



Accountants & Advisors

Dorset Gardens Hotel

Expert's Report in Respect of

Application to vary the number of
Electronic Gaming Machines

22 September 2025

 Take the lead

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1. Executive Summary

- 1.1. The Dorset Gardens Hotel ("Hotel") is located at 335 Dorset Road in Croydon. The Dorset Gardens Hotel is seeking approval for an increase from 97 to 105 Electronic Gaming Machines ("EGMs") at the Hotel.
- 1.2. The Dorset Gardens Hotel is located within the City of Maroondah. There are currently 640 Electronic Gaming Machines ("EGMs") operating in the City of Maroondah as against a regional cap of 759.
- 1.3. There are currently 8 venues operating EGMs within the City of Maroondah; 5 clubs operating 366 EGMs and 3 hotels operating 274 EGMs.
- 1.4. The number of EGMs currently operating in the City of Maroondah is lower than the number in operation five years ago. This is predominately due to the removal of EGMs from the Club Hotel and Maroondah Sports Club.
- 1.5. Based on an analysis of the recent trends in gaming expenditure, it is reasonable to conclude that the level of additional gross gaming expenditure generated from an increase in EGMs at the Dorset Gardens Hotel would be between \$993,771 and \$1,344,514 per annum in the first 12 months of trade post installation of the additional 8 EGMs.
- 1.6. Of this additional expenditure, we have determined it is reasonable to conclude that 40% would be transferred expenditure, with the remaining expenditure being new expenditure. This would equate to new expenditure of between \$596,263 and \$806,708 in the first 12 months of trade post installation of the additional 8 EGMs.
- 1.7. Furthermore, based on the 2024 adult population, the estimated additional gaming expenditure would result in a 1% increase in the average net gaming expenditure per adult in the City of Maroondah in the first 12 months of trade post installation of the additional 8 EGMs.

2. Qualifications

- 2.1. SW Accountants & Advisors Pty Ltd ("SW") is part of the SW network that has offices in more than 80 locations across 16 regions. SW is also a member of Praxity International, a global alliance of independent accountancy, tax and business consulting firms that have a presence in over 100 countries.
- 2.2. SW has extensive experience in the gaming industry. Aside from being retained as accountants and advisors to a number of private gaming and hospitality participants over the years, SW was the lead audit & tax advisor for the Tattersall's group up until the time of its listing on the ASX, whilst still acting as lead advisor on the listing process.
- 2.3. Over the past 15 years, SW has consulted to in excess of 100 Clubs and Hotels in respect to their gaming operations, the transition to the new gaming regime and their ongoing accounting & tax compliance requirements. Services included:
- Financial Modelling and Discounted Cash Flow Analysis;
 - Competitive Analysis of LGAs and competing venues state-wide incorporating Net Machine Revenue appraisal and comparison;
 - Auction & Gaming Entitlement consultation & bidding strategies;
 - Financial accounting, income tax and assurance (audit);
 - Due Diligence and advisory and;
 - Assistance with finance proposals.
- 2.4. SW was appointed as lead gaming consultant to the AFL and Tabcorp in addition to its individual client appointments throughout the timeframe leading up to the 2010 Gaming Auction.
- 2.5. Over the past fourteen years, SW have been appointed as advisors and expert witness for the Moe Racing Club (regarding Bairnsdale Sporting and Convention Centre), Royal Hotel (Benalla), Hogan's Hotel, Cobram Hotel, Craigieburn Sporting Club, Bridge Inn Hotel, Bendigo Stadium, Hoppers Crossing Club, Terminus Hotel, Tower Hotel, Sandown Greyhounds Entertainment, Baxter Tavern Hotel Motel, Rubicon Hotel, Malvernvale Hotel, Kilmore Racing Club, Swan Hill Club, Box Hill RSL, Mornington on Tanti Hotel, Dromana Hotel, Wantirna Club, Yarraville Club, Sporting Legends Club, Sale & District Greyhound Racing Club, Club Ringwood, Club Kilsyth, Valley Inn Hotel, Myrtleford Savoy Sporting Club, Warragul Country Club, Commercial Hotel, Bentleigh Club, the Meeting Place, Highlands Hotel, Portarlington Golf Club, Pakenham Racing Club (regarding Club Officer), Werribee Football Club (regarding The Tigers Clubhouse and Club Tarneit), Lynbrook Hotel, Leopold Sportsman's Club, Ballarat Golf Club, Mt Atkinson Hotel, Clifton Springs Golf Club, Waurin Ponds Hotel, Royal Hotel (Koo Wee Rup), Robin Hood Hotel, Kyabram Club, The Silk Lounge, McKinnon Hotel, Grosvenor Hotel, Hotel 520 on Sayers, Romsey Hotel and Huntly Hotel in relation to their applications for additional gaming machines at their respective venues and incorporated attendance at the VGCCC/VCAT hearing to provide expert witness evidence for all venues, where applicable.

- 2.6. Tim Stillwell has 28 years' experience in the accounting industry, 25 of which have been at SW. Tim's experience encompasses accounting and taxation advisory across a broad cross section of industries inclusive of gaming & hospitality. Tim is a partner of SW, a director of the Business & Private Client Advisory Division and chair of the firm's Tourism, Hospitality & Gaming industry group, which has recently focused significantly on the services and clients referred to above. Tim has developed an intricate knowledge of not only gaming industry participation and performance but also the regulatory requirements which face incumbent and Greenfield operators.
- 2.7. Tim is also a director of On Tap Hospitality, a designated service offering to licensed hotels, restaurants and clubs which provides sophisticated financial and management reporting to stakeholders, day to day accounting and bookkeeping, payroll, supplier payments and reconciliations, along with systems and controls improvement and compliance with statutory obligations.

3. Independence

- 3.1. We have established policies and procedures designed to ensure our independence, including policies on holding financial interests in the company and other related parties, business relationships, employment relationships, and the provision of non-audit services in accordance with professional statement APES 110 "Code of Ethics for Professional Accountants".
- 3.2. The remuneration for this report is not based on a success or contingency fee, or on a basis that is related to the outcome of the matter.

4. Instructions

- 4.1. We have been requested by BSP Lawyers on behalf of the Dorset Gardens Hotel to provide an estimate of additional gaming expenditure arising from the impact of an increase in EGMs from 97 to 105.

5. Limitations and Purpose of Report

- 5.1. This report has been prepared for the purpose set out in the scope of engagement and may not be relied upon, referred to, reproduced or quote from, in whole or in part, or used for any other purposes whatsoever without our express written consent.
- 5.2. This report is intended for the sole use of the parties to whom it is issued. Neither the firm nor any director, member or employee of the firm undertakes responsibility in any way whatsoever to any other party who may use, distribute, publish, represent anything contained in this report or rely on the whole, or any part, of this report for any purpose.

- 5.3. Our report has been prepared with care and diligence. However, except for those responsibilities which by law cannot be excluded and any liability arising from an opinion expressed recklessly or in bad faith, no responsibility arising in any way whatsoever for errors or omissions is assumed by the firm, its directors, members, employees or consultants for the preparation of this report.
- 5.4. This report has been prepared on the basis that all relevant parties have drawn our attention to all matters of which they are aware that may have an impact on the report. The firm will not be responsible for any error in the report caused by misrepresentation in, or omission of, information and material supplied by other parties. If any additional information is provided to us after the date of this report or there is any variation in the information already provided, then we reserve the right to review and amend any information, recommendations or opinions provided in this report.
- 5.5. Our liability is also limited by a scheme approved under Professional Standards Legislation.

6. Information Sources

- 6.1. We have relied upon the following information, amongst other documentation, in the completion of this report:
- Data released by the Minister for Gaming regarding EGM expenditure at gaming venues in Victoria;
 - VGCCC data in respect of gaming numbers, expenditure and population statistics published at <https://www.vgccc.vic.gov.au/> – last accessed on 22 September 2025;
 - Consumer Price Index data published by the Australian Bureau of Statistics <http://www.abs.gov.au> – last accessed on 22 September 2025;
 - Population data (Census and Regional Population Estimates) published by the Australian Bureau of Statistics <http://www.abs.gov.au> – last accessed on 22 September 2025;
 - 2003 Victorian Longitudinal Community Attitudes Survey;
 - Gaming room utilisation and patron locality surveys undertaken by the Dorset Gardens Hotel between 22 July 2024 and 4 August 2024; and
 - Instructions from the Applicant.

7. Defined Terms

7.1. Throughout this report, the following abbreviations and terms have been used.

Term	Meaning
EGM	Electronic Gaming Machine
Gross Gaming Expenditure	EGM expenditure after returns to players, representative of the aggregate of Transferred Expenditure and New Expenditure
Hotel	Dorset Gardens Hotel
LGA	Local Government Area
New Expenditure	Gross Gaming Expenditure after Transferred Expenditure
NMR	Net Machine Revenue (equivalent to Gross Gaming Expenditure)
SLA	Statistical Local Area
Transferred Expenditure	EGM expenditure drawn from other EGM venues (both existing and future venues)

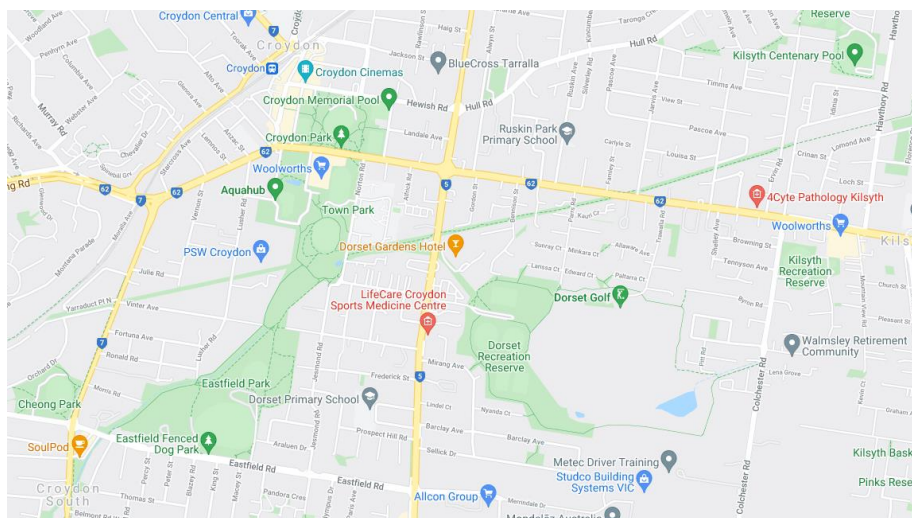
8. EGM Expenditure and Background Information

- 8.1. We have reviewed the gross gaming expenditure at the Dorset Gardens Hotel, the City of Maroondah and the State of Victoria since July 2013.
- 8.2. We note a State of Emergency was declared in Victoria on 16 March 2020 due to the COVID-19 pandemic, resulting in the closure of gaming venues at various times during the 2020FY to 2022FY period. Gaming expenditure data for the 2020FY to 2022FY reflects the following closures and restrictions:
- Gaming operators were prohibited from operating EGMs in venues from 23 March 2020 until 8 November 2020 (inclusive).
 - Gaming venues were able to re-commence gaming operations on 9 November 2020 however, were subject to heavy restrictions and density quotients until a return to 'COVID-normal' on 27 March 2021.
 - Gaming venues were closed for a 5-day circuit breaker lockdown from 13 February 2021 to 17 February 2021 (inclusive).
 - Metropolitan gaming venues were closed from 28 May 2021 to 10 June 2021 (inclusive), from 17 July 2021 to 28 July 2021 (inclusive) and from 5 August 2021 until 28 October 2021 (inclusive).
 - Metropolitan gaming venues operated between 11 June 2021 and 16 July 2021 (inclusive), between 29 July 2021 and 4 August (inclusive) and between 29 October 2021 until 18 November 2021 (inclusive) with density restrictions. All restrictions placed on gaming venues were lifted on 19 November 2021.

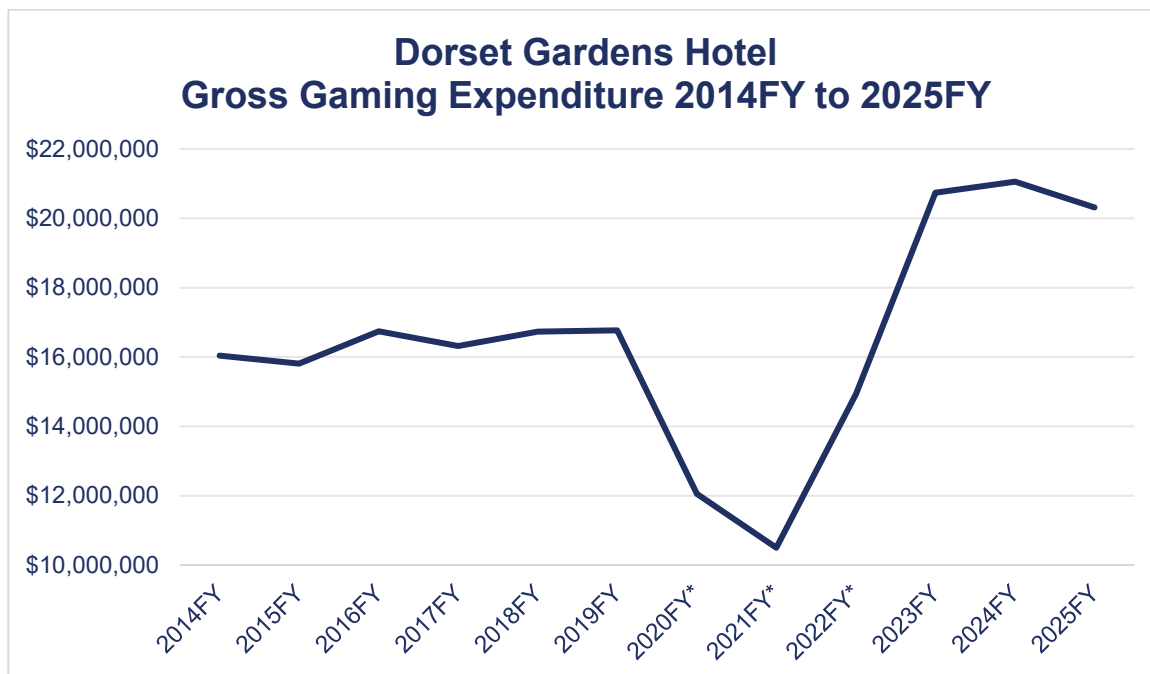
Due to these circumstances, whilst an analysis of gaming expenditure data for the 2020, 2021 and 2022 financial years has some contextual relevance, it does not provide a basis for comparison to prior financial periods (i.e. 2019FY/2019CY and prior) due to its compromised nature. As such, any gaming data from 1 January 2020 has been referenced in a limited manner, and only where deemed necessary in the content of this report.

Dorset Gardens Hotel

- 8.3. The Dorset Gardens Hotel is located at 335 Dorset Road in Croydon within the City of Maroondah. The Dorset Gardens Hotel's location is outlined on the map below:



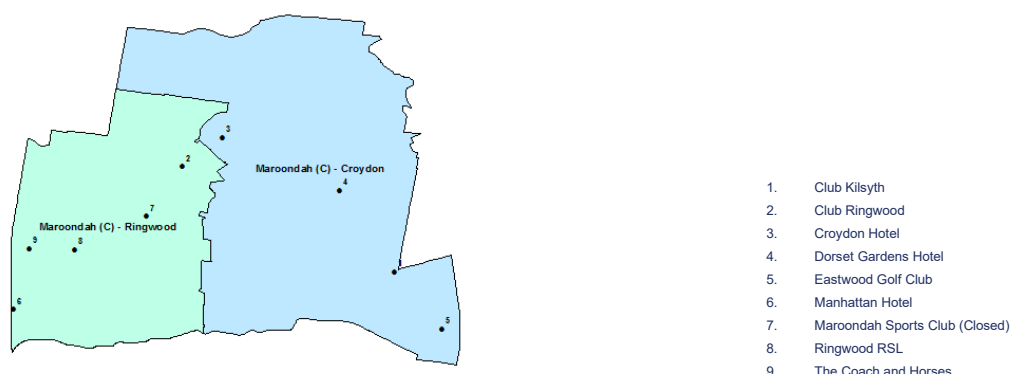
- 8.4. The following graph shows the trend of gross gaming expenditure of the Dorset Gardens Hotel, from the years ended 30 June 2014 to 30 June 2025 (refer appendix 1). There was an average increase of 2.42% p.a. for gross gaming expenditure at the venue over the 11 year period.



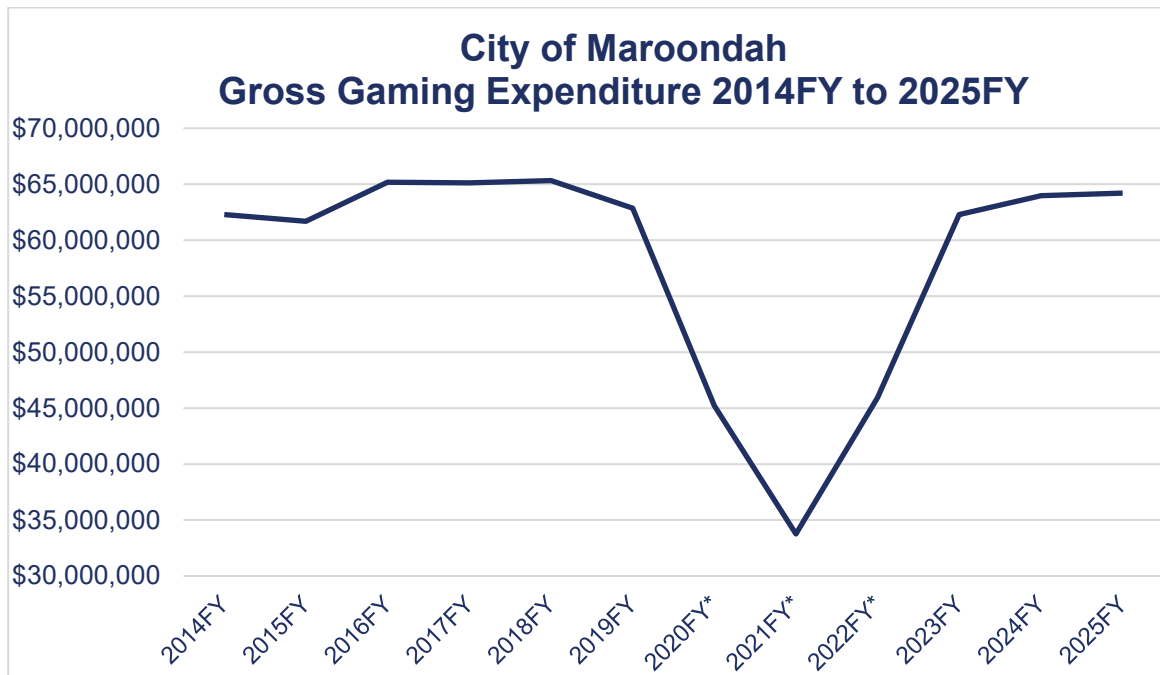
* Refer commentary at paragraph 8.2.

City of Maroondah - Current Profile

- 8.5. The City of Maroondah is located in Melbourne's eastern suburbs. The City of Maroondah is bounded by the City of Manningham to the north and the City of Whitehorse to the west, Shire of Yarra Ranges to the east and City of Knox to the south.
- 8.6. Currently within the City of Maroondah there are a total of 640 EGMs in operation. The maximum permissible number of gaming machines within the City of Maroondah is 759 according to the regional cap set in September 2017. The venues historically located within the City of Maroondah are indicated on the following map as per the VGCCC website.

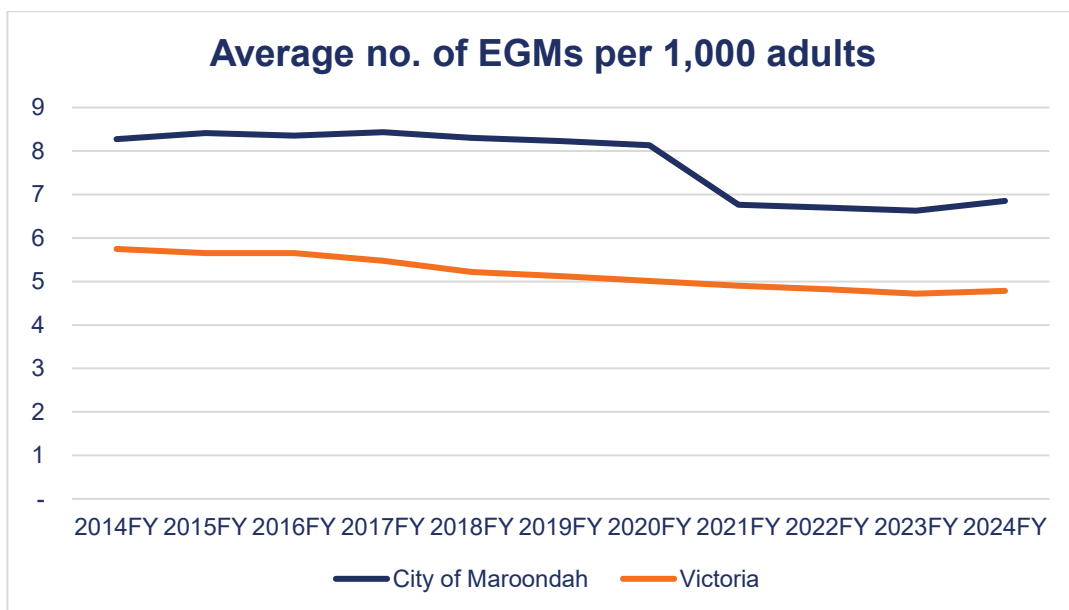


- 8.7. In the last nine years there has been the following changes to the number of gaming machines operating within the City of Maroondah.
- Club Hotel ceased operating 75 EGMs during 2020FY (the entitlements were detached during the 2021FY);
 - The increase of 5 EGMs at Club Kilsyth during the 2016FY;
 - The increase of 7 EGMs at Club Ringwood during the 2016FY;
 - The increase of 10 EGMs at the Croydon Hotel during the 2016FY; and
 - The Maroondah Sports Club decreased by 12 EGMs during the 2016FY and ceased operating its remaining 44 EGMs during the 2020FY.
- 8.8. The Club Hotel and Maroondah Sports Club have not operated gaming machines since early 2020 (being prior to the closure of all gaming venues on 23 March 2020 due to the COVID-19 pandemic restrictions). The Club Hotel's gaming entitlements were subsequently detached from the venue during the 2021FY and the property sold to a retirement village development. An administrator was appointed to the Maroondah Sports Club in April 2020. The 2019FY gross gaming expenditure for the Club Hotel and Maroondah Sports Club was \$4,920,347 and \$1,616,644 respectively.
- 8.9. The following graph shows the trend of gross gaming expenditure within the City of Maroondah, from the years ended 30 June 2014 to 30 June 2025. There was an average increase of 0.28% p.a. for gross gaming expenditure within the City of Maroondah over the 11 year period however, noting that there has been a reduction in gaming machines operating within the City of Maroondah since the 2020FY which has coincided with the reduction in gross gaming expenditure due to COVID-19 restrictions.

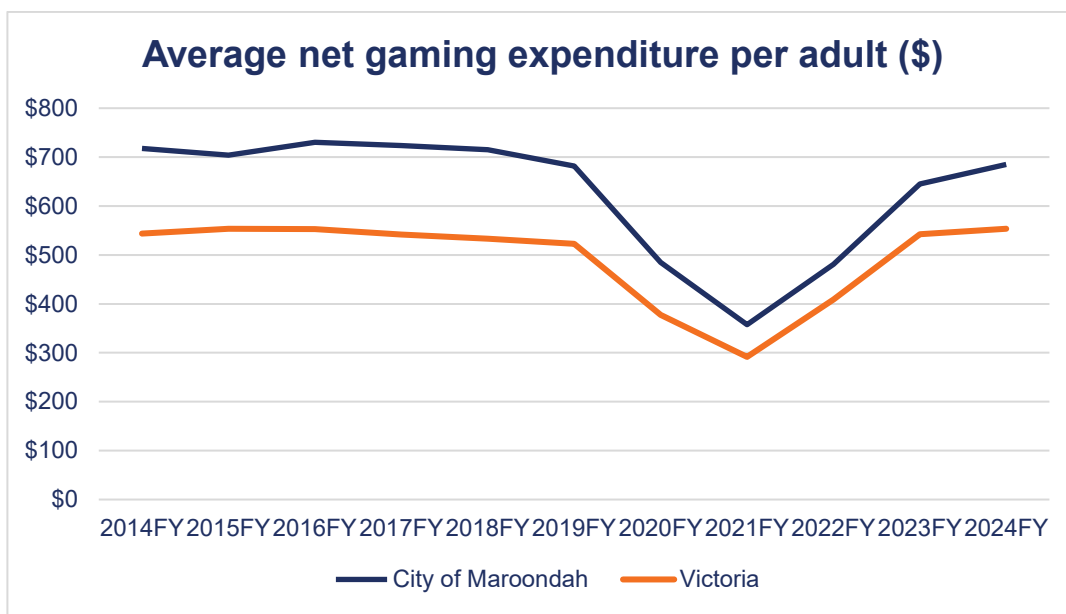


* Refer commentary at paragraph 8.2.

- 8.10. The graph below (refer appendix 3) shows the average number of EGMs per 1,000 adults for the City of Maroondah against the State of Victoria. The graph indicates the EGM density within the City of Maroondah is higher than the State average, however noting that there has been a reduction in gaming machines in the City of Maroondah in the 2021FY and EGM density consequently.



- 8.11. Using the information pertaining to gaming expenditure and adult population growth, we have analysed the trend of average net EGM expenditure per adult in the graph following (refer appendix 3). As shown below, the average net EGM expenditure per adult in the year ended 30 June 2024 in the City of Maroondah of \$685 is higher than the average for the State of \$554. In reviewing these figures, it must be borne in mind that they represent where the expenditure occurs, not necessarily where the people generating the expenditure reside.



City of Maroondah – Gaming Profile

- 8.12. The following table outlines the current composition of gaming venues within the City of Maroondah:

Venue	Club or Hotel	Currently in operation	Licensed EGMs	Anticipated
Club Kilsyth	Club	105	105	105
Club Ringwood	Club	82	82	82
Croydon Hotel	Hotel	105	105	105
Dorset Gardens Hotel	Hotel	97	97	105*
Eastwood Golf Club	Club	19	19	19
Manhattan Hotel	Hotel	72	103	72
Maroondah Sports Club	Club	-	44	-
Ringwood RSL	Club	70	70	70
The Coach and Horses	Club	90	90	90
TOTAL		640	715	648

* On the basis of this application being approved by the VGCCC

9. Estimate for Gross Gaming Expenditure

- 9.1. In determining an estimate for additional gross gaming expenditure as a result of an increase in gaming machines at an existing gaming venue, we consider the following methods to be appropriate:
- Utilisation survey – the utilisation statistics of the current gaming machines at the venue are analysed in order to determine assumed incremental gaming expenditure for the additional gaming machines based on periods of peak utilisation (i.e. where ostensible demand exceeds supply);
 - Venue benchmarking (in totality) – an analysis is undertaken on a selection of venues currently operating gaming machines within the State in order to determine an appropriate estimate for the gaming expenditure to be derived from the increase in gaming machines at a venue, based on an analysis of likely gaming expenditure at the venue in totality with the additional gaming machines as compared with current levels of gaming expenditure with the existing machines; and/or
 - Empirical evidence (top-ups) – the impact on gaming expenditure is assessed based on a group of sample venues which have recently introduced additional gaming machines into comparable venues as the result of a successful top-up application.

Utilisation survey

- 9.2. Based on our experience, and generally accepted industry benchmarks, utilisation of gaming machines within a gaming room of above 70% is indicative of periods when additional gaming expenditure is potentially foregone by a venue due to limited capacity and access to an appropriate choice of EGMs. However, in the case of venues with comparatively smaller gaming rooms, whilst there may be more than 30% of EGMs available, the condensed nature of the room and reduced range of differentiated products limits access to desired machines and therefore lowers the utilisation rate relevant to assessing foregone expenditure.

- 9.3. As per the survey conducted from 22 July to 4 August 2024 the results were as follows:

	Hours	Total Trading Hours	Percentage
50% or above utilisation	166	294	56%
60% or above utilisation	151	294	51%
70% or above utilisation	126	294	43%

- 9.4. The survey results are considered to be indicative of demand however, we note, there are instances where more than 97 gaming machines are erroneously recorded as being utilised.
- 9.5. In our recent experience, utilisation of gaming machines is most relevant for comparatively low-mid performing venues where the increase in gaming machines will most likely result in a marginal increase to gaming expenditure. Given this venue is not a comparatively low-mid performing venue, we do not believe the utilisation survey method to be the most appropriate method to estimate additional gaming expenditure at the Dorset Gardens Hotel.

Benchmarking analysis

- 9.6. Under benchmarking analysis, we assess a selection of venues currently operating gaming machines within the State in order to determine an appropriate estimate for the gaming expenditure to be derived from an increase in gaming machines at a venue in totality.
- 9.7. A benchmarking approach is considered to be appropriate where there is a new gaming venue, a significant change in the number of machines at a venue and by way of renovations, the venue transforms into a substantially different venue. In this instance, an analysis of the current gaming trends at the venue would not be relevant in determining an appropriate estimate for the gross gaming expenditure.
- 9.8. We consider that as this application is for a top up of 8 EGMs on 97 EGMs in an existing venue and the renovations to be undertaken will not transform the venue to a substantially different venue, we believe this approach is not suitable for determining the estimate of the gross gaming expenditure in totality.

Empirical evidence

- 9.9. We also consider empirical evidence to be relevant in assessing the impact on gaming expenditure at venues that have recently introduced additional gaming machines (top-ups) as the result of a successful top-up application or to reinstate additional gaming machines already approved. This empirical evidence is then used to determine the increase in gaming expenditure in comparison to the increase in gaming machines. We had been reluctant to adopt this method for top-ups due to the 2013FY gaming expenditure results being compromised by transitional issues experienced since 1 July 2012, mainly regarding automatic teller machine bans in venues, access to monitoring systems and availability of gaming machines, most notably the latter which had differing impacts on a venue by venue basis. However, we now believe this method to be an appropriate method to use in determining estimated additional gaming expenditure, as 2014FY to 2019FY full year data is available which has not been as severely impacted by those factors detailed above.
- 9.10. Given the disruption to gaming venues for the COVID-19 pandemic noted in paragraph 8.2, any analysis of gaming expenditure data for the 2020, 2021 and 2022 financial years is compromised. Therefore, we consider that an analysis of venues that have increased gaming machines from 2020CY to towards the end of the 2023FY to be inappropriate for empirical evidence assessment. We believe the empirical evidence method is an appropriate method to use in determining additional gaming expenditure given the broad range of case study evidence and our extensive research that demonstrates that a venue will rarely have a similar NMR immediately following (i.e. within the following 12 months) the installation of additional EGMs as compared with the prevailing NMR prior to the installation of additional EGMs.

Method adopted

- 9.11. Based on the methods detailed above, we believe the empirical evidence method to be the most appropriate approach in these circumstances in determining an estimate for additional gross gaming expenditure. In determining an appropriate percentage increase in gaming expenditure in comparison to the percentage increase in gaming machines we have undertaken the following analysis.

- 9.12. The initial stage of this approach is to determine an appropriate sample group for analysis. The following factors were considered appropriate:
- The increase in the number of gaming machines at the sample venue occurred during the 2013FY to 2018FY period, late in the 2023FY or early in the 2024FY (so that the full impact of the increase can be analysed by virtue of time elapsed);
 - The sample venue is a metropolitan hotel;
 - The sample venue operated 60 EGMs or more prior the installation of additional EGMs;
 - The increase in gaming machines was not greater than 25% of the current number of gaming machines in operation at the venue;
 - The sample venue would be considered a mid-high performing venue based on the NMR achieved at the venue; and
 - The venues which experienced a decline in gaming expenditure over the period despite the increase in gaming machines were eliminated from the sample group. As an increase in gaming machines in isolation does not create a decrease in gaming expenditure, these venues results may have been impacted due, but not limited, to the following factors:
 - Venue specific reasons such as renovations or management issues;
 - Increase in competitors to the area; and/or
 - Other competitor venues either increasing the number of gaming machines at their venue, or else increasing the attractiveness of their venue due, inter alia, to renovations.

9.13. The following are the venues we consider meet the above characteristics:

Venue	LGA	Date additional EGMs began operating at Venue	Previous number of EGMs	New number of EGMs
Bourke Hill's Welcome Stranger	City of Melbourne	Aug-12	90	100
Watergardens Hotel	City of Brimbank	Mar-13	70	76
Roxburgh Park Hotel	City of Hume	Jul-15	71	80
West Waters Hotel	City of Melton	Apr-16	80	90
Berwick Springs Hotel	City of Casey	Dec-17	95	105

- 9.14. The second stage was to assess the movement in gaming expenditure between the last full year with the original number of gaming machines and the first full year with the increased number of gaming machines, either by calendar or financial year, depending on when the increase in gaming machines occurred.

9.15. In analysing the gaming expenditure from the 2012FY to the 2014FY it is apparent that there has been a permanent disruption to gaming expenditure within the gaming industry due to the reasons detailed in paragraph 9.9. We have determined the impact of this disruption resulted in an overall decrease in gaming expenditure from 2012FY to 2014FY (excluding venues operated by ALH, as it is likely that the removal of gaming machines also contributed to the decrease in gaming expenditure at these venues) of approximately 2.74%. We believe that it is important to consider the expenditure movement from 2012FY to 2014FY as it appears the negative impact on gaming expenditure in the 2013FY was recouped during the 2014FY, and we believe but for this recoupment, there would have been minimal, if any, growth in gaming expenditure in the 2014FY. This percentage (2.74%) in our opinion reflects the decline in non-recoverable gaming expenditure caused by transitional issues of 2013FY. We note that for some venues within the sample group, where the increase in gaming machines occurred after 2014FY, this adjustment process is not relevant.

9.16. We have separately weighted the individual venues in the sample group based on whether the venue is more or less comparable to the Dorset Gardens Hotel as follows:

- West Waters Hotel would be considered relatively comparable to the Dorset Gardens Hotel due to the competitor profile and socio-economic attributes of the LGAs;
- Berwick Springs Hotel would be considered relatively comparable to the Dorset Gardens Hotel given it is a high performing venue with a similar number of EGMs;
- Roxburgh Park Hotel would be considered less comparable due to being located within proximity to a commercial precinct.
- Watergardens Hotel would be considered less comparable to the Dorset Gardens Hotel given their location in a more socio-economic disadvantaged area and within a commercial precinct; and
- Bourke Hill's Welcome Stranger is located in the Melbourne CBD and therefore is the least comparable to the Dorset Gardens Hotel.

Venue	LGA	Weighting
Bourke Hill's Welcome Stranger	City of Melbourne	10%
Watergardens Hotel	City of Brimbank	15%
Roxburgh Park Hotel	City of Hume	15%
West Waters Hotel	City of Melton	30%
Berwick Springs Hotel	City of Casey	30%
Total		100%

9.17. The result of our analysis with reference to the sample venues, indicated that on average, for every 1% increase in gaming machines operating in a sample venue, gross gaming expenditure would increase by approximately 0.698% at the venue, on a normalised (adjusted) basis (refer appendix 7 which outlines which comparison years were analysed).

- 9.18. In order to determine an appropriate base for the prevailing gross gaming expenditure for the Dorset Gardens Hotel, we have analysed the gross gaming expenditure derived since 1 July 2018, with consideration of the gross gaming expenditure of the venue prior to the COVID-19 pandemic, the impact of the lockdowns and restrictions placed on gaming venues during the COVID-19 pandemic as well as the level of gross gaming expenditure achieved since gaming operations re-commenced without restrictions in mid-November 2021. We have also considered the impact on the gross gaming expenditure given gaming operations ceased at the Maroondah Sports Club and Club Hotel during the 2020FY.
- 9.19. In reviewing the gross gaming expenditure derived since gaming re-commenced during the 2022FY by the Dorset Gardens Hotel, venues within the LGA (as a collective) and venues within in the State of Victoria (as a collective), it is apparent that there has been an increase in the gross gaming expenditure as compared to the gross gaming expenditure generated immediately prior to the start of the COVID-19 pandemic and the initial venue closures of March 2020. It is difficult to assess to what extent that this increased level of gross gaming expenditure is sustainable in the longer term given the time limitations of the data available since restrictions ended in November 2021 and the current and predicted economic conditions.
- 9.20. We do however, note that in light of the fact that the comparative monthly periods between 2022 and 2019 are 3 years apart and given that two venues within the City of Maroondah have ceased trade during the 2020FY, it may be reasonable to conclude that the gross gaming expenditure at the Dorset Gardens Hotel will maintain a higher level ongoing than that which was generated prior to the COVID-19 pandemic given the material time period which has elapsed in this intervening period. Therefore, we have considered the gross gaming expenditure derived for the past 12 months (July 2024 to June 2025) to be a reasonable assessment of the prevailing gross gaming expenditure.
- 9.21. Factoring in the prevailing gross gaming expenditure for Dorset Gardens Hotel (refer appendix 2), and noting the commentary above, we estimate that the 8 additional EGMs sought by the Dorset Gardens Hotel will generate additional gross gaming expenditure (over the 12 month period subsequent to their installation) as follows:

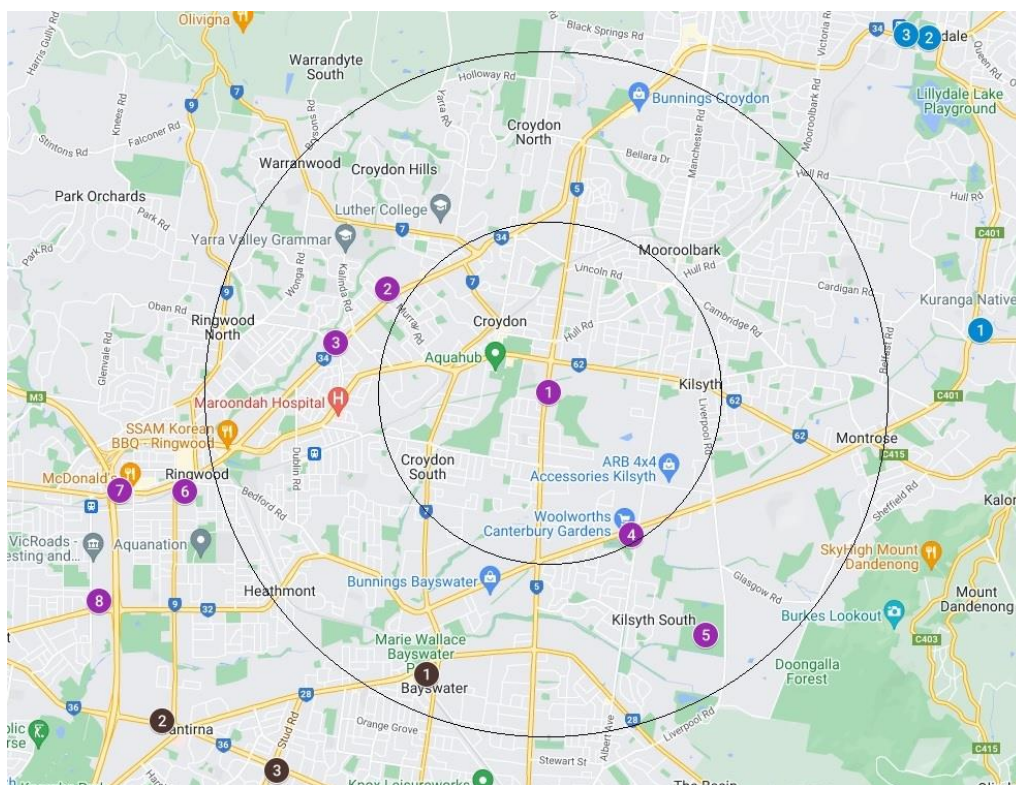
Number of Additional EGMs		Current number of EGMS		% applied		Gross Gaming Expenditure		Assumed Additional Gross Gaming Expenditure	Range
8	÷	97	x	69.8%	x	\$20,309,248	=	\$1,169,143	Medium

- 9.22. For the purposes of our assessment of additional gross gaming expenditure, we have conservatively adopted the result outlined in paragraph 9.21 as our mid-point, and applied a range to allow for any further incremental expenditure during peak periods, so as to derive the upper limit of our additional gaming expenditure estimate.

Range	Additional Expenditure
Low	\$993,771
Medium	\$1,169,143
High	\$1,344,514

10. Transferred Expenditure and New Expenditure

- 10.1. In the 2003 Victorian Longitudinal Community Attitudes Survey, Commission research has found the distance travelled by individuals to gaming venues is generally less than five kilometres with people tending to prefer their local area. It is noted that in regional areas the postcode areas are much larger than metropolitan areas, so the accepted catchment areas for such venues is generally five kilometres or more.
- 10.2. This research relating to the distance travelled to a gaming venue in metropolitan areas indicates 59% of patrons travel less than 5 kilometres, and 39.7% travel less than 2.5 kilometres to attend a gaming venue. The research also suggests that the 6.5% of persons who travel more than 20 kilometres are likely to represent those persons who are visiting the area and/or persons resident in one of the LGAs with no EGMs who travel to nearby venues.
- 10.3. As per the following map, there is one venue located within a 2.5 kilometre radius and a further four venues located within a five kilometre radius of the Dorset Gardens Hotel.



City of Maroondah

- 1 Dorset Gardens Hotel
- 2 The Croydon Hotel
- 3 Club Ringwood
- 4 Club Kilsyth
- 5 Eastwood Golf Club
- 6 Ringwood RSL
- 7 The Coach Ringwood
- 8 Manhattan Hotel

City of Knox

- 9 Bayswater Hotel
- 10 Wantirna Hill Club
- 11 Knox Club

Shire of Yarra Ranges

- 12 York On Lilydale
- 13 Crown Hotel Lilydale
- 14 Olinda Creek Hotel

- 10.4. Empirical evidence of new 'greenfield' venues that have commenced operating gaming machines recently suggests that where there are multiple (e.g. 3) gaming venues within proximity, the transfer rate can be up to 50%. Empirical evidence also suggests that the upper limit of transfer rates where there has been top-up of gaming machines at a competing venue located within proximity of several existing venues is 50% to 60%. As this venue has one gaming venue competitors within a 2.5km radius and a further four venues within 5kms and is an existing venue, it would be reasonable to assume that the transfer rate would be at least 40%.
- 10.5. We believe that a notional transfer rate of 40% is appropriate for adoption based on the following:
- There are a number of competitor venues within direct proximity of the venue.
 - The gaming patron survey (refer appendix 6) outlined that of patrons who visit Dorset Gardens Hotel, there is a combination of those that reside within the City of Maroondah, both within and outside the five kilometre radius, and those who reside outside the City of Maroondah. This would indicate that there are patrons who travel further than five kilometres to frequent the venue.
 - There are patrons residing in areas within the LGA where there are currently no venues operating gaming machines as well as patrons residing in the immediate capture area who do not currently play gaming machines, or only play in part. As such, it is highly likely that some of these residents would undertake gaming activities at the Dorset Gardens Hotel with an increased availability of gaming machines and would not be transferring gaming expenditure from other venues.
 - Empirical evidence indicates that surrounding venues to the Club Hotel and Maroondah Sports Club, experienced an increase in gross gaming expenditure, which could be reasonably argued, was attributable to transferred expenditure on the removal of EGMs from these venues. As such, based on these historical expenditure trends, we believe it reasonable to conclude that there was evidence of transferred expenditure within the City of Maroondah.
 - Noting the concentration and performance of gaming competitors, it would still be reasonable to conclude that there will be an identifiable component of the venue's gaming expenditure represented as new expenditure which will be derived from gaming patrons who do not currently conduct gaming activities at other venues (in part or in full).
- 10.6. Given an equal weighting of these above factors, whilst the location of the venues would indicate a proportion of additional gaming expenditure will be derived from local patrons whose gaming expenditure (or part thereof) is not occurring at other venues, there will also be a component of additional gaming expenditure derived from patrons who are currently conducting their gaming expenditure at competing venues.
- 10.7. It is likely that the majority of patrons visiting Dorset Gardens Hotel reside within the City of Maroondah or the surrounding LGAs. Given this, we have determined the transferred expenditure would most likely be due to transferred expenditure from existing venues within both the City of Maroondah and surrounding LGAs. We consider the transferred expenditure would be largely from the Croydon Hotel with the remaining proportion from other venues within the City of Maroondah and from surrounding LGAs.

New Expenditure

- 10.8. We estimate that, of the additional gross gaming expenditure derived from the increase in EGMs, 40% will be transferred expenditure.
- 10.9. We estimate that, on the basis of a conservative appraisal of the level of transferred expenditure, approximately 60% of the revenue generated by the EGMs will be new expenditure. The new expenditure is as follows:

Range	New Expenditure
Low	\$596,263
Medium	\$701,486
High	\$806,708

Other Factors impacting Gross Gaming Expenditure

- 10.10. There are four key anti-gambling measures that came into effect from 1 July 2012 (or earlier as applicable) in Victoria which aim to reduce the impact of problem gambling which include:
- Removal of ATMs from gaming venues (subject to certain exclusions);
 - Prohibition on banknote acceptors that accept denominations greater than \$50;
 - Prohibition on gaming machine advertising; and
 - Legislation for any change to EGMs proposed by industry to be researched and permitted only if it can be proved that it will not increase the level of problem gambling.
- 10.11. Since December 2015, voluntary pre-commitment mechanisms have existed in EGMs in Victoria (and more broadly Australia). The pre-commitment policy in Victoria has the following attributes:
- Voluntary to use on all machines in the State.
 - Voluntary to set limits on play in various forms such as, maximum bets and time limits
 - Enable players to track their play on all machines across the state.
- 10.12. From September 2018, venue operators must not provide an EFTPOS facility unless the facility limits withdrawals to \$500 cash within a 24-hour period. The venue must also ensure the facility is operated by an employee of the venue operator including entering into the device the amount of funds to be withdrawn.

10.13. The Productivity Commission report, released 23 June 2010, also put forward the following recommendations (which have in part been referred to above):

- The bet limit should be lowered to \$1 per button push (reducing total losses possible per hour);
- Shutdown periods for gaming rooms in Clubs and Hotels should be extended and commence earlier – 2am until the impacts of pre-commitment are known;
- There should be a progressive move over the next six years to a universal pre-commitment system for gaming machines, using technologies that allow all consumers in all venues to set binding limits on their future play;
 - A number of measures are recommended to reduce harm to gamblers, including:
 - Better information in venues regarding the problems associated with gambling and counselling services;
 - Relocating ATMs away from gaming floors, and lower daily cash withdrawal limits on ATMs \$250;
 - Statutory provisions to enable gamblers to seek redress through the courts for egregious behaviour by venues; and
 - Help services for problem gamblers have worked well but there is a need for enhanced counsellor training and better service coordination; and
 - The amount of cash that players can feed into machines at any one time should be limited to \$20 (currently up to \$10 000).

10.14. Due to the COVID-19 pandemic, the federal and Victorian governments have placed restrictions on trade of gaming and hospitality venues. Specifically, gaming activities ceased from 23 March 2020 and re-commenced on 9 November 2020, subject to a restriction on the number of EGMs which could be operated prior to a return to 'COVID-normal' trading conditions on 27 March 2021. There were also an additional lockdowns during the 2021FY and 2022FY. The long term impact of these restrictions and the pandemic are currently unknown.

10.15. On 16 July 2023, the Victorian Government announced a number of proposed reforms to the Victorian gaming industry as follows:

- All EGMs in Victoria to require mandatory pre-commitment and mandatory carded play;
- The Gambling Legislation Amendment (Pre-commitment and Carded Play) Bill 2024 was debated and passed by Victorian Parliament on 27 May 2025. The planned trial of mandatory pre-commitment / carded play originally scheduled for May–June 2025 was postponed to allow examination of best practice models and newer technology solutions, with ongoing consultation with stakeholders before determining a new start date. The Allan Labor Government subsequently announced a new three-month trial from September to November 2025, across 43 venues in the LGAs of Monash, Greater Dandenong and Ballarat, requiring patrons to use a YourPlay/card system and set loss/time limits;
- Load up limits on EGMs to be reduced to \$100, down from the existing limit of \$1,000;
- A mandatory spin rate of three seconds on all new EGMs; Gambling Legislation Amendment (Pre-commitment and Carded Play) Bill 2024 that will commence no later than 1st of December 2025;

- Mandatory closure periods to be enforced for all EGM areas in a venue, except the casino, between 4am and 10am. This measure was introduced on 30 August 2024.

With regards to the above measures (aside from the already introduced mandatory closure periods), when introduced they collectively will likely materially impact gaming machine play and revenue in Victoria. Given the uncertainty in relation to the timing and precise implementation of all of these changes, they have not been considered in this report. In any event, if and when all of these changes commence, we anticipate a reduction in gaming machine expenditure at all Victorian venues (noting that this is the intended purpose of the legislation) so that any estimate will necessarily reduce as a result of same.

11. Conclusion

- 11.1. The Dorset Gardens Hotel ("Hotel") is located at 335 Dorset Road in Croydon. The Dorset Gardens Hotel is seeking approval for an increase from 97 to 105 Electronic Gaming Machines ("EGMs") at the Hotel.
- 11.2. The Dorset Gardens Hotel is located within the City of Maroondah. There are currently 640 Electronic Gaming Machines ("EGMs") operating in the City of Maroondah as against a regional cap of 759.
- 11.3. The number of EGMs currently operating in the City of Maroondah is lower than the number in operation five years ago. This is predominately due to the removal of EGMs from the Club Hotel and Maroondah Sports Club.
- 11.4. Based on an analysis of the recent trends in gaming expenditure, it is reasonable to conclude that the level of additional gross gaming expenditure generated from an increase in EGMs at the Dorset Gardens Hotel would be between \$993,771 and \$1,344,514 per annum in the first 12 months of trade post installation of the additional 8 EGMs.
- 11.5. Of this additional expenditure, we have determined it is reasonable to conclude that 40% would be transferred expenditure, with the remaining expenditure being new expenditure. This would equate to new expenditure of between \$596,263 and \$806,708 in the first 12 months of trade post installation of the additional 8 EGMs.
- 11.6. Furthermore, based on the 2024 adult population, the estimated additional gaming expenditure would result in a 1% increase in the average net gaming expenditure per adult in the City of Maroondah in the first 12 months of trade post installation of the additional 8 EGMs.

12. Declaration

- 12.1. We declare, that we have made all enquiries that we believe are desirable and appropriate and that no matter of significance which is regarded as relevant has to our knowledge been withheld from the VGCCC.

13. Appendices

13.1. Appendix 1: City of Maroondah – Gross Gaming Expenditure

	2019FY \$	2020FY \$	2021FY \$	2022FY \$	2023FY \$	2024FY \$	2025FY \$	Avg 6 year (p.a.) % change*
Club Hotel	4,920,347	3,211,529	-	-	-	-	-	N/A
Club Kilsyth	8,554,212	6,159,705	5,087,644	6,288,252	8,332,350	8,098,923	8,094,976	(0.89%)
Club Ringwood	4,304,296	3,213,881	2,579,589	3,466,972	4,174,674	4,805,296	5,103,606	3.10%
Croydon Hotel	10,640,487	7,653,551	5,494,514	7,005,993	9,956,032	10,636,407	10,209,886	(0.67%)
Dorset Gardens Hotel	16,765,117	12,052,871	10,497,938	14,927,033	20,739,048	21,056,025	20,309,248	3.52%
Eastwood Golf Club	187,238	176,614	55,309	66,267	128,483	121,852	147,172	(3.57%)
Manhattan Hotel	7,953,248	5,816,869	4,670,616	6,632,504	9,084,382	8,889,015	9,051,055	2.30%
Maroondah Sports Club	1,616,644	996,850	-	-	-	-	-	N/A
Ringwood RSL	3,889,253	2,806,253	2,602,233	3,607,098	4,550,186	4,274,783	5,019,476	4.84%
The Coach and Horses	4,030,646	3,143,820	2,769,336	3,928,508	5,318,613	6,086,340	6,265,335	9.24%
City of Maroondah	62,861,488	45,231,943	33,757,179	45,922,627	62,283,768	63,968,641	64,200,754	0.36%

	2014FY \$	2015FY \$	2016FY \$	2017FY \$	2018FY \$	2019FY \$	Avg 5 year (p.a.) % change*
Club Hotel	4,390,631	4,362,763	5,157,205	4,878,672	5,193,678	4,920,347	2.41%
Club Kilsyth	8,270,351	7,967,182	8,411,027	8,646,368	8,857,451	8,554,212	0.69%
Club Ringwood	4,480,438	4,527,296	4,356,999	4,468,747	4,387,764	4,304,296	(0.79%)
Croydon Hotel	9,774,322	9,747,533	10,779,504	10,998,731	11,121,798	10,640,487	1.77%
Dorset Gardens Hotel	16,042,699	15,803,525	16,737,189	16,320,334	16,730,698	16,765,117	0.90%
Eastwood Golf Club	280,856	283,561	234,190	209,065	202,601	187,238	(6.67%)
Manhattan Hotel	9,256,871	8,664,909	8,425,838	8,461,979	8,232,422	7,953,248	(2.82%)
Maroondah Sports Club	2,607,108	2,362,706	2,043,557	1,967,501	1,890,528	1,616,644	(7.60%)
Ringwood RSL	3,338,538	3,161,950	4,102,401	4,299,140	4,190,539	3,889,253	3.30%
The Coach and Horses	3,853,051	4,812,943	4,936,172	4,864,361	4,518,887	4,030,646	0.92%
City of Maroondah	62,294,865	61,694,368	65,184,082	65,114,898	65,326,366	62,861,488	0.18%

13.2. Appendix 2: Dorset Gardens Hotel Monthly Gaming Data

	2019FY \$	2020FY \$	2021FY \$	2022FY \$	2023FY \$	2024FY \$	2025FY \$
July	1,532,221	1,443,760	-	1,162,136	1,714,977	1,774,944	1,771,141
August	1,495,407	1,486,163	-	279,638	1,832,998	1,761,636	2,015,831
September	1,409,096	1,313,297	-	-	1,895,090	1,668,344	1,600,872
October	1,522,069	1,321,361		189,506	1,882,280	1,729,283	1,757,592
November	1,411,997	1,501,396	479,870	1,777,250	1,719,291	1,591,616	1,632,349
December	1,485,770	1,444,971	1,634,214	1,853,356	1,806,112	1,988,899	1,754,068
January	1,353,909	1,365,593	1,711,017	1,550,780	1,695,621	1,615,107	1,633,724
February	1,164,941	1,333,248	1,268,576	1,444,152	1,465,825	1,660,496	1,642,486
March	1,367,190	842,827	1,767,834	1,722,474	1,780,235	1,691,133	1,678,438
April	1,403,355	-	1,590,799	1,631,587	1,671,069	1,673,941	1,662,743
May	1,388,232	-	1,384,545	1,647,284	1,578,695	1,932,895	1,612,205
June	1,231,067	-	660,935	1,668,590	1,696,699	1,967,701	1,547,768

* the above data has been obtained from internal venue reporting, as such there are minor variances to published annual VGCCC data

13.3. Appendix 3: Historical Data

13.3.1. State of Victoria

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2014	4,606,164	26,360	2,504,343,302	5.72	544
2015	4,647,818	26,264	2,571,926,031	5.65	553
2016	4,730,711	26,330	2,616,703,496	5.65	553
2017	4,815,889	26,365	2,609,530,060	5.47	542
2018	5,057,422	26,384	2,695,284,025	5.22	533
2019	5,162,954	26,448	2,698,707,179	5.12	523
2020	5,265,715	26,412	1,988,190,590	5.02	378
2021	5,367,637	26,321	1,565,234,389	4.90	292
2022	5,468,788	26,380	2,237,203,905	4.82	409
2023	5,569,256	26,284	3,021,664,869	4.72	543
2024	5,473,736	26,194	3,030,026,224	4.79	554

13.3.2. City of Maroondah

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2014	86,802	718	62,294,867	8.27	718
2015	87,620	737	61,694,367	8.41	704
2016	89,259	746	65,184,083	8.36	730
2017	90,000	759	65,114,898	8.43	724
2018	91,384	759	65,326,363	8.31	715
2019	92,202	759	62,861,489	8.23	682
2020	93,351	759	45,231,944	8.13	485
2021	94,432	639	33,757,178	6.77	357
2022	95,504	640	45,922,626	6.70	480
2023	96,569	640	62,283,768	6.63	645
2024	93,422	640	63,968,642	6.85	685

13.4. Appendix 4: City of Maroondah Gaming Expenditure by month

	2014FY \$	2015FY \$	2016FY \$	2017FY \$	2018FY \$	2019FY \$	2020FY \$	2021FY \$	2022FY \$	2023FY \$	2024FY \$	2025FY \$
July	5,212,410	5,263,625	5,516,068	5,741,693	5,604,104	5,676,507	5,504,365	-	3,585,405	5,637,300	5,325,367	5,529,252
August	5,742,007	5,368,681	5,761,281	5,847,791	5,892,264	5,735,689	5,587,969	-	751,325	5,578,222	5,560,059	5,912,799
September	5,178,751	4,949,465	5,459,285	5,793,964	5,575,354	5,342,312	5,079,452	-	1	5,415,600	5,288,798	5,312,878
October	5,621,587	5,496,228	5,464,813	5,693,912	5,627,204	5,473,941	5,160,039	-	556,381	5,580,247	5,283,019	5,397,819
November	5,449,596	5,131,363	5,260,317	5,250,564	5,378,148	5,357,904	5,324,479	1,914,687	5,281,395	5,207,303	5,413,208	5,454,657
December	5,270,558	5,382,673	5,642,512	5,532,472	5,691,557	5,333,052	5,317,287	5,207,432	5,599,606	5,392,940	5,822,856	5,545,580
January	5,121,352	5,164,522	5,541,810	5,177,299	5,458,513	4,929,033	5,238,923	5,241,967	4,668,960	4,959,939	5,095,567	5,232,682
February	4,597,919	4,546,346	5,132,432	4,872,824	4,774,480	4,505,805	4,873,927	3,983,191	4,664,782	4,453,629	5,196,261	4,850,737
March	5,102,861	5,046,572	5,363,720	5,368,241	5,470,187	5,229,220	3,145,504	5,453,214	5,399,328	5,218,267	5,083,273	5,432,471
April	5,024,325	5,115,027	5,299,449	5,256,552	5,234,294	5,161,167	-	5,078,289	5,202,848	5,124,911	5,046,970	5,198,594
May	5,187,626	5,226,805	5,551,990	5,239,567	5,389,415	5,140,024	-	4,646,771	5,270,990	4,696,575	5,515,853	5,155,246
June	4,785,876	5,003,059	5,190,404	5,340,019	5,230,844	4,976,835	-	2,231,630	4,941,606	5,018,836	5,337,412	5,178,040

13.5. Appendix 5: Gaming Patron Survey

Gaming Room Counts - Data Collection																
Week Ending Date:		28th July 2024														
	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Sunday		Totals	
Time	No. of People		No. of People		No. of People		No. of People		No. of People		No. of People		No. of People		No. of People	
	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)
7.00am															0	0
8.00am															0	0
9.00am	15	0	6	0	4	0	2	0	11	1	5	0	12	0	55	1
10.00am	18	1	14	1	17	3	16	5	20	2	21	2	20	1	126	15
11.00am	27	1	36	0	24	1	48	4	59	2	22	4	68	3	284	15
12 noon	44	3	46	0	43	4	73	4	66	2	50	5	60	2	382	20
1.00pm	72	0	56	4	73	7	78	5	59	7	71	3	62	3	471	29
2.00pm	83	8	73	3	79	3	62	7	75	8	76	11	61	2	509	42
3.00pm	81	2	79	3	74	2	79	9	74	5	64	8	62	16	513	45
4.00pm	42	1	41	4	68	3	70	3	82	18	74	5	89	17	466	51
5.00pm	76	3	62	4	75	5	88	2	98	7	87	6	87	8	573	35
6.00pm	73	3	74	3	99	6	92	3	99	5	101	19	82	4	620	43
7.00pm	68	4	75	2	88	5	94	2	92	7	106	22	74	15	597	57
8.00pm	65	0	94	2	85	5	91	2	92	7	111	28	77	8	615	52
9.00pm	88	4	88	1	78	7	94	3	70	12	101	19	66	4	585	50
10.00pm	65	6	68	3	71	8	83	3	79	4	87	30	57	5	510	59
11.00pm	55	2	43	3	60	5	85	7	73	3	81	35	54	7	451	62
12.00am	30	1	24	6	55	0	83	2	91	9	80	23	37	7	400	48
1.00am	42	1	10	1	24	0	57	1	71	8	73	21	25	3	302	35
2.00am	12	0	9	1	17	0	33	2	48	6	40	16	19	2	178	27
3.00am	12	0	7	0	13	2	11	3	21	2	45	13	7	1	116	21
4.00am	8	0	4	0	8	4	9	1	29	8	21	16	7	0	86	29
5.00am	5	0	2	0	5	0	7	0	10	2	16	5	1	0	46	7
6.00am															0	0
Totals	981	40	911	41	1060	70	1255	68	1319	125	1332	291	1027	108	7885	743

Gaming Room Counts - Data Collection																
Week Ending Date:		4th August 2024														
	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Sunday		Totals	
Time	No. of People		No. of People		No. of People		No. of People		No. of People		No. of People		No. of People		No. of People	
	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)	At EGM's	Lounge Areas (seated area)
7.00am															0	0
8.00am															0	0
9.00am	2	0	5	0	3	0	2	0	13	0	3	0	0	0	28	0
10.00am	16	1	11	0	46	4	30	2	32	0	14	1	5	0	154	8
11.00am	56	2	44	2	76	4	44	0	71	2	36	4	24	1	351	15
12 noon	53	8	66	4	78	5	83	5	76	4	53	0	37	6	446	32
1.00pm	57	12	75	2	54	6	88	6	76	15	64	5	45	3	459	49
2.00pm	82	8	74	5	88	7	80	3	78	18	81	10	66	9	549	60
3.00pm	81	9	72	5	83	4	88	5	103	6	99	0	60	7	586	36
4.00pm	76	5	43	7	81	10	80	11	104	4	76	3	63	5	523	45
5.00pm	72	3	68	11	80	1	81	5	99	8	83	23	54	4	537	55
6.00pm	73	5	87	4	85	6	84	1	94	7	90	19	53	10	566	52
7.00pm	72	4	93	6	85	1	86	0	93	15	87	15	43	1	559	42
8.00pm	75	6	95	6	84	2	72	2	84	6	80	13	30	5	520	40
9.00pm	75	4	81	4	80	2	65	4	89	12	79	22	23	7	492	55
10.00pm	78	2	65	0	73	7	66	0	66	18	84	29	30	7	462	63
11.00pm	61	0	43	0	47	2	64	0	71	15	85	32	21	5	392	54
12.00am	40	0	25	0	26	6	47	3	55	16	72	22	19	7	284	54
1.00am	25	0	12	0	26	3	23	1	38	7	43	11	21	9	188	31
2.00am	12	0	12	0	27	4	22	2	35	12	31	5	12	2	151	25
3.00am	9	0	5	0	8	5	11	0	27	5	26	6	2	1	88	17
4.00am	5	0	7	0	6	2	7	2	21	10	14	2	3	0	63	16
5.00am	5	0	3	0	6	0	4	1	11	3	12	0	2	1	43	5
6.00am															0	0
Totals	1025	69	986	56	1142	81	1127	53	1336	183	1212	222	613	90	7441	754

13.6. Appendix 6: Gaming Patron Locality Survey

Suburb	No.	%
Croydon	1,652	20%
Mooroolbark	714	9%
Boronia	572	7%
Ringwood	522	6%
Bayswater	505	6%
Kilsyth	504	6%
Lilydale	455	5%
Ferntree Gully	368	4%
Chirnside Park	324	4%
Heathmont	156	2%
North Croydon	150	2%
Mitcham	143	2%
Rowville	142	2%
Wonga Park	135	2%
Mt Evelyn	119	1%
North Ringwood	112	1%
South Croydon	111	1%
Other Suburbs	1,657	20%
Respondents from the City of Maroondah	2,513	30%
Total Respondents	8,341	100%

13.7. Appendix 7: Empirical Sample Group

Venue	LGA	Date additional EGMs began operating at Venue	Expenditure (after installation of EGMS) \$	New number of EGMs	Period	Expenditure (prior to installation of EGMS) \$	Previous number of EGMs	Period
Bourke Hill's Welcome Stranger	City of Melbourne	Aug-12	14,752,026	100	2014FY	13,581,521	90	2012FY*
Watergardens Hotel	City of Brimbank	Mar-13	15,247,642	76	2014FY	14,659,415	70	2012FY*
Roxburgh Park Hotel	City of Hume	Jul-15	15,947,242	80	2016FY	15,185,478	71	2015FY
West Waters Hotel	City of Melton	Apr-16	12,429,527	90	2017FY	11,552,736	80	2015FY
Berwick Springs Hotel	City of Casey	Dec-17	19,982,369	105	2018CY	18,029,087	95	2017CY

* 2012FY revenue adjusted to allow for the permanent disruption to the gaming industry

Venue	Gaming Expenditure Growth %	EGM Increase %	Increase per 1% of EGM Increase	Weighting	Adjusted Increase per 1% of EGM Increase
Bourke Hill's Welcome Stranger	8.62%	11.11%	0.78%	10%	0.078%
Watergardens Hotel	4.01%	8.57%	0.47%	15%	0.070%
Roxburgh Park Hotel	5.02%	12.68%	0.39%	15%	0.059%
West Waters Hotel	7.59%	12.50%	0.61%	30%	0.182%
Berwick Springs Hotel	10.83%	10.53%	1.03%	30%	0.309%
Total					0.698%

13.8. Appendix 8: Gaming venue analysis

13.8.1. We have conducted a review of metropolitan hotel venues currently operating between 95 and 105 gaming machines as compared with the estimated outcomes of the Dorset Gardens Hotel following an increase of 8 EGMs.

Venue Name	Venue type	LGA Name	EGMs	Gross Gaming Expenditure \$	NMR \$
Skyways Taverner	Hotel	City of Moonee Valley	96	26,026,192	743
Bundoora Taverner	Hotel	City of Whittlesea	96	25,627,462	731
Plough Hotel	Hotel	City of Whittlesea	100	26,248,160	719
Epping Plaza Hotel	Hotel	City of Whittlesea	99	25,347,218	701
Berwick Springs Hotel	Hotel	City of Casey	105	22,398,231	584
Dorset Gardens Hotel	Hotel	City of Maroondah	105	21,478,391	560
Rosstown Hotel	Hotel	City of Glen Eira	103	19,393,865	516
Taylors Lakes Family Hotel	Hotel	City of Brimbank	105	17,422,788	455
Bourke Hill's Welcome Stranger	Hotel	City of Melbourne	99	16,235,761	449
All Seasons International Hotel Bendigo	Hotel	City of Darebin	100	14,676,956	402
Zagame's Caulfield Club Hotel	Hotel	City of Glen Eira	100	14,262,993	391
Edwardes Lake Hotel	Hotel	City of Banyule	100	13,919,970	381
Golden Point Hotel	Hotel	City of Maroondah	105	13,666,952	357
Ivanhoe Hotel	Hotel	City of Banyule	100	10,887,971	298
Croydon Hotel	Hotel	City of Maroondah	105	10,209,886	266

13.8.2. In consideration of the above venues, it is noted that the Dorset Gardens Hotel would remain the 6th best performing metropolitan venue operating between 95 and 105 gaming machines.



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