

## PRESIDENT'S REPORT 55<sup>TH</sup> AGM

It is my pleasure to welcome you to the 55<sup>th</sup> Annual General Meeting of Dural Country Club and to be able to report to the members that for the 2019 financial year, your Board has been able to achieve a net before income tax of \$192,266.00.

For the first time in our clubs history due to our success we will now be required to pay income tax of \$833.00, leaving the club with a net profit for the financial year ending 30<sup>th</sup> June 2019 of \$191,433.00. The main reason we are now required to pay income tax is due to the ATO's policy on mutuality which means that we are required to pay income tax on non-member income. This is as a result of the small number of our members in proportion to non-members. This highlights the need to increase our membership base in order to avoid the need to pay future tax.

The financial results is exactly a 50% improvement in operating profit, with profit before finance costs doubling by over 100%. Profit before income tax has increased from \$37800.00 last year to \$192,266.00. Putting that into perspective that equates to a 408% increase in profit.

On a downside, the value of our assets have reduced in value due to the revaluation of the poker 58 poker machines entitlements from \$20000 to \$15000 for each machine.

I would like to draw to your attention the stated reduction in our loan from \$3,009,780.00 to \$141,067.00 is simply an accounting principle as the full value of the loan was recorded in 2018 as that was the year in which it rolled over. As the loan has now been renewed for a further 3 years it is now shown as a non-current liability.

I am able to report an improving relationship between assets and current liabilities. Creditors have been reduced by 28% ,with our current total assets improving by 90% from \$105,791.00 to \$201,474.00. We have continued to make reductions in our loan principal. This has resulted in a reduced ratio of liabilities to assets from 3.1 to 1.7 to 1. The goal is to achieve a 1 to 1 ratio.

Trading revenue is down however we need to note that the 2018 year included \$65,000.00 profit from the sale of poker machine entitlements, \$35,980.00 from an insurance recovery, \$65,367.00 revenue from the Bowling Club which is no longer received, as well as the loss of the grill revenue due to that being contracted to Fedele.

The increase in profit has allowed the board to undertake much needed maintenance expenditure.

Examples of the work undertaken is as follows:

- Asphaltting of the car park
- Waterproofing of the roof
- Purchase of a replacement freezer due to the function kitchen cool room no longer being serviceable
- Installation of the AV system in the celebrity room
- Improving and painting snooker room as well as other areas in the club
- Up grading a non-compliant electrical board
- New electronic sign in machine
- Repair and service to air-conditioning units and air vents resulting in a reduction in electricity costs
- Repair of damage and removal of trees caused by severe storms
- Replacement of compressor
- Replacement of commercial glass washer

Looking forward, with finance permitting, the Board has plans to install a children's play area, an electronic digital sign at the front boundary and the construction of a replacement bar. I am aware that these are big ticket items that will require substantial cash funding.

It is important that I acknowledge a number of people that I believe have contributed to our success. I would like to mention the FRIENDS OF DCC, a small but energetic and dynamic group headed by Norm Nicholson and Jenny Puleo. Both have provided voluntary and unpaid work, from door attendant, to running the Friday night meat raffle, the major raffels, as well as serving at functions and organising the Children's Halloween disco.

So far their efforts have resulted in them raising \$10,500.

I would also like to thank, and acknowledge, the very hard work, and the time our Vice President Marea Nicholson gives in supporting the club. Her input is invaluable and of great assistance.

Apart from her role on the board, together with Jenny, they can both be seen decorating the club during special occasions and functions in order to make the event look special and professional. Their high standards, and attention to detail, have proven to be a great asset to the club, resulting in a vast improvement in our reputation within the community, together with our ability to hold functions.

I would like to acknowledge the valuable work undertaken by our Grounds and Maintenance committee, headed by Marea and ably supported by David Wightley and Oreste Battisti. This committee is an integral part of the club. They are responsible for identifying areas that need attention, and then giving their time to improve the club's property.

Oreste's painting skills have been utilised in painting numerous areas within the club.

I would like to also acknowledge the work done by our other directors, George Truelove our sports director, and head of the Grants Committee and Gordon Scoble who capably records the board minutes.

I would like to thank and acknowledge our management team, Cameron Bezer, Mervyn Fernandez and Grace Nati for their support and effort in running the club as well as all our other staff who make themselves available to fill the rosters.

Finally we currently have over 9 groups and 7 internal sporting clubs that utilize the club's facilities on a regular basis. I would like to express the board's thanks and gratitude to all those members and groups who continue to give their support in order to see our club grow from strength to strength.