

2018 Secretary Managers Report

The end of the financial year for 2018 shows the club with a trading loss of \$165,941.54 which is an extremely disappointing result however it is a common trend in the club industry presently especially with small clubs.

The Clubs overall cash flow result for the year was a small profit of \$37,788.65 this figure is obtained by excluding the paper figures of depreciation \$117,564.19 minus employee entitlements paper figure \$86,166

This obviously is not a good result and the board of directors are looking at ways of diversifying the clubs revenue stream and looking at other ways to increase the clubs financial position.

The introduction of the return and earn scheme containers in the clubs driveway is the first of hopefully many revenue earning schemes for the club.

The current decline in the gaming machine market is in high effect in clubs with under 100 poker machines with all 178 clubs that have closed since 2010 being venues with less than 100 machines.

Poker machine revenue in most clubs attributes approx. 55 – 65% off their total revenue while Mangrove Mountains poker machine revenue only contributes approx. 15% of our total revenue. This can be taken as a good result as we are not completely reliant on our poker machine revenue with our bar contributing 40% off our revenue and restaurant 25%.

Unfortunately being a small club we have to continue to monitor costs in all areas and look at ways to increase the clubs income stream in the coming years.

This is one of the reasons that the club took over the running of the restaurant this year and although it has run at a loss this year it is important to remember that it would have only run at approx. a \$20,000 loss after expenses are removed that the club would still have if it was contracted out.

By the club running the restaurant we are able to offer the members discounts on all meals and for customers to earn points on their cards, as well as meal deals that we offer on most nights of the week.

If the restaurant was contracted out we would not be able to offer these deals to attract people to the club each night and we would also not have complete control over the running of the restaurant.

Over the year the club have introduced the new till system that enables members to earn points when they make purchases at the club and has also enabled us to ensure that non-members are not receiving the member's discounts to increase revenue.

We have also changed the membership pricing and structure to only having a one year membership option available at the cost of \$8.00 per member. This was done to make the administration side of membership easier and to increase revenue by a small margin.

I would personally like to thank the staff at Mangrove who work tirelessly to provide quality service and are always trying to improve the club. Your work is appreciated by the board of directors and myself.

As for the board of director's thank you for another supportive twelve months, the position of directors is a tireless task that is not acknowledged for how much hard work and time that you have all put in over the past twelve months. We have had tough decisions to make over the past twelve months and will have more to come and once again thank you for working as a committed and dedicated board with the best interests of the club at heart.

To all of the members of the Mangrove Mountain Memorial Club thank you for your continued support of the local community club. This is more than just a club it is a meeting place for everyone on the mountain and somewhere that the whole family can come together to have lunch or dinner or just a quiet get together.

Mangrove Mountain Memorial Club continue to provide the facilities of the club to a number of local groups throughout the year including the Mangrove District Association, Chamber of Commerce, Mangrove District Football Club, The equestrian Club and many more.

The club also provides thousands and thousands of donations too many community groups and charity organisations throughout the year and have continued to be one of the sponsors of the Mangrove Country Fair for a number of years.

We are constantly trying to gain funding through grants for a children's playground and other amenities but at this stage we have not been successful.

A community bus has been looked at numerous times throughout the year, however the upkeep of the bus and the actual area that it will cover it has proven to be too hard and cannot be managed due to the vast territory that it would have to cover.

With regards to the landfill site unfortunately there is still no news on what is happening with this as it is currently back in the land and environment court again with the EPA and the landfill operators.

Central Coast council are also now trying to join these proceedings and it appears that they are also going to lodge proceedings against the landfill operators again as well. The council

appear to be going to take the landfill operators back to court after they had already signed off on consent orders in August 2014 and spent ratepayer's money during the legal process.

Unfortunately this appears to not have an end in sight in the immediate future and the club are only a tenant now that leases the golf course land from the landfill operators. We have no input into the proceedings and we are not privileged to the meetings between the parties.

Again thank you for your support of the local community club and I look forward to seeing you all throughout the year.

Paul Alexander

Secretary Manager