

2011 TREASURER'S REPORT



It is with much pleasure that I present the Treasurer's Report for the 2010/2011 financial year and also take time to pay respects to our inaugural President, Past CEO, Treasurer and Board Member, John Knipe as well as Vice President, David Sellars.

Commendation has to be paid to our CEO, Paul Cousins for his managerial skills in guiding the Club to a trading profit for the financial year. Paul has brought a new outlook for the club with his ideas. Much thanks also goes to Sharon Apperley for her work as operations manager. Her efforts in ensuring that Club functions are successful must not go unnoticed.

To our dedicated staff, both past and present in the 2010/2011 year, I say thank you for the manner in which you went about your work and have contributed to the return to surplus of the Club.

The direction taken by the Board, Management and Staff over the last year is vindicated in the result of a trading profit of \$155,126 compared to loss of \$314,836 in 2009/2010. This is a turnaround of nearly half a million dollars. The Board and Management have demonstrated good governance by implementing sound fiscal policy that ensured a return to surplus for the year.

The Motel is becoming a success story with the appointment of Graham Farish in December. Graham's expertise in the industry is evident in the turnaround of room occupancy from an average of 32% to 36% with income increasing \$10,000 per month. The Motel has realised a loss of \$188,744 for the year compared to \$258,589 for the 2009/2010 year. This is an improvement of \$70,000.

Total revenue from all operations was \$7,335,009, an increase of \$530,353 over the previous year. This equates to an extra \$10,200 per week. Poker Machine turnover and net clearances have exceeded 2009/2010 with an increased profit of \$400,470. This is an average extra of \$7,700 per week.

Bar sales fell \$30,514 for the year with a drop in profit of nearly \$90,000 due to increased running costs and no CPI increase for 6 months. We are endeavouring with promotions to improve revenues. Beer carters tell us that most clubs are experiencing a drop off in deliveries. With cheap buys at liquor outlets, we are facing formidable opponents.

I will not compare Bistro or Coffee Shop sales to the previous year as we did not operate the Bistro/Restaurant for a full year in 2009/2010 and accounting procedures have changed for the Coffee Shop.

Administration expenses have been decreased by \$65,653. This is an exceptional achievement.

Finally, at the end of the financial year, we still owed \$4,227,000 to the bank which is being paid off at \$576,000 a year. With increased profit margins, we hope to get this down much quicker. At the present rate of payment, it will take till October, 2018 to pay down the debt.

Graham Barry | Treasurer