



CHIEF EXECUTIVE OFFICER'S REPORT

Dear Members,

I submit my second report to the members of Windale-Gateshead Bowling Club for the 2015/2016 year.

Whilst we are not back to profitability yet, I am pleased to report an improved result in financial performance. This year we report a loss of (\$88,207) which compares favourably to the previous year loss of (\$211,797). This is a turnaround of \$123,590.

The club continues to show strong growth achieving revenue of \$2,828,948 compared to \$2,603,717 the previous year, an increase of \$225,231 or 8.7%. This shows that the club continues to be well patronised. Bar sales showed a steady increase of \$68,070 or 8.7% for the year and poker machines increased by \$48,821 or 3.4%. Whilst \$153,671 of our income was achieved in bistro sales we regrettably reported a loss of (\$58,883) in bistro trading for three quarters of the year and we made the decision to revert to a contract arrangement from 1st March 2016.

I would like to personally welcome Spencer Soo (T/as Spencer's Asian Kitchen) on board who is offering exceptional Asian cuisine and is gaining an enviable reputation in the local area. Whether it's a meal out with friends and family or a takeaway Spencer aims to please. If you haven't experienced his cuisine yet I strongly urge you to do so.

It is with some confidence that we move into the coming year with renewed optimism. With encouraging signs from the year in review we are quietly confident the club will improve on both a performance basis in the coming twelve months and increase its cash holdings. Your board and management have been instrumental in developing a sound financial budget for the coming year which should see a return to profit.

Cash holdings for the club this year were \$467,799 compared to \$622,100 the prior year, a reduction of \$154,301 which was used to pay down short and long term commitments of \$251,577. This included payments for our poker machine system of \$117,624.

During the year we committed \$95,275 into capital expenditure programs which included:

- \$44,450 in poker machine upgrades;
- \$8,130 on external awnings to the auditorium and outdoor gaming areas;
- \$31,810 on a new courtesy bus;
- \$4,410 on a snack vending machine where the club now nets a return;
- \$2,975 on a new membership card printer;
- \$3,500 on quality second hand gaming chairs

This year saw further sponsorship gained to offset bowls costs which should continue into the following year, coupled with a reduction in greens costs by creating further workplace efficiencies. This has allowed us to continue to generously support our bowlers once again in the coming year. Hopefully, in the year ahead we will see the return and a steady recruitment of lady bowlers back to Windale-Gateshead Bowling Club. I would like to thank Mrs Pat Hyslop who has been working hard voluntarily on trying to achieve this.

With an ageing club it is imperative that we continue to steer the club back to financial health. We envisage that in the next 2 to 3 years we need to look at carpet replacement, internal painting and a staged program of furniture upgrades. The next twelve months for the club will continue to be a period of consolidation.

During the year we had changes to our personnel. I'd like to make mention of Michael Rose and his twelve years-service with the club. Michael has ventured off to run his own business and we wish him all the success. Michael has looked after our patrons well during his tenure. I would like to take the opportunity to welcome three new faces to our staff being Laura, Danyelle and Caitlin who have become very hospitable.

I would like to thank Frank Botham and the Board of Directors for your help, guidance and direction over the past eighteen months during my tenure and steering the ship back to calmer waters this year and as we move forward.

I must thank all staff for their hard work and dedication over the last twelve months for your service and going beyond the call of duty when there has been a need to. Special thanks must go to my Operations Manager Craig Swan for taking care of the operational needs to the club on a daily basis. Thanks to my Bookkeeper Josie Williamson who always keeps a great set of club records and assists me with the day to day financial matters and accounts. Thanks must also go to Ben McEwan and his team at McEwan and Partners for their timely advice throughout the year.

My heartfelt thanks also goes to my wife Leanne and sons Callum and Jacob.

Most importantly thanks to all the members for supporting your club over the last twelve months. If it wasn't for the members that make up our great club, we simply wouldn't have a club to enjoy.

I look forward to delivering a positive outcome in the twelve months ahead.

Thank you.

Peter Hemingway
Chief Executive Officer