

General Manager's Report 2016

Dear Members,

2016 was a year of contrasts and phases. The first quarter of the year involved the amalgamation proposal with *99 On York*, culminating in an Extraordinary General Meeting held on Thursday 25th February 2016 at which the members voted against the merger.

Following that decision, a number of directors including the President, David Griffin, stepped down from office and an election was called. A new Board was elected and held their first meeting on 17th May 2016. Over the subsequent months the Directors became acquainted with the operations of the Club and set to work with a clear mandate.

The latter part of the year, in which financial prospects improved for the Club, involved the purchase of new gaming machines, the renovation of the gaming room and the employment of a new contract caterer.

In September 2016, four (4) new gaming machines were purchased; The Club employed the services of Jason Hook, contract caterer; and a new venture was launched to lease out formerly under-utilised rooms within the Club.

The results of these initiatives are as follows:

- Gaming turnover has increased, since September, by up to 40% compared to mid-year turnover figures.
- The increased patronage of the bistro due to the outstanding quality of food is plain for all members to see and has had a big impact on our bottom line.
- Two of the upstairs rooms were approved for rental in early February 2017. QT Dance School (paying appropriate market value) commenced operations on 3rd April 2017.

The overall figures for 2016 show an accounting loss of (\$197,126) after Depreciation and Amortisation of \$311,667, compared with (\$193,077) in 2015, a difference of \$4,049.

I believe that, in lieu of the upheaval in 2016 and the fact that we did not gain financial traction until late September 2016, this is a very commendable result.

Other points to consider are, we did not receive any catering rental (usually \$24k pa). Gaming was down by \$91k and expenditure for new initiatives in live music including associated advertising amounted to \$31k. Fortunately, costs were again kept in check with a reduction in outgoings of \$106k on 2015 figures which, in turn, had been reduced by \$261k on 2014. This represents a **total saving in costs of \$368k in the last two (2) years.**

The establishment of QT Dance School will, I have no doubt, introduce new families and a diversified demographic to Paddo RSL. This, along with the already good work by our bistro will lead to an increase in functions and general interest and patronage of the Club.

I wish to thank the staff for their enthusiasm and hard work during the year. I know that 2016 was a year of some uncertainty which could affect the morale of staff. I would like to thank the President, Mr. David Kennedy for his support and the Board members who gave me encouragement along the way.

I would also like to thank the members who frequent the club. Your support is valued and your feedback - good or bad - is appreciated because it shows you care.

Looking ahead, I believe with the initiatives now in place there is every reason for confidence that Paddo RSL will continue to grow as a popular and financially stable business that may be shared by all the community.

Ross Lamb – General Manager