

GENERAL MANAGERS REPORT 2019

Dear Members,

I am pleased to say that 2019 was one of the most satisfying years I have experienced since I took over the General Manager position in 2011. The steady growth in revenue of the club over the last few years has put us in a position to get things done to improve the Club for you, our members.

The overall figures, show an EBITDA, (money banked) a positive \$192,659, with an accounting P/L of (\$214,634.), compared with (\$118,742) in 2019. The difference in figures can be explained by a write-off to Q2 Dance (\$35k); no income for the dance studio since April (\$46k); and an increase on Depreciation and Ammortisation (\$35k) – totaling \$116k.

We have continued to increase our revenue for a record third consecutive year, total \$2,645,354. This has allowed us to spend some money on improvements to the club. I'm particularly pleased to report the revenue increase has been achieved without the benefit of Alliance Stadium, which impacted greatly on the amount of sporting events held in the Moore Park area. I predict that once the new stadium is built, the Paddington business area, including Paddo RSL, will benefit greatly. The gaming revenue also increased when many Clubs are experiencing a downturn in gaming revenue.

During the year, with guidance from the new Board, the list of improvements/updates is as follows;

- Continual updating of gaming machines, five new and three second hand.
- New membership and points loyalty system, with a new kiosk machine in the foyer.
- New Cash Redemption Terminal in the gaming room.
- Refurbishment of the auditorium, including painting, new \$200k sound system, additional chairs, new HD projector and screen.
- New main bar, with further improvements to follow.
- Ongoing upgrades with new TVs, lighting, (inside and out).

We have engaged a professional social media consultant on a part time basis. This increased our exposure in many aspects of social media, particularly with a younger and broader demographic. We have also engaged with numerous music promoters, whilst still taking bookings for our regular charities, sporting and community groups.

The flow on to function bookings in 2019 resulted in only four vacant weekends from May to December, almost unprecedented. Some of the functions held at the club yielded very impressive bar sales of \$29,000 - \$31,000, which is a vast increase on a standard day's takings.

The bistro, with its consistently high-quality meals, has maintained its popularity. My thanks go to Jason and his team for their exemplary customer service for our patrons.

The vacated dance studio has now been leased by a charity, Kids Giving Back, with further scope to lease out other rooms as required. I am currently talking to potential clients.

I would like to thank the President, Richard Best and the Board of Directors, who have provided unity and support in enabling management to get on with the job of improving Paddo RSL with a view to maintaining viability and enjoyment for our members.

I wish to also thank the staff for their hard work and dedication during the year. I believe staff now feel engaged and excited about the Club, with live music a major drawcard.

I believe Paddo RSL has a very bright future and foresee continued growth with live music and increased sporting events (once the stadium is built). This will reinforce our reputation as an affordable, vibrant, safe and welcoming club for all.

Finally, my thanks to you, our Members, for your ongoing patronage of the Club. *We look forward to continuing to serve you in 2020.*

Regards,

Ross Lamb