

# DIRECTORS REPORT

## 30 JUNE 2019

### 1. General Information

#### Information on Directors

The names of each person who has been a Director during the year and to the date of this report are:

Names	Position	Appointed / Resigned
Ian Simpson	Chairman	18 October 2015
Ian Douglas McFie Doyle	Vice-Chairman	19 October 2008
Elva Watson	Director	18 October 2015
James Crisp	Director	22 October 2017
Barry Rumbel	Director	22 October 2017
Glen Hanna	Director	22 October 2017
Patrick Holman	Director	22 October 2017

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

David Cunningham, since 29 June 2009.

#### Principal Activities

The principal activities of South West Rocks Country Club Ltd during the financial year were the provision of sporting and recreational facilities for members and their guests.

No significant changes in the nature of the Club's activity occurred during the financial year.

#### Business Review

The profit of the company amounted to \$143,916. This represents an increase of \$77,403 on the results reported for the year ended 30 June 2018. The increase was attributed to an increase in net bar of \$140,033, increase in net poker machines of \$75,114, and increase in net golf of \$37,207 offset by an increase in depreciation of \$15,726 and a decrease in bistro of \$31,396.

#### Objectives of the Club

##### The Club's short-term objectives are to:

- Maintain and improve the quality of the Club's facilities.
- Improve Staff knowledge regarding appropriate customer contact.
- Maintain a healthy working environment.

##### The Club's long-term objectives are to:

- Provide catering and entertainment in a socially healthy environment.
- Maintain a strong relationship with members of the Club and their guests.
- Strive for continuous improvements in industry to ensure best outcomes for the Club and its members.
- Maintain strong cash flow and balance sheet.

#### To achieve these objectives, the Club has adopted the following strategies:

- Aim to attract and retain quality Staff, focusing on strong customer service.
- Ongoing training in relevant areas of the industry.
- Strive to attract Board members with relevant knowledge and understanding of the entities objectives.
- Attract members who will utilise the Club to assist in providing strong cash flow.

### 2. Other Items

#### Meetings of Directors

During the financial year, 19 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
Ian Simpson	19	16
Ian Douglas MacFie Doyle	19	19
Elva Watson	19	16
James Crisp	19	15
Barry Rumbel	19	19
Glen Hanna	19	14
Patrick Holman	19	17

#### Summary of Accounts

We would like to bring to our members attention that this summary while based on our Audited General Purpose Financial Reports the auditors have not reviewed the information it contains and therefore do not offer an opinion as to its presentation or completeness. We recommend that members access the Audited Reports which will be available on our website.

Signed in accordance with a resolution of the Board of Directors:

*Ian Simpson*      *Ian G Doyle*

#### Director

Ian Simpson  
Dated: 27 August 2019

#### Director

Ian Douglas McFie Doyle  
Dated: 27 August 2019

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members will be held in the Auditorium on:

**Sunday 27th October 2019 commencing at 9:00am**

- To confirm the minutes of the Annual General Meeting held 28th October 2018.
- To receive and consider reports from the Board for the period ending 30th June 2019.
- To receive and consider the Balance Sheet & Profit and Loss Statement.
- Chariman's allowance \$4,000.
- To deal with the First and Second Resolutions for which due notice has been given in accordance with the Constitution.

Notice: Any financial member attending the Annual General Meeting who requires clarification on any matter pertaining to the financial statements contained herein, please put your questions in writing to the Chief Executive Officer no later than seven (7) days prior to the AGM, so the questions may be answered fully at the meeting.

## ANNUAL GENERAL MEETING - SUNDAY 27TH OCTOBER 2019 9:00AM

#### First Resolution

That pursuant to the Registered Clubs Act:

**a)** The members hereby approve and agree to reasonable expenditure by the Club for professional development and education of Directors until the next Annual General Meeting and being:

- The reasonable travel and accommodation costs of Directors attending Registered Clubs Association Annual General Meeting.
- The reasonable costs of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
- The reasonable costs of Directors attending other registered Clubs, for the purpose of viewing and assessing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.

**b)** The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those that are Directors of the Club.

#### Second Resolution

That pursuant to the Registered Clubs Act:

**a)** The members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities of the Directors:

- The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee meeting on the day of that meeting where the Board or Committee meeting coincides with a normal meal time.
- Reasonable expenses incurred by Directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities performed by

Directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence.

**b)** The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only those who are Directors of the Club.

### Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2019

	2019 \$	2018 \$
Revenue	6,233,201	6,641,833
Changes in inventories of finished goods and work in progress	(9,077)	(33,743)
Raw materials and consumables used	(965,011)	(1,235,041)
Employee benefits expense	(1,943,833)	(2,194,906)
Depreciation and amortisation expense	(563,702)	(547,976)
Other expenses	(2,530,681)	(2,496,451)
Finance costs	(76,981)	(67,203)
<b>Profit before income tax</b>	<b>143,916</b>	<b>66,513</b>
Income tax expense	-	-
<b>Profit from continuing operations</b>	<b>143,916</b>	<b>66,513</b>
<b>Profit for the year</b>	<b>143,916</b>	<b>66,513</b>
Other comprehensive income, net of income tax		
Items that will not be reclassified to profit or loss		
Items that will not be reclassified to profit or loss when specific conditions are met		
<b>Total comprehensive income for the year</b>	<b>143,916</b>	<b>66,513</b>

## Statement of Financial Position 30 June 2019

ASSETS	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	714,078	779,658
Trade and other receivables	5	15,415	42,295
Inventories	6	176,188	175,387
Other assets	9	46,142	35,877
<b>TOTAL CURRENT ASSETS</b>		<b>951,805</b>	1,033,217
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	12,291,465	11,839,092
Intangible assets	8	43,799	45,689
Other assets	9	10,675	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>12,345,939</b>	11,884,781
<b>TOTAL ASSETS</b>		<b>13,297,744</b>	12,917,998
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	459,987	347,309
Borrowings	11	335,421	365,213
Current tax liabilities	15	17,577	27,404
Short term provisions	12	188,798	181,055
Other financial liabilities	13	182,993	186,151
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,184,776</b>	1,107,132
<b>NON CURRENT LIABILITIES</b>			
Borrowings	11	1,342,788	1,173,632
Long term provisions	12	23,142	34,112
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,365,930</b>	1,207,744
<b>TOTAL LIABILITIES</b>		<b>2,550,706</b>	2,314,876
<b>NET ASSETS</b>		<b>10,747,038</b>	10,603,122
<b>EQUITY</b>			
Reserves		5,643,897	5,643,897
Retained earnings		5,103,141	4,959,225
<b>TOTAL EQUITY</b>		<b>10,747,038</b>	10,603,122

## Statement of Changes in Equity for the Year Ended 30 June 2019

2019	Retained Earnings \$	Asset Revaluation Surplus \$	Total \$
<b>Balance at 1 July 2018</b>	4,959,225	5,643,897	10,603,122
Profit attributable to members of the entity	143,916	-	143,916
<b>Balance at 30 June 2019</b>	<b>5,103,141</b>	<b>5,643,897</b>	<b>10,747,038</b>
<b>2018</b>			
<b>Balance at 1 July 2017</b>	4,892,712	5,643,897	10,536,609
Profit attributable to members of the entity	66,513	-	66,513
<b>Balance at 30 June 2018</b>	4,959,225	5,643,897	10,603,122

## CHAIRMAN'S REPORT

It is a pleasure to present this Annual Report as Chairman of the Board. The last financial year has been a successful year, both financially and from a governance point of view.

The Board has worked well together to achieve some major goals and has worked well with the Management team to ensure that services to you, the members, continue to improve and that our asset, the Club grounds, Club facilities and the working environment continues to improve.

Our cash flow profit for last year was \$811,131 an increase, in excess of 20%, from the previous year. This enabled us to reinvest in the Club. We have purchased new poker machine stools and refurbished the auditorium with new carpet, paint and furniture. We have been able to invest in numerous other capital expenditure projects with the total reinvestment in the club being more than \$1million.

Our profit for 2018/19 was \$143,916, an increase of \$77,403 from the previous year.

We have been able to support numerous charities, sporting clubs and individuals through our Club Grants program. We have supported service groups such as Rotary, Legacy, the RSL Sub-Branch and the Lions Club. The SWR Pre-School and Primary School have also benefitted from the program. Charities such as Ovarian Cancer Research, the Cancer Council and Dementia Australia are among the charities we have supported.

The Club has provided financial support to individual members, their families and to sporting inner clubs to assist in event prize pools and representative team participation. Local sporting clubs such as the Marlins, Golden Oldies, Trial Bay Triathlon, AFL Dockers, Veterans Golf and SWR Soccer have also been sponsored through this program.

The Board of Directors continue to work well as a team, constantly looking for ways to improve member's services, facilities and comfort. We recognise that our responsibility is to you, the members, and that we should continue to work with Management on projects that increase revenue and flexibility in the activities available to the members.

We have recently commenced the construction of the Ten Pin Bowling Alley. This facility is not only for the use and benefit of our existing members but will attract additional clientele to the Club.

The Board and Management continue to work with Kempsey Shire Council on the design, management and construction of the High-Performance Sports Stadium on the sporting oval. The construction of this facility is due to commence in January 2020 with the Board and Management being closely involved.

The Directors continue to participate in the Club Directors Institute educational program to improve their effectiveness as a team and their individual self-improvement.

Many thanks to Ian Doyle, Deputy Chair, for his support, counsel and continued dedication. I would also like to thank Ellie Watson, Jim Crisp, Glen Hanna, Pat Holman and Barry Rumbel for their hard work and support throughout the year.

The Management team, led by CEO David Cunningham, Danielle Rushworth, Karli Ford and David Hobday who have made the SWR Country Club a leader in the Club industry. So, on behalf of the Board and the members I thank them for their continued pursuit of excellence.

## CEO'S REPORT

It gives me great pleasure to report to you, the members, our results for Financial Year 2018/2019.

We have had a very pleasing year both strategically and operationally, with our bottom line for the year, as stated by the Chairman, is a profit of \$143,916 and cash flow profit of \$811,131.

This has allowed us to reinvest in our facilities to the tune of 1 million dollars in the last twelve months. The major investments being in gaming, outdoor machinery and projects, air conditioning, auditorium refurbishment and importantly, clubhouse facilities and plant.

It is important to the Board and Management, and part of our strategic plan to reinvest in our facilities, ensuring they are of the highest standard we can provide.

Throughout the year the Club was recognised with several awards including Excellence in Business at a local and regional level. As I write this update we are finalists in the Club of the Year Awards (supporting amateur sport), this indicates to us that we are both on track with our business and strategic plans. Of course, to be successful takes effort from all involved, Staff, Managers and the Board, these awards are a credit to everyone.

During the year we commenced construction of our highly anticipated 6-lane bowling alley inclusive of diner and bar, which is progressing well. We are on track for completion in December and look forward to delivering this exciting facility for our members and the broader community.

We continue to work closely with our local Shire Council to commence work on the High Performance Sports Centre and Grandstand. This project will not only provide a state-of-the-art facility for our local sporting clubs, but provide us with a facility that we can use to attract national sporting teams to our area. The Club and Council continue to work together to ensure the successful delivery of this project, with a completion date of November 2020.

Of course, our great Staff continue to impress both members and visitors, so I thank them for hard work and dedication. Most importantly, I thank the members of the Club for their support, comments and suggestions throughout the year.



**I R Simpson**  
Chairman

We have an exceptional team here at the Country Club and I would like to thank all of our Staff for their efforts in making our members and guests feel welcomed; our Supervisors and Managers for their dedication, which includes many hours of going over and above, and our Board of Directors, for their continued support and many hours of volunteering at special events. It is a pleasure to lead such a great group of people!

Our caterers Mat and Lauren have done a fantastic job during the year, not only with our Thai, fresh seafood and Aussie menus but our functions as well. We consistently receive written accolades regarding their food, and we could not be as successful without their contribution. I'd like to welcome Janine to the team, Janine will now be running the coffee shop and the food is amazing!

To all our volunteers, once again thank you for your time and efforts during the year, many of you give up your time to keep our sporting and inner clubs running and it is very much appreciated.

I would also like to thank all our sponsors, for without them we would not be able to run our various charity days, competitions or special events as successfully as we currently do. There is a list of our sponsors on our website and I would ask all our members to support them when you can.

Our Management team are currently reviewing our business plan looking towards the next two years to evaluate what new initiatives we can implement to keep our Club moving forward. There are exciting times ahead for our Club and we are all working hard to ensure a successful future.

Lastly, thank you to all our members for your suggestions, feedback and continued support.

Cheers



**David Cunningham**  
Chief Executive Officer