

PRESIDENTS REPORT

2018 AGM 26th November 2018

FINANCIAL

I am pleased to report that this year we were able to achieve a profit of \$37,800. While this appears to be a modest sum, it is effectively, a \$200,000 turnaround from last year's loss of \$166,712.

After allowing for depreciation of \$97,345 we were able to achieve a cash operating profit of \$159,000.

Revenue was down, but this was due to the club no longer operating the restaurant, as and from 1st December 2017.

The Board has made certain changes and taken various steps to reverse the losses.

Early this year we adopted a different management structure, one that is more applicable to a club of this nature and size. The effect of this is that we engaged a manager who is prepared to be hands on, and effectively operate from the floor to attend to the majority of the tasks required to run the club.

While there has been a reduction in staffing and other associated costs there also has been a recruitment of additional staff without increasing staff hours all while working within the budget set by the Board.

These cost savings were designed to be in line with current revenue. The Board, however is always mindful of maintaining a high standard of service to the members.

We have undertaken a strategy, and are well underway, in reducing the high level of historical debt carried by the club. This year creditors have been reduced by \$166,000 and we were also able to reduce the BOQ loan by \$66,000.

We have focused on reducing the waste in the coffee shop and have sourced, and adopted other menu options to better suit the diverse groups that use the club.

We have commenced reducing the loan to the bank by making principal and interest repayments of \$6,000 per month. As a result the loan this year was reduced by \$45,000 and our overdraft reduced by \$48,000.

The bank loan is due in April 2019 and negotiations will commence shortly, with a view to extending the loan for a further term.

We have undertaken a review of our function and event pricing to ensure, that costs are covered, and that we are not running these at a loss.

This year the Australian Taxation Office has, as a part of a project focusing on the tax-free status of sporting and recreational clubs, conducted an audit of the club. As a result of that audit, the ATO has determined that we are now required to lodge annual tax returns. This means, that we will now be liable to pay income tax on non-member related income.

This has placed an urgent need for us to increase our membership base in order to minimise the tax we will be required to pay.

COMMUNICATIONS

In order to increase the club's profile within the community we have produced monthly newsletters, by emails, hard copies and via our website. This has enabled us to provide information about upcoming events and news from sporting clubs, which have given an opportunity to provide feedback.

We have embraced social media. Our use of Facebook, the website and email has given us the ability to provide notification to members of events.

MAINTENANCE

With respect to property maintenance, we have allocated a budget of \$60,000 for the 2018-2019 year.

As the club ages there is much to be done. Work is to be prioritised with the most urgent being attended to first.

Apart from urgent matters we have included in our list the following.

- PA system;
- Carpark resurfacing;
- Toilet refurbishment;
- Carpet;
- Updating the Celebrity Room kitchen;
- Children's play area; and
- Updating the courtyard

I am pleased to report that we were recently successful in obtaining a Stronger Communities Grant for an Audio-Visual upgrade in the auditorium. This will be at a cost of \$16,000. The grant made available to us is \$8,000, which is 50% of the cost of the upgrade. We are required to contribute the other 50% of the project cost.

This upgrade will be of great benefit to those using the auditorium for conferences and educational events.

ENTERTAINMENT

This coming year you will notice that there will be more live shows and events. Wrestling this year proved to be a success, with the promoters locking in a further three dates commencing in February 2019.

We will also continue to engage live artists on Friday and Saturday nights, as well as holding kids' Halloween and Christmas discos, with a visit from Santa.

SPORTING AND OTHER CLUBS

There are currently 14 clubs using the club's facilities on a weekly basis. We also have a number of host interclub competitions which are held at the club.

Attempting to meet the various clubs' needs, particularly the issue of food being brought on to the club premises, while we try to cover our costs, is proving to be quite a challenge. This issue will be addressed shortly by the Board.

DURAL GROWERS MARKET

Commencing on 9th December, 2018 we will be hosting the Dural Growers Market to be held in the President's garden area. The market is to be conducted by the group that presently runs the Glenorie Growers Market and from next February the Dural Growers Markets will be held on every 2nd Sunday of the month.

Initially there will be 30 stalls with the expectation that the number will grow from next year. As part of our agreement, we will be able to operate a drinks stall, as well as a stall for our members to sell seasonal produce.

FRIENDS OF DCC

This year we have established a group of volunteers to assist with events, fundraising, raffles, and for specific projects. This group is known as The Friends of DCC.

While it operates independently it has its own bank account, and will operate under the authority of the Board. All funds raised will be used for the sole purpose of the benefit of the club.

The foundation members are Jenny Puleo and Norm Nicholson, who would gratefully welcome any assistance, or new members.

VOLUNTEERS

Due to the clubs position we rely heavily on the goodwill and assistance of volunteers.

It is important, that I acknowledge those members, who while understanding our position, give their time, and in certain cases, their professional expertise freely and without any expectation, that they will be rewarded for their efforts.

Firstly, I would like to acknowledge PAUL TREANOR, who is a retired accountant. Paul has provided countless hours of his personal time in assisting Mervyn to transition our accounting system to MYOB, saving the club thousands of dollars.

I would also like to thank Norm Nicholson for taking on the responsibility of running the Friends of DCC, for manning the front door, picking up and sanding tables, and for always being there when help is needed.

Oreste, thank you for always offering to help when we need assistance

Earle Burrows also needs a special mention. As CEO of Wingman Brewery, and as a club member, he is a great supporter of the club.

Finally I would like to mention my wonderful wife Jenny, firstly for allowing me the time to do what I do, but for all she does in her own right, quietly and without any fanfare. I will leave it there and quit while I am ahead should I get into serious trouble, but I must thank her for all the work she does.

THANKS TO STAFF

I would like to thank Cameron, Mervyn and Grace, who have stepped up to support the changes that were made to the management structure .I believe that we have wonderful staff who all have the best interest of the club at heart.

THANKS TO BOARD MEMBERS

The Board cannot function without volunteers. There is no monetary reward they do, and I would like to thank all those members for their service.

I would like to make special mention of Marea Nicholson, who joined the Board in February 2018. Marea has wholeheartedly thrown herself into the role of Vice-President. I would like to thank her for the assistance she has given me throughout the year. This has helped lighten my load, by taking responsibility for events and functions, and generally contributing the experience she gained while working in her family Pub.

RETIREMENT FROM THE BOARD

Tonight we have two members of the Board that are stepping down into retirement.

Firstly, Arthur Billyard is leaving after 4 years. I would like to thank Arthur for all his efforts, and for giving us his valuable building expertise. Arthur will be missed.

Secondly, Aldo Calacoci joined the Board on 28th October 1996. Aldo has given 22 years and 29 days of loyal service to the club. Aldo has always held the club in high regard, has taken his responsibility as a director seriously, and has always worked for the success, and benefit of the club.

I would like to thank Aldo for his contribution and support, not only to the club, but for me personally. Your experience, advice and contributions to debate, will be greatly missed. While Aldo moves away from the Board he will still be seen serving on a more relaxed Dural Bocce Club committee, and on the Bocce courts.

In closing, I would like to thank all our members for their continued support, for without them there will not be a club.

You can rest assured that your Board will continue to work to ensure that Dural Country Club will always be a welcoming family friendly community space to be enjoyed by all.

Thank you for your kind attention.

John Puleo
President