.

Valuation

An independent valuation by Howden Insurance Brokers Pty Ltd of the company's freehold land and buildings was carried out on 30 April 2024 on the basis of open market value for existing use and resulted in a valuation of \$51,000,000.

The Directors have reviewed the carrying amount of the land & buildings at 30 June 2025 and determined there to be no material change to the fair value derived at 30 June 2024.

Dapto Leagues Club Ltd
Notes to the Financial Statements
For the Year Ended 30 June 2025

4 Property, Plant and Equipment (continued)

	2025 \$	2024 \$
Reconciliations		
Movements in Carrying Amounts		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:		
Land and Buildings		
Carrying amount at beginning of year	50,825,833	43,192,667
Additions	47,973	177,424
Transfers from WIP	331,849	-
Revaluation increment	-	8,672,311
Depreciation expense	(1,461,513)	(1,216,569)
Carrying amount at end of year	49,744,142	50,825,833
Plant and Equipment		
Carrying amount at beginning of year	3,442,763	3,974,068
Additions	529,335	255,649
Transfers from WIP	471,388	-
Disposals	(61,861)	-
Depreciation expense	(763,279)	(786,954)
Carrying amount at end of year	3,618,346	3,442,763
Poker Machines		
Carrying amount at beginning of year	2,113,451	1,844,174
Additions	630,882	870,044
Disposals	(3,138)	-
Depreciation expense	(669,006)	(600,767)
Carrying amount at end of year	2,072,189	2,113,451
Capital work in progress		
Carrying amount at beginning of year	903,111	206,095
Additions	1,470,903	697,016
Transfers to land and buildings, plant & equipment	(803,237)	-
Carrying amount at end of year	1,570,777	903,111

Dapto Leagues Club Ltd
Notes to the Financial Statements
For the Year Ended 30 June 2025

4 Property, Plant and Equipment (continued)

Core Properties held by the Club are:

- Licensed premises at Princes Highway, Kembla Grange
- Car park at Princes Highway, Kembla Grange
- Golf course at Princes Highway, Kembla Grange
- Squash centre at 123 Lakelands Drive, Dapto

Non-core Properties held by the Club are:

- Licensed premises at Bong Bong Road, Dapto
- Car park at Station Street, Dapto
- Commercial property located at Princes Highway, Kembla Grange
- Land used for the greenkeepers shed at Princes Highway, Kembla Grange
- Land which does not form part of the golf course at Princes Highway, Kembla Grange

Recognition and Measurement

Freehold land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same class of land and buildings recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to that class of land and buildings.

All other property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	2.5%
Plant and Equipment	10 - 30%
Poker Machines	20 - 30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

4 Property, Plant and Equipment (continued)

Recognition and Measurement (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Key Estimate and Judgement: Estimated useful lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Key Estimate and Judgement: Fair value of Land and Buildings

The fair value of land and buildings is determined by the use of independent valuations performed by external registered valuers performed on at least triennial basis. The valuations are performed on the basis of open market value for existing use and are determined using comparable sales evidence of similar assets. The valuation methodology involves significant estimates and judgements in relation to the fair value of land and buildings.

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

5 Intangible Assets

	2025 \$	2024 \$
Poker machine entitlements <i>At cost</i>	888,914	888,914
Software and brand development costs <i>At cost</i>	186,475	186,475
<i>Accumulated amortisation</i>	(114,099)	(95,595)
Net carrying value	961,290	979,794
Reconciliations		
Movements in Carrying Amounts		
Carrying amount at beginning of year	979,794	999,800
Amortisation	(18,504)	(20,006)
Carrying amount at end of year	961,290	979,794

Recognition and Measurement

Poker Machine Entitlements

Poker machine entitlements are considered to be intangible assets with an indefinite life as there is no set term for holding the entitlements. As a result the entitlements are not subject to amortisation. Instead, poker machine entitlements are tested for impairment annually and are carried at cost less accumulated impairment losses. Poker machine entitlements are not considered to have an active market, hence the recoverable amount is calculated using the value in use method, based on management's five year forecasts.

Key Estimate and Judgement: Impairment of Poker Machine Entitlements

Impairment of poker machine entitlements is recognised based on a value-in-use calculation and is measured at the present value of the estimated future cash flows available to the company from the use of these entitlements. In determining the present value of the future cash flows, assumptions regarding growth rates and appropriate discount factors have been applied to the cash flows.

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlements based on the value-in-use methodology. The company use pre-tax cash flows generated from the poker machines net revenues generated and calculated the present values of these future cash flows at a discount rate of 5.00%, to arrive at the total value of these entitlements. The value-in-use for each entitlement is calculated by dividing the total value of the entitlements with the actual number of poker machines. The value-in-use calculated by management was in excess of the carrying value and accordingly no impairment losses were recognised.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive. No reasonable change in the underlying assumptions would result in an impairment to the assets.

Dapto Leagues Club Ltd
Notes to the Financial Statements
For the Year Ended 30 June 2025

6 Trade and Other Payables

	2025 \$	2024 \$
Trade payables	593,102	739,628
Other payables and accrued expenses	1,118,666	1,246,714
	1,711,768	1,986,342

Recognition and Measurement

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

7 Employee benefits

	2025 \$	2024 \$
Current		
Provision for annual leave	1,050,512	953,093
Provision for long service leave	764,898	677,993
	1,815,410	1,631,086
Non-current		
Provision for long service leave	184,030	170,930

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

Inflation rate	4.25%	4.23%
Discount rate	4.20%	3.93%

Superannuation contributions

The company is under a legal obligation to contribute 11.5% of each employee's base salary to a superannuation fund. The company has no legal or constructive obligation to fund any deficit.

	2025 \$	2024 \$
Defined contribution superannuation expense	961,111	869,792

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

7 Employee benefits (continued)

Recognition and Measurement

The employee benefits liability represents accrued wages and salaries, leave entitlements and other incentives recognised in respect of employees' services up to the end of the reporting period. These liabilities are measured at the amounts expected to be paid when they are settled and include related on-costs, such as worker's compensation insurance, superannuation and payroll tax.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Superannuation Plan

The company contributes to defined contribution superannuation plans. Contributions are recognised as an expense as they are made.

8 Financial Liabilities

	2025 \$	2024 \$
Current		
Secured		
Bank loans	-	-
Lease liabilities	18,775	74,984
	18,775	74,984
Non-Current		
Secured		
Lease liabilities	87,035	-
	87,035	-

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

8 Financial Liabilities (continued)

Financing Arrangements

The company has access to the following lines of credit:

Total facilities available:

Bank loans	3,500,000	4,700,000
Bank guarantee	5,600	5,600
Asset finance facilities	105,810	85,862

	<u>3,611,410</u>	<u>4,791,462</u>
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Facilities utilised at reporting date:

Bank loans	-	-
Bank guarantee	5,600	5,600
Asset finance facilities	105,810	74,983

	<u>111,410</u>	<u>80,583</u>
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Bank Loans

All bank loans are denominated in Australian dollars. The bank loans amount in current liabilities comprises the portion of the company's bank loan payable within one year. The bank loans non-current balance represents the portion of the company's bank loans not due within one year.

The facilities in place throughout the period bear interest at the weighted average of the interest rates applicable to each of the loan and asset finance facilities. The weighted average interest rate is 6.3% (2024: 2.92%).

Security

The bank loans are secured by registered first mortgages over the present and future rights, property and undertakings of the company.

The carrying amount of the pledged assets is as follows:

	2025 \$	2024 \$
Freehold land and buildings	49,744,142	50,825,833
Total pledged	<u>49,744,142</u>	<u>50,825,833</u>

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

8 Financial Liabilities (continued)

Recognition and Measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of borrowings using the effective interest method.

Borrowings are classified as non-current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Lease liabilities

The Club has hire purchase and lease agreements during the financial year. The agreements relate to the hire of a motor vehicle, against which the facility is secured, as well as the lease of poker machine assets for the Club gaming facilities.

Recognition and Measurement

A lease asset and a lease liability are recorded at their fair value at the inception of the lease or, if lower at the present value of the minimum lease payments.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

9 Reserves

	2025 \$	2024 \$
Revaluation reserve	18,504,130	18,504,130

Revaluation reserve

The revaluation reserve is used to recognise increments and decrements in the fair value of land and buildings.

10 Key Management Personnel Details

(a) Directors

The following persons were non-executive directors of the company during the financial year:

David Smith	Gary Tozer
Michael Clark	Alex Constandinidis
Edward Bate (retired 29 July 2025)	Robert Sykes
Ron Adams	Nikolce Trajkovski
David Jones	

(b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year:

Name	Position
David Hiscox	Chief Executive Officer
Bronwyn Newman	Gaming and Marketing Manager
Matt Gooden	Food and Beverage Operations Manager
Matt Carter	Golf Operations Manager

(c) Key Management Personnel Compensation

	2025 \$	2024 \$
Benefits and payments made to the Directors and Other Key Management Personnel	932,619	947,741

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2025

11 Related Parties

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 10.

Transactions with Related Parties

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

Receivable From and Payable to Related Parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

12 Auditors' Remuneration

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company:

	2025 \$	2024 \$
Audit services		
Audit of the financial statements	43,250	41,000
Other services		
Financial statement preparation	5,250	5,000
Preparation and lodgement of income calculations and tax return	7,640	7,250
	56,140	53,250

Dapto Leagues Club Ltd

Notes to the Financial Statements

For the Year Ended 30 June 2024

13 Commitments

Capital Expenditure Commitments

The Club does not have any commitments for capital expenditure as at 30 June 2025 (2024: \$nil).

	2025 \$	2024 \$
Management Fees		
Management fee payments are payable as follows:		
Within one year	66,049	64,438
One year or later and no later than five years	198,147	257,750
Minimum management fee payments	264,196	322,188

The company has engaged with an independent advisor to provide advisory and management services for the Grange under an agreement that expiring at 30 June 2029.

14 Company Details

The Club is incorporated and domiciled in Australia as a company limited by guarantee. At 30 June 2025 there were 27,183 members (2024: 26,690).

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter.

The registered office of the company is:

Dapto Leagues Club Ltd
Bong Bong Road
DAPTO NSW 2530

15 Events Subsequent to Reporting Date

In July 2025, the Club entered a construction agreement with Integrated Projects Pty Limited for the construction of stage 1 of the Club Master Plan, being the Car Park development. The Club has contractually committed to expenditure under a cost-plus arrangement, currently estimated to be worth \$18,060,000 over the project. The project is expected to be completed by December 2026 and will be funded through existing cash reserves and a new debt facility. The Club has entered into a debt facility to the value of \$18,500,000 with ANZ, subsequent to the signing of the above agreement. The facility is a construction facility to be drawn down over the course of the project works, and at project completion will be re-negotiated with the lender into a longer term facility.

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

Dapto Leagues Club Ltd

Consolidated Entity Disclosure Statement As at 30 June 2025

Dapto Leagues Club Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements.

As a result, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

NOTES



DAPTO LEAGUES CLUB

ESTD 1955

VISIT Cnr Station St & Bong Bong Rd, Dapto NSW

PHONE 02 4261 1333 EMAIL info@daptoleagues.com.au

DAPTOLEAGUES.COM.AU

 [daptoleagues](https://www.facebook.com/daptoleagues)  [daptoleaguesclub](https://www.instagram.com/daptoleaguesclub)



T H E G R A N G E

VISIT 10 Kembla Grange Pl, Kembla Grange NSW

PHONE 02 4261 1647 EMAIL info@thegrangegolfclub.com.au

THEGRANGEGOLFCLUB.COM.AU

 [grangegolfclub](https://www.facebook.com/grangegolfclub)  [thegrangegolf_club](https://www.instagram.com/thegrangegolf_club)

