



the
Builders
Club

2025 ANNUAL **REPORT**

ILLAWARRA MASTER BUILDERS CLUB LIMITED
ABN: 58 001 029 492
FOR THE YEAR ENDED 30 JUNE 2025

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ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2025

ANNUAL GENERAL MEETING 2025

NOTICE is hereby given of a General Meeting of **THE ILLAWARRA MASTER BUILDERS' CLUB LIMITED** to be held on **Sunday 26 October 2025** commencing at **9.30am**. **(The Club will open at 9.00am only for those attending the AGM)** at the premises of the Club, Church Street, Wollongong, New South Wales

Agenda

1. Confirmation of quorum.
2. Apologies.
3. Minutes of previous annual meeting to be received.
4. Business arising from minutes.
5. President's report.
6. To receive and consider the directors' report, financial statements and Auditors report for the financial year ended 30 June 2025.
7. Election of Officers
8. To consider and if thought fit, pass the Ordinary Resolution contained in this Notice.
9. To consider and if thought fit, pass the two Special Resolutions contained in this Notice to amend the Club's Articles of Association.
10. General Business

NOTICE OF ORDINARY RESOLUTION

Pursuant to the Registered Clubs Act the members hereby approve the following payments and benefits and agree that these payments and benefits are not available to members generally but only to those who are elected as members of the Committee of The Club and the other persons referred to below:

- (a) The payment of the sum of \$10000 to the Chairman of the Committee and the sum of \$2000 to each of the other members of the Committee elected at the Annual General Meeting held on 27 October 2024
- (b) The reasonable expenses incurred by members of the Committee for travelling in relation to their duties as members of the Committee and as approved by the Committee from time to time provided such expenses are supported by the production of invoices, receipts or other documentary evidence of such expenditure.
- (c) The reasonable cost of members of the Committee attending the Annual General Meeting and Trade Conference of Clubs NSW, other industry associations and other seminars, lectures, trade displays and other similar events as may be determined by the Committee from time to time.
- (d) The reasonable cost of members of the Committee attending other registered Clubs for the purpose of viewing and assessing the facilities of those clubs and methods of operation, provided such attendances are approved by the Committee as being necessary in the interests of the Club.
- (e) The provision of a suitably inscribed Club blazer and uniform for each member of the Committee.
- (f) The provision of a car park space in the Club's car park for each member of the Committee.
- (g) The reasonable cost of a meal and refreshments for each member of the Committee immediately before, during or immediately after a Committee meeting.
- (h) The reasonable costs of each member of the Committee and their spouse/partner attending Dinners and other Club or Industry Functions where appropriate and required to represent the Club.
- (i) The reasonable costs of each Honorary Life Member and member of the Committee and their spouse/partner attending an Annual Dinner at the Club.

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2025**

NOTICE OF SPECIAL RESOLUTIONS

First Special Resolution

[The First Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Illawarra Master Builders Club Ltd be amended by:

(a) deleting from the definition of "Officers" in Article 1 the words "Vice Presidents, Honorary Treasurer," and inserting the words "the Vice President".

(b) **deleting** Articles 23(b) and 23(c) and inserting the following:

(b) As and from the conclusion of the Annual General Meeting of the Club held in 2026, and for the purposes of the election of the committee to be held in that year, the Committee shall consist of the president, Vice President, and four (4) ordinary directors.

(c) Directors holding office as Junior Vice President and the Honorary Treasurer shall, as from the conclusion of the Annual General Meeting held in 2025, hold office as ordinary directors."

(c) **deleting** from Article 24 the words "a Vice President" and **inserting** the words "the Vice President."

(d) **deleting** from Article 24 the words "no Vice President" and **inserting** the words "the Vice President".

(e) **deleting** from Article 28(a) the words "The President, Senior Vice President, Junior Vice President, Honorary Treasurer, and ordinary members of the Committee" and in their place **inserting** the words "The directors".

(f) **deleting** the first sentence of Rule 28(b) and in its place **inserting** the words "The offices of the President, Vice President and two other members of the Committee shall be held by members of the Club who are or have been Master Builder members of the Master Builders Association of New South Wales."

(g) **deleting** from Articles 28(g), and 28(h) the words "for any particular office" and in their place **inserting** the words "for the positions to be elected that year in accordance with the Triennial Rule set out in Rule 28(a)".

(h) **renumbering** Article 28(k) as 28(l) and **inserting** a new Article 28(k):

"As soon as practicable after each annual general meeting, the directors then holding office shall meet to elect from among their number the President and Vice President, who, subject to this Constitution, would then hold office until the next meeting of directors held pursuant to this Article in the following year."

(i) **deleting** from renumbered Article 28(k) the words "both Vice Presidents and Treasurer" and **inserting** the words "the Vice President, and two (2) other directors who satisfy the condition in Article 28(b) of being or have been a member of the Master Builders Association of New South Wales. If there be more than two (2) other directors who are or have been a member of the Master Builders Association of New South Wales, all directors who satisfy that requirement shall elect from their number two (2) such directors to be part of the Executive."

(j) **deleting** from Article 46 the words "a Vice President" and **inserting** the words "the Vice President".

(k) **deleting** from Article 46 the words "no Vice President" and **inserting** the words "the Vice President".

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2025

Notes to Members on First Special Resolution

1. The First Special Resolution proposes to make two changes to the structure of the Board and the method of election.
2. First, the First Special Resolution proposes to change the composition of the Board. Currently, the Board consists of a President, a Senior Vice President, a Junior Vice President, an Honorary Treasurer and two ordinary directors. Of these directors, the President, Senior Vice President, Junior Vice President and Honorary Treasurer must be, or formerly have been, members of the Master Builders Association of New South Wales.
3. If the First Special Resolution is passed, the Board will consist of a President, Vice President and four (4) ordinary directors. Two of the four ordinary directors will still have to be members or former members of the Master Builders Association of New South Wales. However, the positions and structure of the Board will be amended as set out above.
4. The Board is proposing this change so that the Club's governance structure reflects up to date arrangements in relation to board structure and corporate governance. All directors have responsibility for the management, business, affairs, and financial status of the Club.
5. Previously, this Club, along with many other clubs, had specific officers to reflect the fact that committees and boards were more involved in day to day operations of a registered club. Nowadays, boards are not engaged in day to day operations but have the overall responsibility for the Club. For example, functions previously performed by a "Honorary Treasurer" are now performed by the Club's management staff, external accountants and verified in accordance with the Corporations Act and accounting standards by the Club's auditor.
6. The second change is to amend the method of electing the particular specific positions on the Board, which moving forward, if the Special Resolution is passed, will be the positions of President and Vice President.
7. The Board is elected under the Triennial Rule contained in Schedule 3 of the Registered Clubs Act, where each year, a third of the Board is elected to hold office for a three (3) year term.
8. Currently, members directly elect the officeholders referred to in note 1 above. This means that members, for example, directly elect the President and a person so elected as President holds office for three (3) years, subject to the Constitution and the Corporations Act.
9. The First Special Resolution proposes a change in this method of electing the specific officeholders so that:
 1. the members elect a third of the Board each year directors; and
 2. the directors who are elected hold office for three (3) years under the Triennial Rule as is currently the case; and
 3. after each Annual General Meeting, the directors who are then holding office will meet to select from among their number directors to hold the offices of President and Vice President for the next 12 months.
10. The Board is proposing this method of electing the specific officeholders, sometimes referred to as the collegiate method of election, so that after each Annual General Meeting, the directors could look around the table and see who has the best skill set to serve in a particular role for the next twelve (12) months.

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2025**

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Illawarra Master Builders Club Ltd be amended by:

- (a) **inserting** the following words at the end of Rule 2.

"A reference to a notice or document being in writing includes a reference to writing in soft copy or electronic form."

- (a) **deleting** Rules 15(b) and (c) and inserting the following new Rule:

Any person whose ordinary place of residence is in New South Wales and is more than such minimum distance, if any, from the premises of the Club as determined by the Board.

- (a) **deleting** Articles 59 to 64 and **inserting** the following new Articles:

"59 A notice may be given by the Club to any member either:

- (a) personally; or*
- (b) by sending it by post to the address of the member recorded for that member in the Register of Members kept pursuant to this Constitution;*
- (c) by sending it by any electronic means;*
- (d) by notifying the member, either personally, by post, or electronically, that the notice is available and how the member can access the notice; or*
- (e) by any other method permitted by the Corporations Act.*

60 *Where a notice is given personally, it is taken to have been received on the date of service.*

61 *Where a notice is sent by post to a member in accordance with Rule 44.1 the notice shall be deemed to have been received by the member on the day following that on which the notice was posted.*

62 *Where a notice is sent by electronic means, the notice is taken to have been received on the day following that on which it was sent.*

63 *Where a member is notified of a notice in accordance with Rule 59.1(d), the notice is taken to have been received on the day following that on which the notification was sent.*

64 *A member who does not provide an email address or mobile phone number to allow for notices to be sent electronically is deemed to have consented to receiving notices of general meetings by the Club publishing a copy of the notice on the website"*

- (a) **inserting** the following new Rule 70(g):

Notwithstanding any other provision of this Constitution, and having regard to the objects of the Liquor Act and the Gaming Machines Act, the Anti Money Laundering Counter Terrorism Funding Act, Board has power to

- (a) implement house polices in connection with those laws;*
- (b) include in those polices measures to assist in the objects and enforcement of those laws;*

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2025

- (c) *take steps to enforce those policies; and*
- (d) *without limiting the generality of Rule 70(c), include in those policies provisions allowing the Club to prevent anyone (including members) from entering the premises if the Board, the Secretary or the Secretary's delegate determine that such action is necessary for the purposes of these policies and the provisions of Rule 20, and the principles of natural justice and procedural fairness, shall not apply to any such decision."*

Notes to Members on Special Resolution

1. The Special resolution proposes a number of amendments to the Club's Constitution to update the document and ensure that it reflects current provisions of the Corporations Act and Registered Clubs Act, to improve the drafting throughout the document, and ensure it is in good order, up to date, and reflects best practice.
2. **Paragraph (a)** clarifies that a reference to notification in writing to members includes electronic notification.
3. **Paragraph (b)** will amend the Rules in relation to Temporary membership. In 2024, the Registered Clubs Act was amended to remove reference to what was called the "5 kilometre rule", which provided that Temporary membership was only available to persons who lived outside of a 5 kilometre radius from the Club's premises. The effect of that amendment is that persons who live within that radius
4. **Paragraph(c)** amends the Constitution in relation to sending notices of meetings and other notices to members to make greater use of technology and reflect current provisions of the Corporations Act.
5. **Paragraph (d)** includes a new rule to reflect the fact that the Club has to have policies for key legislative requirements and include in those policies rules to enforce them, including exclusion from the premises outside of the Club's disciplinary rules.

Procedural matters

1. Amendments to each of the Special Resolutions will not be permitted from the floor of the meeting other than for minor typographical or clerical corrections which do not change the substance or effect of a Special Resolution.
2. To be passed, each Special Resolution requires votes from not less than three quarters of those members who being eligible to do so, vote in person on the Special Resolution at the Annual General Meeting.
3. Under the *Registered Clubs Act* proxy voting is prohibited and members who are employees of the Club are ineligible to vote.
4. The Board of the Club recommends that members vote in favour of each of the Special Resolutions as they will keep the Club's Constitution current with relevant legislation affecting clubs

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
MINUTES OF 2024 ANNUAL GENERAL MEETING**

MINUTES OF ANNUAL GENERAL MEETING HELD SUNDAY 27th OCTOBER 2024

MEETING OPENED: 9.33AM

PRESENT	42 eligible members
APOLOGIES	Rik McCann Moved Peter Adlington (10267) and Seconded Bridget Dowling (23430) that the apology be accepted
MINUTES OF PREVIOUS AGM	Minutes of Previous Annual General Meeting presented. Moved Vince Weine (13625) and Seconded Val Leiner (8391) that the minutes of the 2023 Annual General Meeting be accepted.
BUSINESS ARISING	No Business arising
PRESIDENTS REPORT	President presented his report. Moved John Carr (3) and Seconded Vince Weine (13625) that the Presidents report be adopted.
AUDITORS REPORT & BALANCE SHEET	Moved Paul Ferguson (1593) and Seconded Ron Dives (1577) that the Auditors Report be adopted.
ELECTION OF OFFICERS	Under the triennial rule two positions are up for election from Group 3 Treasurer – Paul Burns - elected unopposed General Committee - Peter Leiner - elected unopposed Proposed Resolution Moved Diane Burns (7496) and Seconded Val Leiner (8391) that: Pursuant to the Registered Clubs Act the members hereby approve the following payments and benefits and agree that these payments and benefits are not available to members generally but only to those who are elected as members of the Committee of The Club and the other persons referred to below: a) The payment of the sum of \$10,000 to the Chairman of the Committee and the sum of \$1,000 to each of the other members of the Committee elected at the Annual General Meeting held on 29 October 2023 b) The reasonable expenses incurred by members of the Committee for travelling in relation to their duties as members of the Committee and as approved by the Committee from time to time provided such expenses are supported by the production of invoices, receipts or other documentary evidence of such expenditure c) The reasonable cost of members of the Committee attending the Annual General Meeting and Trade Conference of Clubs NSW or other seminars, lectures, trade displays and other similar events as may be determined by the Committee from time to time. d) The reasonable cost of members of the Committee attending other registered Clubs for the purpose of viewing and assessing the facilities of those clubs and methods of operation, provided such attendances are approved by the Committee as being necessary in the interests of the Club.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
MINUTES OF 2024 ANNUAL GENERAL MEETING

MINUTES OF ANNUAL GENERAL MEETING HELD SUNDAY 27th OCTOBER 2024

- (a) The provision of a suitably inscribed Club blazer and uniform for each member of the Committee.
- (b) Each member of the Committee is entitled to the use of a designated car parking space in the Club's car park.
- (c) The reasonable cost of a meal and refreshments for each member of the Committee immediately before, during or immediately after a Committee meeting.
- (d) The reasonable costs of each member of the Committee and their spouse/partner attending Dinners and other Club or Industry Functions where appropriate and required to represent the Club.
- (e) The reasonable costs of each Honorary Life Member and member of the Committee and their spouse/partner attending an Annual Dinner at the Club.

GENERAL BUSINESS

Peter Adlington (10267) asked if the snooker tables could be brought back and placed into an area to attract the university students back.

Phillip Hine (3164) asked if the golden nugget promotion be re installed for Christmas. Mr Fulcher advised that we haven't finalised our upcoming promotions but there will definitely be something for Christmas.

Elaine Hart (9749) asked if extra hand rails could be placed in more toilet cubicles not just the ambulant ones. Management to look at this

Ian MacPherson (5010) asked if promotions can be conducted not just by an email or smart phone as not everyone has access to these. Management advised that more promotions will be coming via our kiosk.

Brian Carlon (3073) stated that the Club had done a magnificent job in the sports bar and asked for an additional 2 large screens either side of the big screen for when there are different events on at the same time. He also spoke about the screen in the lounge area and asked if this could be relocated. Management to look at

Mark Waldock (17588) thanked and congratulated Richard Bone for his time at the Club and for his vision in creating the Club you see now.

Richard Bone (34) thanked the Directors for the support given to him especially during the tough covid and construction years. He feels being the best Club in the Illawarra comes down to Board stability and strong leadership.

MEETING CLOSED 9.50 AM

ILLAWARRA MASTER BUILDERS CLUB LIMITED
PRESIDENTS REPORT
FOR THE YEAR ENDED 30 JUNE 2025

It is with great pleasure that I present the report for the 2024/25 financial year.

I am proud to announce that the Club achieved an EBITDA of more than \$3.6 million this year—an exceptional result. On behalf of the Board of Directors, I sincerely thank our members for your continued support and patronage. It is wonderful to see so many people enjoying our Club each day, and we remain committed to delivering the high standards of service that our growing membership expects.

I would also like to acknowledge General Manager Graham Fulcher and his management team for their dedication and hard work over the past year. Their commitment has been vital to our success.

The Club continues to invest in our community, contributing more than \$195,000 to local initiatives and sporting organisations. A full list of these recipients can be found on the final page of this Annual Report.

While no major building projects were undertaken this year, we have made progress in sustainability programs, including the installation of EV charging stations and planning for future solar initiatives. Additional improvements to member services are also planned for the coming year.

Our food and beverage offerings continue to be a highlight, with strong member support and repeat patronage across our dining outlets. I extend my gratitude to our staff for their consistent effort, particularly during our busiest periods, in delivering outstanding service.

In addition to our strong food and beverage offerings, our entertainment program has continued to thrive. This past year we have welcomed a wide range of comedians, musicians, and tribute acts, all of which have been well received by members and guests alike. These events add to the vibrant atmosphere of the Club and create memorable experiences for our community. Looking ahead, we plan to further expand our entertainment calendar to ensure there is something for everyone to enjoy.

Finally, to those who have lost loved ones this year, I extend my deepest condolences. To those who have faced illness, I wish you strength and a speedy recovery.

Your President

Brian Burns

ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The Board of Directors of Illawarra Master Builders Club Limited (hereafter referred to as "the Company") has pleasure in submitting the annual financial report for the year ending 30 June 2025.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name of Directors	Position	Occupation/Qualifications
B Burns	President	Builder
P Burns	Treasurer	Builder
R McCann	Snr Vice President	Builder
J Dowling	Jnr Vice President	Builder
P Leiner	Director	Hospitality
B Dore	Director	Retired
G Fulcher	General Manager	

Company Secretary

The Company Secretary is Graham Fulcher. Graham was appointed to the position on 28 June 2024.

Meetings of Directors

During the financial year, Twelve (12) meetings of Directors were held. Attendances by each Director were as follows:

Directors	Number eligible to attend	Number attended
B Burns	12	11
P Burns	12	12
R McCann	12	10
J Dowling	12	11
P Leiner	12	11
B Dore	12	12
Management		
G Fulcher	12	12

Principal Activities

The principal activity of the Company during the course of the financial year was the operation of registered clubs. There were no significant changes in the nature of the activities of the Company during the year.

Operating Result

The surplus/(deficit) of the Company for the financial year after providing for income tax amounted to:

2025	2024
\$	\$
1,027,111	338,422

ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

Objectives

The objectives of the Company is to maintain, and continually develop, a modern social and entertainment venue providing a high level of service consistent with the expectations of members, guests and visitors to the Company.

To maintain the ongoing financial viability of the Company and to continue to support sporting activities and provide financial and in-kind support to other community and welfare organisations.

Strategy for achieving the objectives

The principal strategies of the Company include:

- Offering a broad range of entertainment and social activity;
- Maintaining high levels of customer service;
- Providing a safe and rewarding working environment for Club staff;
- Pursuing new marketing opportunities; and
- Maximising return from property holdings.

Performance measures

Performance is compared regularly against relevant industry and internal benchmarks to assess the performance of strategic initiatives, and to measure the effectiveness in achieving short and long term objectives.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$2 each member.

The total amount that members of the Company are liable to contribute if the Company is wound up is \$38,644 based on 19,322 current ordinary members.

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 immediately after this directors' report.



Brian Burns
Director
Date: 24 September 2025



John Dowling
Director
Date: 24 September 2025

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2025**

To the Directors of Illawarra Master Builders Club Limited:

I declare that, to the best of my knowledge and beliefs, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Ben Fock
Registered Company Auditor
Wollongong
Date: 26 September 2025

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HLB Mann Judd (Wollongong) Pty Ltd is a member of HLB International, the global advisory and accounting network.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
Revenue	2	23,541,346	20,980,906
Other Income	2	64,121	67,807
Bar & Catering Expense		(3,968,648)	(3,810,180)
Cleaning Expense		(489,216)	(443,517)
Consultancy Expense		(168,553)	(183,487)
Depreciation	3	(1,665,443)	(1,596,569)
Donations		(146,687)	(161,232)
Employee Benefits Expense		(7,956,277)	(7,351,687)
Finance Costs	3	(913,695)	(947,542)
Gaming Expense		(3,354,157)	(2,771,893)
Insurance Expense		(316,079)	(304,413)
Promotion Expense		(1,116,402)	(973,611)
Rental Expense		(49,814)	(46,480)
Repairs & Maintenance		(705,431)	(534,290)
Security Expense		(500,795)	(495,391)
Utilities Expense		(730,362)	(654,856)
General Expenses		(496,797)	(435,143)
Surplus before income tax expense		1,027,111	338,422
Income Tax (expense)/refund	4	-	-
Surplus after income tax expense for the year		1,027,111	338,422
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings, net of tax		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		1,027,111	338,422

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	1,180,022	1,003,318
Trade and Other Receivables	6	53,698	50,007
Inventories	7	253,065	217,631
Other Current Assets	8	73,384	53,543
TOTAL CURRENT ASSETS		1,560,169	1,324,499
NON-CURRENT ASSETS			
Property ,Plant & Equipment	9	51,271,516	51,883,369
Investment Property	10	1,145,000	1,145,000
Intangibles	11	207,411	207,411
TOTAL NON-CURRENT ASSETS		52,623,928	53,235,780
TOTAL ASSETS		54,184,096	54,560,279
LIABILITIES			
CURRENT LIABILITIES			
Trade and other Payables	13	1,161,098	1,043,822
Financial Liabilities	14	707,705	663,263
Contract Liabilities	15	43,734	56,478
Employment Benefits	16	750,037	664,777
TOTAL CURRENT LIABILITIES		2,662,573	2,428,340
NON-CURRENT LIABILITIES			
Financial Liabilities	14	11,380,285	13,012,655
Contract Liabilities	15	61,289	62,912
Employment Benefits	16	65,733	69,267
TOTAL NON-CURRENT LIABILITIES		11,507,307	13,144,834
TOTAL LIABILITIES		14,169,880	15,573,174
NET ASSETS		40,014,216	38,987,105
EQUITY			
Asset Revaluation Reserve		15,211,997	15,211,997
Retained Surpluses		24,802,219	23,775,108
TOTAL EQUITY		40,014,216	38,987,105

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Retained Surpluses	Asset Revaluation Reserve	Total Equity
Balance at 1 July 2023	23,436,686	15,211,997	38,648,683
Surplus after income tax expense for the year	338,422	-	338,422
Total comprehensive income for the year	-	-	-
Balance at 30 June 2024	23,775,108	15,211,997	38,987,105
Surplus after income tax expense for the year	1,027,111	-	1,027,111
Total comprehensive income for the year	-	-	-
Balance at 30 June 2025	24,802,219	15,211,997	40,014,216

Asset Revaluation Reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

		2025	2024
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members, Visitors and Government		23,587,409	21,040,432
Payments to Suppliers and Employees		(19,855,494)	(17,834,913)
Interest Received		-	-
Finance Costs		(913,695)	(947,542)
Income Tax Refund		-	-
Net Cash Provided by Operating Activities	22	<u>2,818,219</u>	<u>2,257,977</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	9	<u>(1,116,106)</u>	<u>(2,536,258)</u>
Net Cash used in Investing Activities		<u>(1,116,106)</u>	<u>(2,536,258)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		1,298,920	1,561,155
Repayment of Borrowings		(2,400,000)	(300,000)
Hire purchase payments		(424,329)	(522,367)
Net Cash provided in Financing Activities		<u>(1,525,409)</u>	<u>738,788</u>
Net Increase in Cash Held		176,704	460,507
Cash at the Beginning of the Financial Year	21	1,003,318	542,811
Net Cash at the End of the Financial Year	21	<u>1,180,022</u>	<u>1,003,318</u>

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

General information

The financial statements cover Illawarra Master Builders Club Limited as an individual Company. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office & Principal place of business

61 Church Street
Wollongong NSW 2500

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 September 2025. The Directors have the power to amend and reissue the financial statements.

NOTE 1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the 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.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in this note.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1. MATERIAL ACCOUNTING POLICIES (continued)

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. 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 lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 15, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassess whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1. MATERIAL ACCOUNTING POLICIES (continued)

Goods and Services Tax ('GST') and other similar taxes (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

	2025	2024
	\$	\$
NOTE 2. REVENUE		
<i>Revenue from contracts with customers</i>		
Gaming	12,064,223	10,572,764
Bar and Catering	10,586,077	9,649,564
Entertainment Income	397,340	344,496
Commissions	421,403	394,141
Members Subscriptions	72,304	19,941
	<u>23,541,346</u>	<u>20,980,906</u>
<i>Other Revenue</i>		
Profit on Sale of Non Current Assets	-	-
Rent Received	62,895	58,920
Other Income	1,227	8,887
Government Subsidies	-	-
Interest Received	-	-
	<u>64,121</u>	<u>67,807</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 2. REVENUE (continued)

The Company operates in one geographical location being Australia.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Goods Sold

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods. It is measured at the fair value of the consideration received or receivable and is recognised in profit or loss when a customer obtains control of the goods or services. No revenue is recognised if there is significant uncertainty regarding recovery of consideration due.

Gaming revenue

Poker machine revenue is recognised in profit loss, net of prizes and jackpots, once the underlying games have been completed. Other gaming revenue is recognised in profit or loss when the underlying gaming event has been completed.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

NOTE 3. EXPENSES

Surplus before income tax includes the following specific expenses:

	2025 \$	2024 \$
Depreciation - Gaming	756,793	700,914
Depreciation - Fixtures, Fittings & Equipment	362,259	362,259
Depreciation - Motor Vehicle	13,396	13,396
Depreciation - Buildings	532,995	520,000
Total Depreciation	<u>1,665,443</u>	<u>1,596,569</u>
Fees paid to or owed to auditors of the Company - Mr Ben Fock (HLB Mann Judd)	38,280	36,260
Finance costs - interest and finance charges paid on borrowings	894,309	928,156
Finance costs - interest on lease liabilities	19,386	19,386
	<u>913,695</u>	<u>947,542</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 4. INCOME TAX		
Income tax expense has been calculated as follows:		
Profit for the year before income tax	1,027,111	338,422
Less Profit Attributable to Members	-	-
Taxable Income/(Loss)	<u>1,027,111</u>	<u>338,422</u>
Tax Losses from previous years	-	-
Total Tax Income/(Loss)	<u><u>1,027,111</u></u>	<u><u>338,422</u></u>

The Company pays income tax on income derived other than from members.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

NOTE 5. CASH AND CASH EQUIVALENTS

Current		
Cash at Bank and in Hand	1,179,932	1,003,229
Short-Term Bank deposits	<u>89</u>	<u>89</u>
	<u><u>1,180,022</u></u>	<u><u>1,003,318</u></u>

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 6. TRADE AND OTHER RECEIVABLES

Current		
Trade Receivables	<u>53,698</u>	<u>50,007</u>
	<u><u>53,698</u></u>	<u><u>50,007</u></u>

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NOTE 7. INVENTORIES

Current - at cost		
Inventory	250,215	216,871
Other inventory	<u>2,850</u>	<u>760</u>
	<u><u>253,065</u></u>	<u><u>217,631</u></u>

Inventory is stated at the lower of cost and net realisable value on a 'first in first out' basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTE 8. OTHER CURRENT ASSETS

Current		
Prepayments	<u>73,384</u>	<u>53,543</u>
	<u><u>73,384</u></u>	<u><u>53,543</u></u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 9. PROPERTY, PLANT AND EQUIPMENT		
Non-current		
Land at Directors Valuation	17,440,000	17,440,000
Buildings at Directors Valuation	26,000,000	26,000,000
Building Development - at cost	4,747,248	4,615,364
Less Accumulated Depreciation Building	<u>(1,559,992)</u>	<u>(1,039,996)</u>
Total Buildings	<u>29,187,256</u>	<u>29,575,368</u>
Total Land and Buildings	<u>46,627,256</u>	<u>47,015,368</u>
Plant and Equipment at Cost	11,955,542	12,111,721
Less Accumulated Depreciation	<u>(7,311,282)</u>	<u>(7,243,720)</u>
	<u>4,644,260</u>	<u>4,868,001</u>
Total Property, Plant and Equipment	<u>51,271,516</u>	<u>51,883,369</u>

The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued on 30 June 2022 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date.

Property, plant and equipment includes right of use assets of \$783,885 related to leased assets . Further information is at Note 12.

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land	Buildings	Plant and Equipment	Total
Balance at 1 July 2023	17,440,000	29,575,368	4,868,001	51,883,369
Additions	-	131,885	984,221	1,116,106
Transfers	-	-	-	-
Net effect of disposals	-	-	(63,629)	(63,629)
Depreciation Expense	-	(520,000)	(1,144,330)	(1,664,330)
Carrying amount at 30 June 2024	<u>17,440,000</u>	<u>29,187,253</u>	<u>4,644,263</u>	<u>51,271,516</u>

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. 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. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 9. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.0%
Poker Machines	20% to 25%
Plant and equipment	7.5% to 20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

As required under section 41J of the Registered Clubs Amendment Act 2006, the Club is required to specify the core property and non-core properties owned and occupied as at the end of the financial year. Core property: Land and buildings at 61 Church Street Wollongong.

Non-core property: Land and buildings, 55 Campbell Street, Wollongong

NOTE 10. INVESTMENT PROPERTY

	2025 \$	2024 \$
Opening balance	1,145,000	1,145,000
Fair value adjustment	-	-
Closing balance	<u>1,145,000</u>	<u>1,145,000</u>

Investment properties comprise investment interests in buildings held for the purpose of leasing to produce rental income and/or for capital appreciation. Investment properties are carried at fair value. The calculation of fair value requires estimates and assumptions which are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Investment properties are not depreciated as they are subject to continual maintenance and regularly revalued on the basis described below. Changes in the fair value of investment properties are recognised directly in the income statement.

NOTE 11. INTANGIBLES

Non-current

Poker Machine Licenses Purchased	<u>207,411</u>	<u>207,411</u>
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Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Balance at 1 July	207,411	207,411
Additions	-	-
Amortisation	-	-
Carrying amount at 30 June	<u>207,411</u>	<u>207,411</u>

The Company currently owns 215 Poker machine entitlements. The value of these intangible assets in accordance with accounting standards, are not recorded in the statement of financial position except for poker machine entitlements purchased from other entities. Poker machine entitlements have indefinite useful lives given they have no expiry date.

Non-financial 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 of disposal 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.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 13. TRADE AND OTHER PAYABLES

Current - Unsecured		
Trade Payables	544,742	428,264
Income tax	-	-
Sundry Payables and Accrued Expenses	616,356	615,558
	<u>1,161,098</u>	<u>1,043,822</u>

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and 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.

NOTE 14. FINANCIAL LIABILITIES

Current		
- Bank Overdraft	-	-
- Secured Bank Loans	300,000	300,000
- Hire Purchase	407,705	363,263
	<u>707,705</u>	<u>663,263</u>
Non-Current		
- Secured Bank Loans	11,242,005	12,887,286
- Lease Liability	138,280	125,369
	<u>11,380,285</u>	<u>13,012,655</u>
Total Financial Liabilities	<u>12,087,990</u>	<u>13,675,918</u>

The bank holds first registered mortgages over all land and buildings along with a floating charge over all the assets of the Company to cover bank loans, overdraft and corporate credit facilities.

The Commonwealth Bank of Australia (CBA) has provided a loan facility of \$13,500,000 to fund recent building renovations. The loan was interest only for 2 years. Principal and interest repayments commenced in August 2022.

The bank loans are principal and interest payment loans, repayable in monthly instalments and due to mature in 2026. The variable interest rate ranges from 4.39% to 7.60% as at 30 June 2025 (2024: 4.35% to 7.35%).

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Net Finance Costs

Interest income or expense is recognised using the effective interest method. Finance costs comprise interest expense on borrowings.

NOTE 15. CONTRACT LIABILITIES

	2025	2024
	\$	\$
Current		
Membership in advance	43,734	56,478
	<u>43,734</u>	<u>56,478</u>
Non-Current		
Membership in advance	61,289	62,912
	<u>61,289</u>	<u>62,912</u>

Contract liabilities represent the Company's obligations to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 16. EMPLOYEE BENEFITS		
Current		
Employee Entitlements	750,037	664,777
	<u>750,037</u>	<u>664,777</u>
Non-Current		
Employee Entitlements	65,733	69,267
	<u>65,733</u>	<u>69,267</u>

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Superannuation expense	<u>725,265</u>	<u>660,351</u>
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Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTE 17. KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

Aggregate Compensation	<u>559,949</u>	<u>786,686</u>
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Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity, is considered key management personnel. The totals of remuneration paid to key management personnel of the Company during the year is above.

NOTE 18. RELATED PARTY TRANSACTIONS

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 Director's interests subsisting at year end.

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

The Directors are paid an Honorarium of \$10,000 for the Chairman and \$1,000 per Director as approved by the members at the AGM dated 29 Oct 2022.

NOTE 19. CONTINGENT LIABILITIES

Estimates of material amounts of contingent liabilities not provided for in the accounts, arising from:

Bank Guarantee in favour of the TAB	<u>5,000</u>	<u>5,000</u>
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NOTE 20. CAPITAL COMMITMENTS

Capital expenditure commitments contracted for net of GST and not provided for in the accounts.

Current		
Building Renovations	348,055	1,002,000
Plant & Equipment	<u>370,595</u>	<u>98,500</u>
	<u>718,650</u>	<u>1,100,500</u>

NOTE 21. EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which 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 subsequent financial years other than noted in the Directors Report.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 22: CASH FLOW INFORMATION	2025	2024
	\$	\$
Reconciliation of cash on hand		
Cash at Bank	1,180,022	1,003,318
Bank Overdraft	-	-
	<u>1,180,022</u>	<u>1,003,318</u>
Reconciliation of Cash Flow from Operations with Surplus/(deficit) after income tax		
Surplus after income tax	1,027,111	338,422
Non cash flows:		
Depreciation	1,665,443	1,596,569
Gain on sale of vehicles	-	-
Changes in Assets and Liabilities		
(Increase) in Receivables	(3,692)	(32,649)
(Increase)/Decrease in Inventories	(35,434)	62,677
(Increase)/Decrease in Other Current Assets	(19,842)	57,465
Increase/ (Decrease) in Payables	117,276	134,900
(Decrease)/ Increase in Contract Liabilities	(14,367)	24,366
Increases in Employee Benefits	81,726	76,225
Net cash provided by operating activities	<u>2,818,219</u>	<u>2,257,975</u>

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2025**

The Directors of Illawarra Master Builders Club Limited declare that, in the Director's opinion:

The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards - Simplified Disclosures, Corporations Regulations 2001 and other mandatory professional reporting requirements;

The attached financial statements and notes give 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

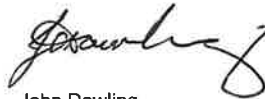
There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Brian Burns
Director
Date: 24 September 2025



John Dowling
Director
Date: 24 September 2025

INDEPENDENT AUDIT REPORT

To the members of Illawarra Master Builders Club Limited,

Opinion

I have audited the financial report of Illawarra Master Builders Club Limited ("the Company") which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- a) Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001; and

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the Code") that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 have no realistic alternative but to do

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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INDEPENDENT AUDIT REPORT

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Ben Fock
Registered Company Auditor
Wollongong
Date: 26 September 2025

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DONATIONS AND COMMUNITY SUPPORT
FOR THE YEAR ENDED 30 JUNE 2025**

**DONATIONS AND COMMUNITY SUPPORT
2024/2025**

University of Wollongong Football Club
Wollongong Mustangs Gridiron
Illawarra District Rugby Union
George Cross Falcons Men's Shed
North Wollongong Surf Life Saving Club
Stroke Recovery Association NSW
The Disability Trust
NSW Government Schools - Five Islands Secondary College
Saint Vincent de Paul Society West Wollongong Conference
Saint Vincent de Paul Society
The Shepherd Centre – For Deaf Children
Wollongong Homeless Hub and Housing Services
Cancer Patients Foundation
Need A Feed
Vision Australia
Ed.U.Play Illawarra
Master Builders Association NSW
Vision Australia
Wollongong Homeless Hub and Housing Services