

SECRETARY MANAGER'S REPORT TO MEMBERS 2017

Greetings members and welcome to my inaugural Secretary Manager's report for North Beach Recreation & Bowling Club. A year has passed since I attended my first Annual Meeting of Members and much has happened during the year.

From the outset, I knew there are challenges facing the Club. I accepted this role confident I have skills, knowledge and commitment to address them and make a positive contribution to your Club.

In the first 3 days of starting at the Club we experienced what would be the first of many power outages that would seemingly occur at peak trading times.

There was the unfortunate experience of an armed robbery in October last year. In response to this we implemented security measure upgrades to toughen the Club premises as a target. After some time the Police successfully arrested the persons involved.

We conducted 2 additional Christmas Ham Raffles during November and December earlier in the afternoon on a Sunday with some live entertainment which was received positively despite some initial concerns by many. We tested the waters hosting Electronic Dance Music Events twice during the year and opened an outdoor gaming area around Christmas time.

We successfully planned and ran the Putt Bennett Family Fishing Festival in January with the invaluable help of the Organising Committee and countless volunteers during the event. Once again it attracted locals, tourists and sponsors resulting in about 550 registered anglers. The Festival attracted some great media coverage on TV and radio for the Club and the community.

I continue to grow my understanding of the Club, the people, the local community and surrounding area. It is abundantly clear local Club members are passionate and proud of their Club and it is demonstrated this through volunteering their time and efforts for activities and events like lawn bowls, raffles and the flagship 'Putt Bennett Family Fishing Festival'.

The Board of Directors engaged the Royal NSW Bowls Association Club Advisory Committee to review the Club's operations and compare us to the rest of the industry. The Board of Directors received this report and the report card was not too good! This prompted an 'Information Session for Members' in May to communicate that 'unpopular and difficult' decisions need to be made.

Recommendations from this report were assessed with the Board of Directors allocating priorities as to which recommendations be implemented. Decisions were made prior to the end of the financial year, however, the impact of these decisions do not show in this year's report.

A Review of Financial Statements for the year ending 30 June 2017 highlights the following information;

- The Club posted a **nett loss** for the year of \$62,260 compared to last year \$157,498.
- Total Revenue was stable with marginal growth in Bar Sales, Poker Machine Revenue and Keno Commission while Tobacco & Cigarette Sales decreased due to selling the Club's vending machine and going to a commission based arrangement.
- Total Expenses decreased marginally with savings in insurance premiums, poker machine expenses and the Bowls subsidiary costs.
- The Club generated positive cash flow from trading operations \$71,543.
- The Club used \$23,849 in investment activities purchasing plant & equipment.
- The Club also used \$163,245 towards financing activities, namely paying down the balance of the Commercial Loan.
- The Club's Cash balance at the end of the financial year is \$129,711 which is down from \$245,262 at the beginning of the year. The large reduction in the cash balance has been result of BCU closing the Club's 'mortgage offset account' due to financial industry governance changes. The Club now operates a 'redraw facility' on the commercial loan.

It is important Club members understand for the long-term viability of the Club, we must be recording financial surpluses. The Club has not been generating enough surplus funds to reinvest in the plant, equipment and facilities. What this means is the Club building, fixtures, fittings and equipment will get older, begin to breakdown and will need repair and replacement. Based on our recent financial performance we will not have the funds to do this.

I would like to thank the Board of Directors for their encouragement and support they have given me during the year. I would also like to thank the staff for their efforts, thank you to the Club members for their patronage and the volunteers for their commitment, passion and efforts.

Thank you to those who have made me feel welcome and willingly shared with me their insight and knowledge of the Mylestom North Beach community.

Benjamin Hamilton
Secretary Manager