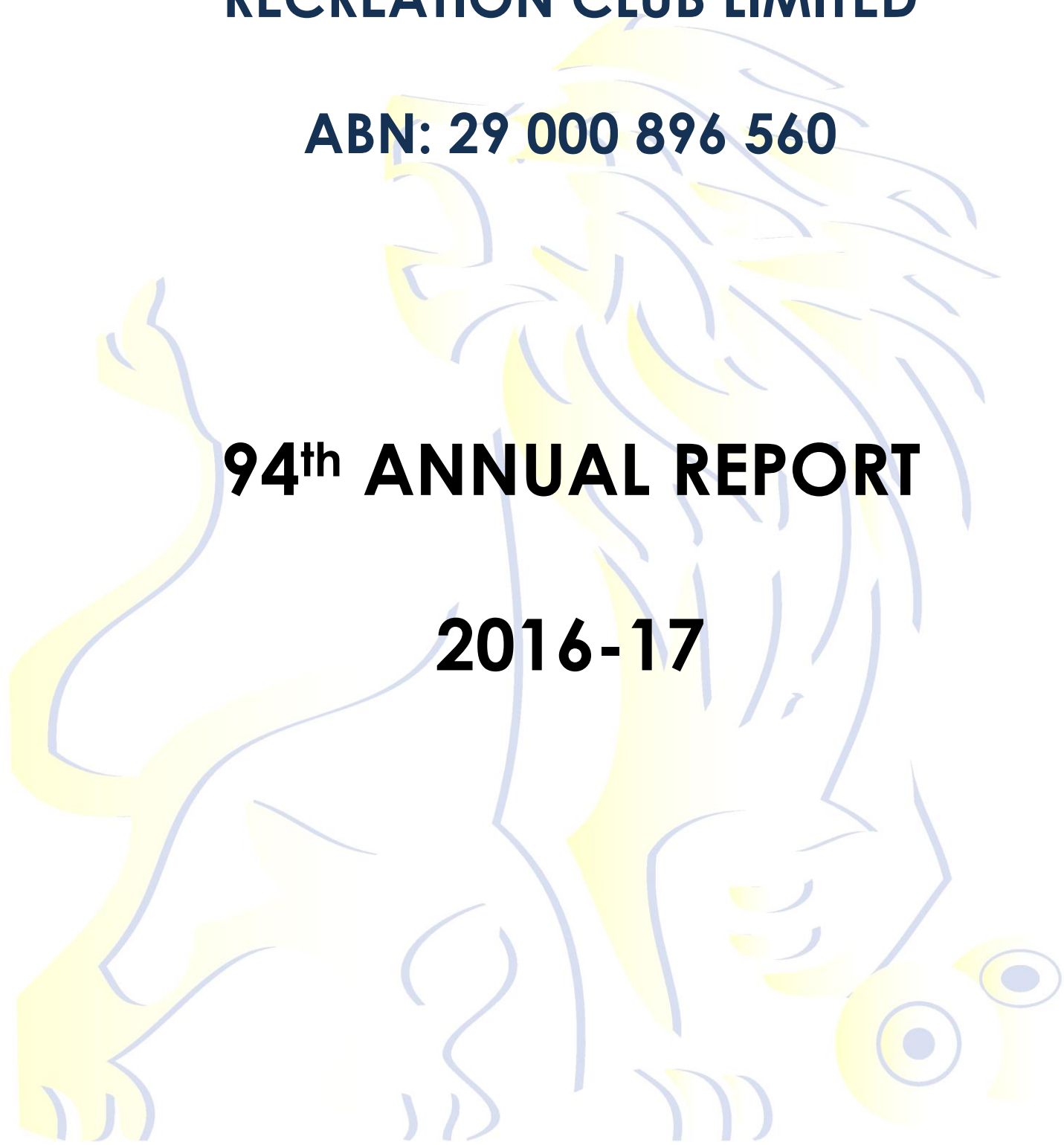


LEICHHARDT BOWLING AND RECREATION CLUB LIMITED

ABN: 29 000 896 560

94th ANNUAL REPORT

2016-17



NOTICE

94th ANNUAL GENERAL MEETING

Notice is hereby given that the 94th Annual General Meeting of the ordinary and life members of the Leichhardt Bowling and Recreation Club Limited will be held at the Registered Office on Sunday, **29th October 2017 at 10:00am.**

Members requiring detailed information from the Auditor are requested to put their questions in writing at least 10 days prior to the meeting, and deliver their questions to the Secretary Manager.

AGENDA (Article 57)

1. Apologies
2. To Confirm the Minutes of the 93rd Annual General Meeting, held on both Sunday 16th October and adjourned to Sunday 20th November 2016.
3. To receive, consider and adopt the Annual Report of the Board of Directors;
4. To confirm that pursuant to section 41J of the Registered Clubs Act 1976 all of the assets of the club are "core assets" (except for shares held with IAG totalling \$1,993)
5. To adopt the 2017 Annual Report, Financial Statements and Independent Auditor's Report.
6. To consider and if thought fit, to pass the following motion as a special resolution: "Subject to ASIC consent of the resignation of "Allotta & Partners" as auditors of The Company, that "Bishop Collins Audit Pty Limited" be appointed as auditor of The Company.
7. Declaration of ballot for the election of directors for the ensuing year.
8. To elect a patron or patrons.
9. Approval of benefits to members.
10. General Business.

Notes to Agenda item 6: the club has begun a process of calling tenders for all cost areas, in turn a request was submitted for auditors of the club. The Clubs current auditor "Allotta & Partners" did not wish to submit a tender for audit services and in turn has submitted their resignation (subject to ASIC consent). Your Board of Directors have resolved that Bishop Collins Audits Pty Ltd be appointed, due to their vast club related experience and their value-added approach to audit services. The Board of Directors are recommending that the Special resolution be passed.

OFFICE HOLDERS & BEARERS 2016 – 2017

Chairman

Greg King

Treasurer

David Arnott

Deputy Chairmen

Barry Chapman

Neville Franks

Edward Burgess

Directors

Kathy Scott

Peter Drummond

Rhonda McCartney

Auditor

John Allotta

Allotta and Partners

Secretary Manager and Licensee

Daniel Hitchcock

Membership as at 30.6.17

Life and Ordinary Members ... 1209

Chairman's Report:

First of all, I would like to thank all of the board members for their commitment and time sacrifice, it has been a difficult year that has seen some tough decisions in a difficult climate.

To all our members and guests thank you for your continued support.

Our commitment is to the surrounding community this is your club to enjoy, your club that has a new restaurant Leo's, new play equipment for the youngsters and a large screen for those special events and a place to unwind. This is your club.

Special thanks to Jan Priest our Bar Manager and all the bar staff, Daniel Hitchcock our secretary manager, Debra Shelton Admin Officer good job well done. To our newly appointed Chef Aziz (Leo) I look forward to his continued success at LEO'S it's only been a short period of time and I believe we have the right Man for the job Thank you.

To the bowler's congratulations to those that have triumphed in their competitions also well done to the Ladies and Men's Bowling committees for their input and commitment, we have had some very successful bowls tournaments this year and I look forward too many more, thank you to Steve Lloyd our green keeper and his staff.

A very special thank you of appreciation to our long term sponsors the MANNING family, our newly appointed sponsors PILCHER RESIDENTIAL, also last year and this year's JCM CONTRACTING.

On finalising I am once again committed to working with the new Board and Management through the coming year.

Greg King - Chairman

Treasurer's Report:

I would like to once again thank members and their guests for their continued support during the year by utilising the facilities and entertainment offered by the Club. The clubs key revenue areas continued to remain relatively flat compared to prior years resulting in operating revenue of \$1,281,059 compared to revenue achieved last year of \$1,255,760 (2015 Year \$1,530,194). The major area of revenue challenge continued in gaming income with results down on last year and below historic levels over the last few years. Bar trading although improving slightly over last year remained lower than 2015.

Due to the flat revenue performance, a trading loss of \$153,101 was incurred compared to a \$133,674 loss last year. This loss resulted from turnover decline in key areas such as poker machine, commissions and TAB which was partially offset by a slight improvement in bar sales and the new restaurant revenue from the now club managed facility. Most expense areas reflected similar or improved levels of expenditure to last year however increased clubhouse maintenance costs, employee leave entitlements and wages combined with new catering supplies costs resulted in higher total expenses compared to last year.

The cash generated from operations during the year was obviously impacted by this trading loss with \$10,424 cash consumed this year compared to \$29,401 consumed last year. This resulted in combination with further asset investment in the club's net cash position dropping to \$206,296 down from \$281,908 last year.

I would like to thank Daniel, Debra, Jan and all our Staff for their support and the significant role they play in delivering the frontline services to our members and guests. Thank you to all members and their guests for their patronage and for their own promotion of the Club to introduce and welcome new members which has reached a new peak of 1209.

I again would like to thank our bowls committees for their ongoing management and development of the sport which continues to be a core contributor to the club's existence. Thank you to Steve and his greens staff for the maintenance and excellent presentation of our bowling greens. I would also like to welcome Aziz and his team managing our newly self-managed bistro Leo's @ Leichhardt and congratulate them on its growing popularity.

Congratulations to all those players that were successful in their respective championship games and to our pennant teams who performed very well in competition this year.

In closing I would like to offer my sincere condolences to all that have lost a family member or friend during the past year.

DAVID ARNOTT - TREASURER

Secretary's Report

Unfortunately, this year has again proven to be one filled with many challenges as is shown is our loss for the year. The major contributing factor being gaming machine revenue and turnover.

As has been evident during my six years holding office, our small group of gaming machine run on cycles, these cycles are categorized by strong retention and turnover and low turnover and high payout ratios.

During the 2014-15 year the club experienced the positive result of large turnover and retention, which is what attributed to the surplus of \$140K, the downside of this however was evident these past 2 financial years with gaming being down. Small clubs are heavily reliant on this influential source of income.

The Club has installed playground equipment to offer to the local community in partnership with the successful application of the state governments stronger communities grant.

Throughout the year, the Board of Directors have stayed focused on the Club's strategic plan both short and long term, with focus on long term growth. This is evident with the introduction of the New catering plan with the club's own operator, the long-term plan is to open another income stream with food and catering, as with any new operation it will take a few months to reap any benefits, however I am sure most will agree that the quality of food and size of menu is quite competitive in the local area.

To all the Club's staff, including Bar Manager Jan Priest, Admin Officer Debra Shelton, Head chef Aziz "Leo" and Green-keeper Steve Lloyd and his crew thank you all. To our outgoing auditor Mr. John Allotta, I would like to offer my thanks for your efforts over the past seven years.

To the Women's and Men's bowls committees for their support and co-operation throughout the year thank you.

In closing I am looking forward to exciting times that lay ahead for the Club and community, the future success of our Club is due, in no small part, to our loyal members. Thank you for your support. Rest assured your Board of Directors and Management will work towards a much improved financial result in the coming year.

Secretary Manager – Daniel Hitchcock