



STRATHFIELD RECREATION CLUB LIMITED
ACN 000 001 178

MINUTES OF ANNUAL GENERAL MEETING OF MEMBERS

5 FEBRUARY 2023 at 12 NOON

PRESENT: BOB BOW, DARYL HART, MARK PADD, GRAHAM KING, MRIGESH TAMANG, ROD JAMES, CHRIS KELLY.

CHRIS DUNN – GENERAL MANAGER
KERI SULTMANN – ACCOUNTS/OFFICE MANAGER
MEMBERS AS PER ATTENDANCE ROLL

APOLOGIES:

1. Bob Bow, President (237) welcomed members. He mentioned that this was his 7th AGM presentation.
2. The Minutes from the AGM held on 6 February 2022 were made available to members and approved. Proposed by Chris Kelly (49) and seconded by Phil Low (56).
3. Bob said that the Club runs well and it's thanks to the staff and the board. He extended his thanks to the board for their hard work, to Chris Kelly who has decided to step down and to Graham King for his 14th year.
4. Staff
 - Special thanks to Chris Dunn, General Manager for a fantastic job which permeates throughout the Club.
 - Thanks to all staff for their efforts and loyalty which are critical to the success and smooth running of the Club.
5. Business Relationships
 - Bob thanked all the people and organisations that contribute to the smooth running of the Club and are critical to the Club's success.

President's Report

6. Financial Results Summary

Revenue

- Profits were still made during COVID. Profit significantly increased after COVID.
- Profitability is no problem given the way the Club is run.
- The breakdown of the income gives a perspective of where the income comes from.
- Profits made goes community support, staff salary/wages and club improvements.

Expenditure

- An increase in profit also means and increase in expenses.

Cash at Bank

- Money in bank at 30 September 2022 was \$591,239. Today it's at \$653,402
- Set goal to reduce debt. Club to be debt free in 6 months.
- \$10m sent in the last five years all but \$1.5m has been paid off.
- We're proud of this position. Borrowings were used to update Club and the goal to pay off debt is on track.

Gaming

- Gaming revenue is 61% of overall income and after direct expenses, contributes 72c of every dollar earned.
- Tax paid back to the government also increases due to higher revenue.
- The gaming revenue allows us to give back to the community in the form of donations and sponsorship. This the an enjoyable part of the job.

Industry Benchmarks

- Bar GP of 60% is equal to benchmark of 60% along with wages at 20% also equal to benchmark.
- Our EBITDA at 31% is well above the 15% industry benchmark.

- EBITDA is almost \$1m up on last year.

CAPEX

- CAPEX expenditure at \$1.4m. Most of this was sent on the Tennis Courts upgrade and New Carpark
- Other expenditure on Poker Machines and facilities, upgrading computer equipment and bar equipment.

7. Trends

- Means of comparison to prior years
- Bar is trending back up. This is a reflection of the use of the Club.
- Gaming picked up by 53%. Chris Dunn will keep an eye on trends to see what's needed to keep up the income.
- EBITDARD up by 31%
- Tennis income of \$427,21 supplemented by inclusion of Pro Shop. Overall increase in other Tennis revenue.
- Financial Achievements
 - Community Support contributions of \$172,304.
 - Capital Expenditure of \$1,400,152.
 - Debt reduction of \$2m.
 - Since September 2022 debt was reduced by a further \$1m.

8. Community Support

- Ongoing major recipients – Engaged Community Care (\$39,400), Special Children's Service (\$16,250), Chalmers Road School (\$66,000).
- The Club continues to support Mr Perfect Incorporated (\$15,000) as they continue to support the Club.
- The Club also continues to support Junior tennis players in their endeavours. The Board considers several items when approving funding – standards, goals, attitudes and their presentation to the Board for funding.

9. Membership and Sport

- Coaching – introduced new aspects to make use of courts during the day – Hotshots, Ladies Clinic to name a few.
- Futsal – 360 hours of bookings per month, an increase from last year. Currently generates more income than tennis and still proving to be the best investment made.
- Maintaining great relationships with local schools for both Futsal and Tennis. Helping to get tentacles into the community to use the Club's facilities and increased involvement within the Club.
- Tennis – conversion of the grass courts was costly but needed to be done to decrease pressure on court bookings. Grass courts were almost 142 years old, so their removal wasn't without a measure of sadness. The new courts were made as multi-purpose to allow the Club to apply for and receive a grant of \$120,000.
- Gender figures show a marked difference in male to female ratio. The Board is pressing to increase female members.
- Membership Demographics – Drop off in numbers when Juniors progress into the 18-24 group. Will try to bring this figure up as well as the 55-64 age group.
- Achievements
 - Construction completed on 2 multi-use courts and members only carpark.
 - Increase in Inclusion & Diversity programs for local schools plus Rally 4 Ever, a charity to support homeless and lonely people. Their movement is throughout NSW.

10. The financial statements of the company for the year ended 30 September 2021 together with the accompanying reports of the Directors and the Auditor were considered and adopted. Moved by John Ripamonte (1678) and seconded by Daryl Hart (44).

11. Special Resolution

After consultation with our legal team, this resolution updates the Club's constitution to come into line with current legislation. Special Resolution was included in the Notice of Annual General Meeting and was displayed on the day of the AGM. Passed unanimously.

12. Ordinary Resolutions

First Ordinary Resolution, as set out below – passed unanimously.

That the members hereby approve expenditure by the Club, until the next AGM of the Club, for the reasonable cost of directors e.g. attending seminars, travel, functions, out of pocket expenses, meals etc.

Second Ordinary Resolution, as set out below – passed unanimously.

That the members hereby approve the payment of an honorarium to Directors of the Club, until the next AGM of the Club an amount equivalent to Full Tennis membership of the Club for services as Directors of the Club.

13. Goals

Hope that the new Board will continue with:

- Developing Tennis.
- Master Plan – present Board has prepared enough to bring it council for approval.
- Future – borrow more funds for development, build up capital over next few years.
- Increase services to members especially Tennis.

14. Presentation of Draft Master Plan

Bob ran through plans and photos for the two phases. Master Plan designed for new Board to follow but current board has started the ball rolling as it will take around 2-3 years for approval. Application is ready to submit to council. Development approval to do work with allow access to substantial grants available (greater than \$5m) providing the Club can provide \$1m. Important to get to this stage.

Phase One will take around 18 months and includes:

- Lower Futsal courts and build Indoor Sports Facility.
- Build 2 new Tennis Courts on top of this area. Tennis Courts will be level with upstairs Function Room.
- Raise Tennis Court 2 and 3 and build new Car Park underneath.

Phase Two will also take around 18 months and includes:

- Raise Tennis Courts 4 and 5 and Tennis Centre and build new Car Park underneath.
- Expand Tennis Centre.

Costs:

Phase 1 – \$12 to \$13 million (Grant money available for this phase)

Phase 2 - \$4 to \$5 million

Ideas for Indoor Sports Facility include a gym and training area. Photos shown are only representative of what can be done. This will depend on finances available.

Propose to move Futsal bookings to multi-purpose courts once Phase 1 commences. This was a part of the decision when grass courts were converted so Club could continue to receive income from Futsal.

15. The current Board of Directors stepped down.

16. Result of Ballot

Counting was conducted by Phil Low and Tegynn Reynolds. Marylyn Cassidy acted as scrutineer.

Phil Low announced the following candidates appointed to the Board for 2023:

- Niro Yoganathan
- Alan Murray
- Robert Bow
- Graham King
- Mark Padd
- Esther Park
- Mrigesh Tamang

Chris Dunn (General Manager) thanked the outgoing board for their services.

Chris will arrange a meeting with the new Board to vote for a President and 2 Vice Presidents.

17. Special note

Prior to the official start of the meeting, Chanh Nguyen, Director candidate, raised his concerns over the scrutineering of the voting count. He believed the Club's constitution was not in line with other Clubs and should be changed. Wants candidates to have transparency.

Meeting closed at 1:03pm.

Signed as a correct record:

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Bob Bow - President