



**Central Charlestown
Leagues Club Limited**

ACN 000 964 849

**Annual Financial Report
for the year ended 30 June 2025**

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Annual financial report for the year ended 30 June 2025

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These financial statements are the financial statements of Central Charlestown Leagues Club Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 3 October 2025. The Directors have the power to amend and reissue the financial statements.

Director's report

Your Directors present their report on Central Charlestown Leagues Club Limited (the Club) for the year ended 30 June 2025.

Directors details

The following persons were Directors of Central Charlestown Leagues Club Limited during the financial year, and up to the date of this report:

Mrs Dianne Pascoe

President
Director since 2019
Retired

Mr Phillip Blackford

Director
Director since 2019
Operations and Finance Manager

Mr Thomas Colquhoun

Director
Director since 2013
Businessman

Mrs Elizabeth Day

Director
Director since 2020
Retired

Mr Stephen Leggett

Director
Director since 2020
Business Owner

Mr Gary Cutmore

Vice President
Director since 2022
Business Owner

Mr Greg Dickinson

Vice President
Director since 2023
Business Person

Mr Dennis Molloy

Director
Director since 2024
Retired

Mrs Julia Mathias

Director
Appointed 29 October 2024
Human Resources Consultant

Company secretary

Beven Paul was the Company Secretary until September 2024 and Scott Hudson has been the Clubs Secretary since September 2024. He also was acting CEO from September 2025 to January 2025, where he stepped into the role permanently.

Director's meetings

The number of Board and Committee meetings the Directors held during the year and the number of meetings attended by each Director is shown in the table below:

Board members	Board meetings	
	A	B
Mrs Dianne Pascoe	12	12
Mr Phillip Blackford	12	12
Mr Thomas Colquhoun	12	12
Mrs Elizabeth Day	12	8
Mr Stephen Leggett	12	7
Mr Gary Cutmore	12	12
Mr Greg Dickinson	12	11
Mr Dennis Molloy	12	11
Mrs Julia Mathias (appointed 29 October 2024)	9	5

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Director's report (cont.)

Core and non-core property

Pursuant to Section 41E(5) of the *Registered Clubs Act 1976 (NSW)* for the financial year ended 30 June 2025, the following land and buildings are considered to be core and non-core property:

Core - Land and building in which the Club and carpark are located being 8 Bula Street, Charlestown NSW 2290.

Principal activities

During the year, the principal activities of the Club was the running of the Club in accordance with its objectives for the benefit of its members and promoting the game of rugby league.

Short-term and long-term objectives

The Club's objectives are to:

- Provide the best facilities available to members and their guests; and
- Facilitate and promote the game of rugby league.

Strategy for achieving short and long-term objectives

During the year the principal activities of the Club consisted of:

- (a) In line with the Strategic Plan, maintain or increase existing revenue levels and control costs to return to profitability which will allow the Club's premises to be continually improved.

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

Performance measurement

The Club measures its performance against industry benchmarks, gross profit percentage and wages to sales percentages to measure the financial performance of trading areas such as bar, bistro and gaming. The Club also uses EBITDA to measure the financial performance of the Club overall.

Environmental regulation

The Club's operations are not regulated by any significant environmental regulations under the law of the Commonwealth or of a state or territory of Australia.

Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

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 and forms part of this Directors' report.

This report is made in accordance with a resolution of the Directors.



Dianne Pascoe - Chairperson



Gary Cutmore - Director

Dated: 3 October 2025
Charlestown, NSW

Auditor's independence declaration

To the Directors of Central Charlestown Leagues Club Limited

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Central Charlestown Leagues Club Limited for the year ended 30 June 2025, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 3 October 2025
Newcastle West, NSW

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

		2025	2024
	Notes	\$	\$
Revenue from continuing operations	2	5,157,539	4,722,705
Other Income	3	544,455	129,597
Bar cost of goods sold		(521,134)	(483,070)
Bar direct expenses		(343,150)	(416,004)
Gaming direct expenses		(909,637)	(1,007,852)
Bistro cost of goods sold		(542,200)	(427,561)
Bistro direct expenses		(843,514)	(785,228)
Rental operations		-	(47,918)
Members amenities		(482,999)	(592,011)
Clubhouse expenses		(766,813)	(714,322)
Administrative expenses		(1,234,174)	(1,441,102)
Propogation of Sport		(115,964)	(59,505)
		(5,759,585)	(5,974,573)
Profit / (loss) before income tax		(57,591)	(1,122,271)
Income tax expense		43,911	83,156
Profit / (loss) for the year		(13,680)	(1,039,115)
<i>Items that will not be reclassified to profit or loss</i>			
Gain on revaluation of land and buildings		1,475,299	-
Income tax relating to these items		(77,933)	-
Total comprehensive income / (loss) for the year		1,383,686	(1,039,115)

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

Central Charlestown Leagues Club Limited
Statement of financial position
For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	173,326	230,609
Trade receivables	6	2,430	9,580
Inventories	7	39,704	38,120
Financial assets at amortised cost	8	36,220	31,072
Other assets	9	72,661	82,695
Total current assets		324,341	392,076
Non-current assets			
Property, plant and equipment	10	9,944,556	8,368,348
Intangible assets	11	217,689	217,689
Lease asset	12 (a)	50,369	150,079
Deferred tax assets	13	21,300	23,982
Total non-current assets		10,233,914	8,760,098
Total assets		10,558,255	9,152,174
LIABILITIES			
Current liabilities			
Current tax liabilities	4	-	256,944
Trade and other payables	14	663,719	502,798
Financial liabilities	15	1,090,821	200,004
Provisions	16	161,787	148,001
Other liabilities	17	21,048	16,057
Lease liabilities	12 (b)	28,925	127,588
Total current liabilities		1,966,300	1,251,392
Non-current liabilities			
Financial liabilities	15	-	735,821
Provisions	16	21,657	15,345
Other liabilities	17	24,446	16,067
Lease liabilities	12 (b)	18,212	20,566
Deferred tax liabilities	13	148,835	117,864
Total non-current liabilities		213,150	905,663
Total liabilities		2,179,450	2,157,055
Net assets		8,378,805	6,995,119
MEMBERS FUNDS			
Reserves	18	3,832,523	2,435,157
Retained profits		4,546,282	4,559,962
Total members funds		8,378,805	6,995,119

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

Central Charlestown Leagues Club Limited

Statement of changes in equity

For the year ended 30 June 2025

	Reserves	Retained	Total
	\$	\$	\$
Balance at 1 July 2023	2,466,145	5,568,089	8,034,234
Profit/(loss) for the year	-	(1,039,115)	(1,039,115)
Depreciation transfer	(30,988)	30,988	-
Total comprehensive income for the year	(30,988)	(1,008,127)	(1,039,115)
Balance at 30 June 2024	2,435,157	4,559,962	6,995,119
Profit/(loss) for the year	-	(13,680)	(13,680)
Revaluation of land and buildings, net of tax	1,397,366	-	1,397,366
Total comprehensive income for the year	1,397,366	(13,680)	1,383,686
Balance at 30 June 2025	3,832,523	4,546,282	8,378,805

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

Statement of cash flows

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from members and customers		5,735,733	5,281,628
Payments to suppliers and employees		(5,502,275)	(5,842,421)
Interest received		2,312	2
Interest paid		(82,838)	(111,797)
Tax (paid)/refunded		(257,313)	-
Insurance recoveries		87,791	-
Net cash inflow (outflow) from operating activities		(16,590)	(672,588)
Cash flows from investing activities			
Payments for property, plant and equipment		(68,256)	(634,637)
Proceeds from sale of property, plant and equipment		8,000	10,273
Proceeds from sale of investment properties		-	2,352,000
Net cash inflow (outflow) from investing activities		(60,256)	1,727,636
Cash flows from financing activities			
Proceeds from borrowings		435,000	840,000
Repayment of borrowings		(280,004)	(1,828,422)
Repayment of lease liabilities		(135,433)	(138,009)
Net cash inflow (outflow) from financing activities		19,563	(1,126,431)
Net increase in cash and cash equivalents		(57,283)	(71,383)
Cash and cash equivalents at the beginning of the financial year	5	230,609	301,992
Cash and cash equivalents at the end of the financial year		173,326	230,609

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

Notes to the financial statements

For the year ended 30 June 2025

1 Summary of material accounting policies

(a) Information about the entity

- Central Charlestown Leagues Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Central Charlestown Leagues Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is 8 Bula Street, NSW 2290.
- The principal place of business of the Club is 8 Bula Street, NSW 2290.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with *Australian Accounting Standards - Simplified Disclosures*, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

(c) Material accounting policy information

The material accounting policies applied in the preparation of this financial report are consistent with the previous period unless otherwise stated.

(d) Statement of compliance

This financial report complies with *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for Profit Tier 2 Entities* as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs, except for investment properties and land and buildings which have been measured at fair value. The financial report is presented in Australian Dollars.

(e) Going concern

The following factors indicate there is material uncertainty in relation to the Club's ability to continue as a going concern:

(a) At 30 June 2025 the Club has a working capital deficiency of \$1,641,959 represented by current assets of \$324,341 and current liabilities of \$1,966,300. The working capital deficiency includes the entire balance of the NAB loan of \$1,090,821 being stated as a current liability due to the loan facility originally expiring on the 29 August 2025, which subsequent to year end has been extended to 5 December 2025.

(b) The Club has reported a loss before income tax of \$57,591 in the current year and a loss before income tax of \$1,122,271 in the prior year.

(c) The Club incurred a negative operating cashflow of \$16,590 in the current year and negative operating cashflow of \$672,588 in the prior year.

The Directors have determined that the going concern basis is appropriate given:

- The Club has a cash balance at 30 June 2025 of \$173,326 along with unused loan facilities of \$359,168 at 30 June 2025.
- The Club has recorded a positive EBITDA of \$569,015 compared to negative EBITDA of \$432,828 in the prior year.
- The Club has prepared a budget for 2026 which indicates a loss (after depreciation) of \$300,341 for the year ended 30 June 2026. However, is forecasting positive operating cashflows of \$224,368 and expects to be able to meet its obligations to financiers, suppliers, employees and other creditors.
- The NAB Loan facility has been extended to 5 December 2025, and the Directors and Management believe based on their discussions with the NAB that a new loan facility will be obtained on the same or similar terms to the existing facility. (Note 15)
- The Board and CEO are focused on the strategic direction of the Club and improving the relationships within the community and groups within the community to attract more patrons to the Club.
- The Club expects to continue to receive support from its suppliers and members.

There is material uncertainty related to the above events and conditions that may cast significant doubt on the Clubs ability to continue as a going concern. As a result it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

Notes to the financial statements

For the year ended 30 June 2025

1 Summary of material accounting policies (cont.)**(f) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of 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 ATO is included with other receivables or payables in the statement of financial position.

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 ATO, are presented as operating cash flows.

(g) Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Club derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Food and beverage revenue	Gaming revenue	Membership revenue	Raffle and bingo revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$
2025						
Revenue from contracts with customers	2,662,934	2,266,001	31,836	133,894	45,689	5,140,354
Other revenue (not covered by AASB15)	-	17,185	-	-	-	17,185
	<u>2,662,934</u>	<u>2,283,186</u>	<u>31,836</u>	<u>133,894</u>	<u>45,689</u>	<u>5,157,539</u>

Timing of revenue recognition

At a point in time	2,662,934	2,266,001	-	133,894	45,689	5,108,518
Over time	-	17,185	31,836	-	-	49,021
	<u>2,662,934</u>	<u>2,283,186</u>	<u>31,836</u>	<u>133,894</u>	<u>45,689</u>	<u>5,157,539</u>

	Food and beverage revenue	Gaming revenue	Membership revenue	Raffle and bingo revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$
2024						
Revenue from contracts with customers	2,276,784	2,223,675	40,307	122,010	42,749	4,705,525
Other revenue (not covered by AASB15)	-	17,180	-	-	-	17,180
	<u>2,276,784</u>	<u>2,240,855</u>	<u>40,307</u>	<u>122,010</u>	<u>42,749</u>	<u>4,722,705</u>

Timing of revenue recognition

At a point in time	2,276,784	2,223,675	-	122,010	42,749	4,665,218
Over time	-	17,180	40,307	-	-	57,487
	<u>2,276,784</u>	<u>2,240,855</u>	<u>40,307</u>	<u>122,010</u>	<u>42,749</u>	<u>4,722,705</u>

Notes to the financial statements

For the year ended 30 June 2025

2 Revenue (continued)

(b) Accounting policies and significant judgements

The Club recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Club is or expects to be entitled in exchange for those goods or services.

The Club considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. Loyalty Points Program). In determining the transaction price for the sale of goods, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Food and Beverage Revenue

Revenue from the sale of food and beverages is recognised at a point in time when the physical control of the goods passes to the customer.

(ii) Gaming Revenue

Revenue from rendering services from gaming facilities to members and other patrons of the Club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission revenue where the Club acts as an agent for third parties who provide wagering services to members and guests is recognised at a point in time when the wagering transaction has been completed.

(iii) Raffle and Bingo Revenue

Raffle and bingo revenue is recognised at a point in time when the customer takes possession of the ticket and the raffle or bingo game has been conducted as at this point the performance obligations have been satisfied.

3 Other income and expense items

	2025	2024
	\$	\$
(a) Other income		
Rental income	41,289	59,322
Interest Income	2,312	2
Profit on sale of property, plant and equipment	8,000	70,273
Insurance recoveries	492,854	-
	<u>544,455</u>	<u>129,597</u>

(i) Insurance recoveries

The Club recognises income from insurance claims when an insured event has occurred and the realisation of the insurance recovery is virtually certain.

(b) Other expenses

Employee Benefits Expense	1,741,512	1,868,807
Loss on disposal of property, plant and equipment	35,562	58,640
Depreciation and amortisation	546,080	577,648
Interest costs	82,838	111,797

Notes to the financial statements

For the year ended 30 June 2025

4 Income tax expense

	2025	2024
	\$	\$
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
The <i>Income Tax Assessment Act 1936 (amended)</i> provides that under the concept of mutuality, Club's are only liable for income tax on income derived from non-members and from outside entities. The amount set aside for income tax in the statement of profit or loss and other comprehensive income has been provided on a taxable income calculated as follows:		
Operating profit/(loss) before income tax	(57,591)	(1,122,271)
Tax at the Australian tax rate at 25% (2024: 25%)	(14,398)	(280,568)
Add/(Less) tax effect of:		
Opening tax balances adjusted for change in members percentages and income tax rate	(64,794)	3,966
Apportionment adjustment members income and expenses	35,281	193,446
Income tax expense / (benefit)	<u>(43,911)</u>	<u>(83,156)</u>
(b) Current income tax liability		
Provision for income tax	<u>-</u>	<u>256,944</u>

Accounting policy

Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

5 Cash and cash equivalents**Current**

Cash and Cash Equivalents	173,326	230,609
	<u>173,326</u>	<u>230,609</u>

Accounting policy

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

6 Trade receivables**Current**

Trade receivables	2,430	9,580
	<u>2,430</u>	<u>9,580</u>

7 Inventories**Current**

Stock on hand	39,704	38,120
	<u>39,704</u>	<u>38,120</u>

Accounting policy

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

Notes to the financial statements

For the year ended 30 June 2025

8 Financial assets at amortised cost

	2025	2024
	\$	\$
Current		
Other receivables	36,220	31,072
	<u>36,220</u>	<u>31,072</u>

9 Other assets

Current		
Prepayments	72,661	82,695
	<u>72,661</u>	<u>82,695</u>

10 Property, plant and equipment

	Land and buildings	Plant and Equipment	Poker machines	Total
	\$	\$	\$	\$
Non-current assets				
At 1 July 2024				
Cost	7,951,463	2,203,692	1,586,290	11,741,445
Accumulated depreciation	(435,607)	(1,740,111)	(1,197,379)	(3,373,097)
Net book amount	<u>7,515,856</u>	<u>463,581</u>	<u>388,911</u>	<u>8,368,348</u>
Year ended 30 June 2025				
Opening net book amount	7,515,856	463,581	388,911	8,368,348
Fair value adjustment	1,475,299	-	-	1,475,299
Additions	432,879	32,059	83,487	548,425
Disposals	-	(35,562)	-	(35,562)
Transfers from lease assets	-	-	3,650	3,650
Depreciation charge	(174,703)	(110,085)	(130,816)	(415,604)
Closing net book amount	<u>9,249,331</u>	<u>349,993</u>	<u>345,232</u>	<u>9,944,556</u>
At 30 June 2025				
Cost	9,249,331	2,170,157	1,626,051	13,045,539
Accumulated depreciation	-	(1,820,164)	(1,280,819)	(3,100,983)
Net book amount	<u>9,249,331</u>	<u>349,993</u>	<u>345,232</u>	<u>9,944,556</u>

Accounting policy**(a) Land and buildings**

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Freehold land and buildings were revalued as at 30 June 2025 based on an independent valuation performed by Steve Owens Real Estate dated 13 March 2025. Steve Owens Real Estate frequently assess the market values for properties similar to those held by the Club in the same areas, having regard to past sales prices of other properties and current market conditions.

The Directors have considered current market conditions, changes to the Club's facilities and the effect this has on the assumptions used by the valuers since the date of the valuers reports. The Directors have assessed the fair value at balance date, and consider the adopted value is a reasonable estimate of the land and buildings fair value at balance date.

(b) Plant and equipment and poker machines

Plant and equipment and poker machines are carried at cost less any accumulated depreciation and any impairment in value.

(c) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings	20 - 50 years
Plant & Equipment	2.5 - 20 years
Poker Machines	2.5 - 5 years

(d) Impairment

Property, plant and equipment are tested for impairment whenever events or circumstances indicate that the asset may be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash inflows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash generating unit level. An impairment loss is recognised when the carrying amount of an asset or cash generating unit (to which the asset belongs) exceeds its recoverable amount.

Notes to the financial statements

For the year ended 30 June 2025

10 Property, plant and equipment (continued)**Significant accounting estimates and judgements**

The useful life of property, plant and equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

The fair value of land and buildings is estimated at each reporting date, based on independent assessments of the market value of the property generally conducted every three years and other available knowledge of current market prices. Estimation uncertainty exists and is related to the various assumptions used in determining the fair value.

11 Intangible assets

	Poker machine entitlements	Total
	\$	\$
Non-current assets		
As at 30 June 2024		
Cost	217,689	217,689
Net book amount	<u>217,689</u>	<u>217,689</u>
As at 30 June 2025		
Cost	217,689	217,689
Net book amount	<u>217,689</u>	<u>217,689</u>

Accounting policy

Poker machine entitlements are intangible assets acquired separately and are capitalised at cost. The useful lives of these intangible assets are assessed to be indefinite as there is no indication that gaming machines will become obsolete.

12 Lease assets and lease liabilities

The Club leases the POS system and poker machines

	2025	2024
	\$	\$
a) Lease assets		
Non-current		
Carrying amount of lease assets, by class of underlying asset:		
Plant and Equipment	35,675	47,638
Poker Machines	14,694	102,441
	<u>50,369</u>	<u>150,079</u>

	Poker Machines	Plant and Equipment	Total	Total
	\$	\$	\$	\$
Reconciliation of lease assets				
2024				
At 1 July 2024	102,441	47,638	150,079	275,167
Additions	-	34,416	34,416	10,779
Transfers	(3,650)	-	(3,650)	-
Amortisation	(84,097)	(46,379)	(130,476)	(135,867)
30 June 2025	<u>14,694</u>	<u>35,675</u>	<u>50,369</u>	<u>150,079</u>

b) Lease liabilities**Current**

Lease liabilities	12,726	16,199	28,925	127,588
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Non-current

Lease liabilities	-	18,212	18,212	20,566
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Total

	<u>12,726</u>	<u>34,411</u>	<u>47,137</u>	<u>148,154</u>
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	Poker Machines	Plant and Equipment	Total	Total
	\$	\$	\$	\$
Reconciliation of lease liabilities				
2024				
At 1 July 2024	99,845	48,309	148,154	275,385
Additions	-	34,416	34,416	10,779
Interest expense	2,293	2,845	5,138	9,727
Lease payments	(89,412)	(51,159)	(140,571)	(147,737)
Net movement during year	<u>(87,119)</u>	<u>(13,898)</u>	<u>(101,017)</u>	<u>(127,231)</u>
30 June 2025	<u>12,726</u>	<u>34,411</u>	<u>47,137</u>	<u>148,154</u>

Notes to the financial statements

For the year ended 30 June 2025

Maturity analysis of future lease payments	Poker Machines	Plant and Equipment	Total	Total
	\$	\$	\$	\$
Not later than 1 year	12,790	17,764	30,554	131,404
Later than 1 year and not later than 5 years	-	20,125	20,125	23,159
Later than 5 years	-	-	-	-
Lease payments	<u>12,790</u>	<u>37,889</u>	<u>50,679</u>	<u>154,563</u>

Accounting policy

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Club's incremental borrowing rate. The weighted average incremental borrowing rate is 5.85%.

Significant accounting estimates and judgements

The useful life of lease assets (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

13 Deferred tax balances

	2025	2024
	\$	\$
<i>(i) Deferred tax assets</i>		
The balance comprises temporary differences attributable to:		
Provisions	10,307	10,293
Other	10,993	13,689
Carried forward tax losses	-	-
	<u>21,300</u>	<u>23,982</u>
Movements		
At 1 July	23,982	110,675
(Charged)/credited to statement of profit or loss and other comprehensive income	(2,682)	(86,693)
At 30 June	<u>21,300</u>	<u>23,982</u>
<i>(i) Deferred tax liabilities</i>		
The balance comprises temporary differences attributable to:		
Depreciation	135,723	109,723
Other	13,112	8,141
	<u>148,835</u>	<u>117,864</u>
Movements		
At 1 July	117,864	544,657
(Charged)/credited to statement of profit or loss and comprehensive income	30,971	(426,793)
At 30 June	<u>148,835</u>	<u>117,864</u>

Accounting policy

Deferred tax assets and liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the statement of financial position date.

Notes to the financial statements

For the year ended 30 June 2025

14 Trade and other payables

	2025	2024
	\$	\$
Current		
Trade payables	266,821	151,347
Other payables and accruals	281,071	307,105
GST payable	115,827	44,346
	<u>663,719</u>	<u>502,798</u>

Accounting policy

Trade and other payables, including accruals, are non-interest bearing and are generally due for payment within 30 days of the invoice date.

15 Financial liabilities**Current***Secured*

Bank loans (i)	1,090,821	200,004
Total secured financial liabilities	<u>1,090,821</u>	<u>200,004</u>

Non-current*Secured*

Bank loans (i)	-	735,821
Total secured financial liabilities	<u>-</u>	<u>735,821</u>

(i) Secured liabilities

The Club has a facility of \$1,449,989 with an undrawn amount of \$359,168 at 30 June 2025. The current facility had an expiry date of 29 August 2025 and subsequent to year end the Club has obtained an extension to 5 December 2025. The loan with NAB bank has monthly principal repayments of \$16,667 with a variable interest payable at a rate of 6.105% at balance date. The loan facility is secured by the Club property at 8 Bula Street Charlestown, NSW, 2290, as well as a general security over all present property.

Accounting policy

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

Financial liabilities are classified as non current liabilities if the Club has a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

16 Provisions**Current**

Employee entitlements (i) & (ii)	141,739	144,669
Jackpots	11,392	3,332
Club grants	8,656	-
	<u>161,787</u>	<u>148,001</u>

Non-current

Employee entitlements (ii)	21,657	15,345
	<u>21,657</u>	<u>15,345</u>

Accounting policy*(i) Annual leave*

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

Notes to the financial statements

For the year ended 30 June 2025

17 Other liabilities	2025	2024
	\$	\$
Current		
Contract liabilities - membership income	18,681	15,930
Other liabilities	2,367	127
	<u>21,048</u>	<u>16,057</u>
Non-current		
Contract Liabilities - membership income	24,446	16,067
	<u>24,446</u>	<u>16,067</u>

18 Reserves	General	Capital Redemption	Asset revaluation	Total
	\$	\$	\$	\$
Balance at 1 July 2024	30,007	10,724	2,394,426	2,435,157
Revaluation of land and buildings	-	-	1,475,299	1,475,299
Income tax relating to revaluation	-	-	(77,933)	(77,933)
Balance at 30 June 2025	<u>30,007</u>	<u>10,724</u>	<u>3,791,792</u>	<u>3,832,523</u>

(i) *Nature and purpose of reserves**Asset revaluation*

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

19 Commitments(i) *Capital Commitments*

The Club has no capital commitments in place at year end

20 Contingent liabilities(a) *Contingent liabilities*

Bank guarantee substituting for a security deposit for TAB facilities	5,000	5,000
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21 Related parties

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

(a) *Key management personnel compensation*

Total key management personnel benefits	176,447	295,589
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(b) *Transactions with other related parties*

Director Steve Leggett was a shareholder of O'Neills Tyres in the prior year. During that time the business provided services to the Club at normal commercial terms and conditions for the following amounts:

-	525
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A relative of director Greg Dickinson is employee by the Club in an administration role and her remuneration including wages and superannuation was:

95,777	37,380
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22 Remuneration of auditors*Auditor of the company*

Audit of the financial statements	24,600	23,300
Other services - taxation compliance services	3,840	3,620
Other services - consulting services	23,460	13,100
	<u>51,900</u>	<u>40,020</u>

Central Charlestown Leagues Club Limited

Consolidated entity disclosure statement

For the year ended 30 June 2025

Central Charlestown Leagues Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

Accordingly, in accordance with subsection 295 (3A) of the *Corporations Act 2001*, no further information is required to be disclosed in this consolidated entity disclosure statement.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 6 to 18 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001, and
 - (ii) giving a true and fair view of the Club's financial position as at 30 June 2025 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable, and
- (c) the consolidated entity disclosure statement required by subsection 295 (3A) of the *Corporations Act 2001* is true and correct.

This declaration is made in accordance with a resolution of the Directors.



Dianne Pascoe - Chairperson



Gary Cutmore - Director

Dated: 3 October 2025
Charlestown, NSW

Independent auditor's report to the members of Central Charlestown Leagues Club Limited

Opinion

We have audited the financial report of Central Charlestown Leagues Club Limited (the Club) 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 material accounting policy information, the consolidated entity disclosure statement, and the Directors' declaration.

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

- (i) giving a true and fair view of the Club's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(e) to the financial report, which indicates that the Club has incurred a net loss before income tax of \$57,591 during the year ended 30 June 2025, and as of that date, the Club's current liabilities exceeded its current assets by \$1,641,959 which includes the entire balance of the NAB loan of \$1,090,821 stated as a current liability due to the loan facility expiring on 29 August 2025. As stated in Note 1(e), these events or conditions, along with other matters as set forth in Note 1(e), indicate that a material uncertainty exists that may cast significant doubt on the Club's ability to continue as a going concern.

Our opinion is not modified in respect of this matter. In the context of our audit of the financial report as a whole, and in forming our opinion thereon, we have concluded that managements' use of the going concern basis of accounting in the preparation of the financial report is appropriate.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are not a guarantee as to the Club's ability to continue as a going concern.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Club's Directors' report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Other information continued

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing further to report in this regard.

Responsibilities of the Directors for the financial report

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

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Club'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 Club or to cease operations, or have no realistic alternative but to do so.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Club for the year ended 30 June 2025 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's responsibilities for the audit of the financial report (continued)

- 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 3 October 2025
Newcastle West, NSW

Pitcher Partners Newcastle & Hunter Pty Ltd

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