

SECRETARY MANAGER'S REPORT TO MEMBERS 2018

Greetings members,

Another year has passed by so quickly and this provides an opportunity to reflect and review the events, challenges and achievements since the last year. With the Club's future a concern the scene was set when your Board of Directors decided to take action. The goal to improve the club's trading performance to ensure the long term sustainability and prosperity of the Club.

The community support policy was changed to an application based model. This meant sub clubs and other local community organisations no longer conducted regular fundraising activities as part of the promotional activity program and that the Licensed Club now directly controls these activities. Needless to say, this was disappointing to many who felt the Club was abandoning it's community support of local voluntary organisations.

The Club continued to deliver community support during the year as follows;

- \$5,000 cash contribution towards an All Terrain Vehicle for North Beach Surf Life Saving Club. Additional cash support was contributed through the Surf Club's conduct of 2 up on ANZAC Day and the Melbourne Cup Calcutta.
- Repton School received support with prize donations and payment of expenses to conduct their Fundraising Trivia Night.
- Support in Kind was delivered with Free use of the Club Courtesy Bus for Repton Primary School to transport students, Social Golf Club and Pennant Bowlers.
- Cash Contribution of \$500 to the Urunga Christmas Carols Event hosted by the Urunga Mylestom Business Chamber in December.

We tried new promotions, entertainment and activities with mixed results including increasing the size of meat raffle prizes, introducing a Jackpot Joker Draw, the Friday Fuel Frenzy Poker Machine Promotion, Children's Toy Raffle and a summer season of live entertainment. We changed Trivia providers generating a positive response resulting in increased numbers. Membership benefits have been reviewed resulting in members raffle ticket offers and the reintroduction of members birthday offers through the Point of Sale System.

Through the process of assessing Club operations opportunities have been identified to make improvements impacting on financial performance. A Review of Financial Statements for the year ending 30 June 2018 highlights the following;

- The Club posted a **profit** for the year of \$48,748 compared to a **loss** the previous year of \$62,260. This is an improvement of \$111,008 to the Club's bottom line.
- The Club demonstrated growth in revenue with strong performance in bar trade, keno and raffles. Policy changes by your Board of Directors at the beginning of the year facilitated and enabled this to happen.
- The revenue growth was achieved while maintaining controls over expenses with particular attention on labour costs and a line by line review of the Club's Profit & Loss Statement to identify expenses that were not representing value for money or providing a benefit.
- The statement of Cash Flows shows we generated \$193,493 from operating activities of which \$25,010 was used to invest in plant & equipment and \$145,795 was used to service debt.
- The Club's Cash balance at the end of the financial year is \$152,399, this represents an increase of \$22,688 compared to the beginning of the year.
- Astute observers will note the Club's Plant & Equipment at Cost value and accumulated depreciation has declined during the year despite the acquisition of \$136,387 of assets. This is the outcome of a Fixed Asset Register review where many items showing a nil written down value were disposed. This decision was made on the basis of whether the items were confirmed to still be in the Club's possession or if it still had any useful life remaining.

It is important that everything we do adds value and Club members understand for the long-term viability of the Club, we must make financially beneficial decisions and take positive action. In recent times 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 is getting older, beginning to breakdown and need repair and replacement. While we have reported a small profit it is important to note The Club is still in a delicate financial position. The job is not yet done! We have a long journey ahead to assure our prosperity and future.

I would like to thank the outgoing Board of Directors for their encouragement, support and commitment during the year. Without their commitment to support change and improvements the positive outcomes would not have been possible. 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 contribution, passion and efforts. I look forward to the challenges ahead with optimism.

Benjamin Hamilton
Secretary Manager