

**Pacific Palms Recreation Club**



**PACIFIC PALMS RECREATION CLUB LIMITED**

ABN 47 000 910 378

ACN 000 910 378

**ANNUAL REPORT**

FOR THE YEAR ENDED

**30 JUNE 2018**

TO BE PRESENTED AT THE  
**ANNUAL GENERAL MEETING**  
TO BE HELD AT THE CLUB ON  
**SUNDAY 25 November 2018 at 10:15am**

3957 THE LAKES WAY, ELIZABETH BEACH, NSW

## **Contents**

Annual General Meeting 2018 Agenda

President's Report

General Manager's Report

Treasurer's Report

Directors' Report

Auditor's independence declaration

Statement of Profit or Loss and Other Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the financial statements

1. Statement Of Significant Accounting Policies
2. Revenue
3. Result for the year
4. Income Tax
5. Related Party & Key management disclosure
6. Cash And Cash Equivalents
7. Trade And Other Receivables
8. Inventories
9. Other Financial Assets
10. Property Plant And Equipment
11. Intangible Assets
12. Other Assets
13. Trade And Other Payables
14. Financial Liabilities
15. Provisions
16. Tax Assets And Liabilities
17. Other Current Liabilities
18. Capital & Leasing Commitments
19. Contingent Liabilities And Contingent Assets
20. Cash Flow Information
21. Events After Reporting Date
22. Financial Risk Management
23. Economic Dependency
24. Company Details
25. Core Property

Directors' declaration

Independent audit report

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of the Pacific Palms Recreation Club Limited (ABN: 47 000 910 378) will be held on Sunday 25 November, 2018 commencing at 10.15am.

**AGENDA**

1. Apologies
2. Minutes Silence
3. Confirm the minutes of the Annual General Meeting held on Sunday 29 October 2017
4. To appoint from among the members present five (5) persons who shall appoint one (1) of their number Returning Officer with the remainder being Assistant Returning Officers all of whom shall act on and for the purpose of the ballot
5. To receive and adopt the Auditor's and Director's reports for the financial year ended 30 June 2018
6. To receive and adopt the Full Financial Report for the year ended 30 June 2018
7. To declare all Board of Directors positions vacant
8. To appoint a temporary Chairman
9. Election of the Board of Directors for the ensuing year
10. To consider and if thought fit approve payment of Honorariums to the Board of Directors
11. Ordinary Resolutions – to consider and if thought fit pass Ordinary Resolutions conferring benefits on Directors
12. To deal with any business of which due notice in writing has been given
13. To receive recommendations for the incoming Board

Nominations for Board positions must be received by no later than Saturday 17 November 2018 at 12 Noon.

Any clarification of the Full Financial Statements that requires an answer at the Annual General Meeting to be placed in writing to the Club President Ms D Ellis by Saturday 17 November 2018 at 12 Noon.

**DIRECTORS HONORARIUMS**

That the members approve an honorarium of \$2000 each for the Executive Directors which include the President, Vice President and Treasurer. Further, that the members approve an honorarium of \$1000 each for the remaining four (4) directors.

**FIRST ORDINARY RESOLUTION**

“That pursuant to the Registered Clubs Act:

- (a) The members hereby approve and agree to reasonable expenditure by the Club for the following activities of the Directors:
  - (i) The reasonable cost of a meal and beverage for each director immediately before or after a Board or Committee meeting on the day of that meeting when that meeting corresponds with a normal meal time;
  - (ii) Reasonable expenses incurred by directors in relation to such other activities including entertainment of special guests of the Club;

**Pacific Palms Recreation Club Limited**  
**ABN 47 000 910 378**

- (iii) Reasonable expenses involved in attending intra-club activities at the Club or the community and other promotional activities performed by directors and supported by the Board;
  - (iv) Reasonable costs of Directors attending functions and activities at the Club which are deemed by the Board to be of benefit to the Club;
  - (v) Reasonable costs of Directors and their spouses in attending functions as required by the Board and the above expenses are to be approved by the Board before payment is made on the production of receipts;
- (b) The members acknowledge that the benefits referred to above are not available to members generally but only those who are Directors of the Club and those members directly involved in the above activities”.

### **SECOND ORDINARY RESOLUTION**

“That pursuant to the Registered Clubs Act:

- (a) The members hereby approve and agree to reasonable expenditure by the Club for the professional development and education of Directors such as:
  - (i) The reasonable cost of Directors attending the Clubs NSW General Meeting;
  - (ii) The reasonable cost of Directors attending seminars, lectures, trade displays and similar organized events as may be determined by the Board from time to time;
  - (iii) The reasonable cost of Directors attending other clubs or similar types of business for the purpose of observing their facilities and methods of operation;
- (b) The members acknowledge that the benefits referred to above are not available to members generally but only to those who are Directors of the Club and those members directly involved in the above activities”

### **THIRD ORDINARY RESOLUTION**

“That pursuant to the Registered Club’s Act the members hereby approve and agree to permit members who are directors of the Club to utilise dedicated parking spaces. The members agree that this benefit is not open to members who are not Directors of the Club”

## **NOTES TO MEMBERS**

### **First Ordinary Resolution**

The First Ordinary Resolution is to have the members in General Meeting approve reasonable expenditure by the Club in relation to duties performed by the Club’s Directors.

### **Second Ordinary Resolution**

The Second Ordinary Resolution is to have the members in General Meeting approve reasonable expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events including Clubs NSW Annual General Meeting and to visit other clubs to enable the Board to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.

### **Third Ordinary Resolution**

The Third Ordinary Resolution is to have members approve preferential car spaces for Directors.

### **General**

Each of the resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more parts.

## **President's Report**

On behalf of the Board of Directors, I submit for your consideration and adoption the Annual Report for the year ended 30 June 2018.

I am pleased to report a profit of \$59,783 for the 2017/18 financial year.

Thank you to my fellow Directors, the Manager and staff, and all members who have supported the Club throughout the year.

During the year we have continued to improve the facilities available for members including:

- Renovating and upgrading the Bistro toilets
- Repair and replacement of old roofing and guttering
- Repainting of the interior and exterior of the Club
- Upgrading of our big screen TV projector, screen and sound system
- The Board has also committed to installing new carpet throughout the Club

We now have a multi club Member's Superdraw with a minimum jackpot of \$5000 for the lucky winner. The Superdraw is every Thursday from 6pm – we'd love to see you there!

We are also pleased to advise that the Club is once again offering over \$5000 in grant funding to local Community Groups. Submissions close in mid September, and grant funding will be allocated prior to the AGM in late November.

The Club has also provided support to local groups through sponsorship (Pacific Palms Soccer Club and Netball Club, Battle of the Boats), donations, and the opportunity to run community raffles on Friday nights and weekends.

Thank you all once again for your support throughout the year and I hope to see you again soon.

Diane Ellis  
President

## **Secretary Manager's Report**

It gives me great pleasure to submit my Secretary Managers Report for the year ending 30 June 2018.

Firstly, I wish to thank the Members for your continued support throughout the year.

As well as the noticeable improvements front of house, we have been constantly working behind the scenes to upgrade the Club, we've upgraded our CCTV system as well as adding extra cameras both inside and out.

The Cellar has been totally upgraded; a new high flow gas board and recoil gas leads have been installed, we've also replaced the CO2 postmix pump with a more cost effective air compressor.

Upgrades have also taken place in our gaming area where we've installed TITO (Ticket in Ticket out) and purchased 4 new Dragon Cash machines.

Throughout the year we have provided sponsorship and support to the Forster Women's Shelter assisting them to raise funds with the recycling cans and bottles, we have sponsored the Special Children's Christmas Party and Koori Kids, donated Recky Gift Cards to The Cancer Council, Westpac Rescue Helicopter, Motor Neuron Disease Trivia Night and Naidoc Week to name a few. Finally, it makes the Club proud to provide the community with the Fireworks spectacular on New Year's Eve, this event is funded solely by the Club.

Thank you to the Board of Directors for your support, all staff Bar and Bistro for your dedication and loyalty.

To those Members who have suffered illness and bereavement during the past 12 months, please accept our sincere condolences.

Lastly thank you to my family for their ongoing support and understanding over the past year.

Thank you

Kylie Podger  
Secretary Manager

**Treasurer's Report**

I am pleased to report that whilst the Club's net profit is less than previous years, this is offset by the value of renovations undertaken during the financial year. These include Bar upgrades, painting, roof repairs and revamped Auditorium restrooms. Additionally, our earnings before interest, depreciation, income tax and amortisation (EBITDA) is more than adequate to meet our current commitments with further surplus for future renovations.

For the new financial 2018/19 year the Club will target the Bistro restrooms, further internal painting and carpet replacement.

In summary, another productive and successful year for the Club as evidenced by the financial statements.

Ted Lawson  
Treasurer

**Pacific Palms Recreation Club Limited**  
**ABN 47 000 910 378**

# **DIRECTORS' REPORT**

**FOR THE YEAR ENDED**  
**30 JUNE 2018**



**Pacific Palms Recreation Club Limited**  
**ABN 47 000 910 378**

Your Directors present their report on the company for the financial year ending 30 June 2018.

## **Directors**

The names of directors in office at any time during or since the end of the year are:

T. Lawson  
L. Schubert  
Y. Ellis (resigned 29 October 2017)  
D. Ellis  
K. Reynolds  
N. Montague  
M. Workum  
C. Maclure (appointed 29 October 2017)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

## **Description of company**

This report covers the single entity Pacific Palms Recreation Club Limited, a public company limited by guarantee.

## **Description of objectives**

The principal objective of the company is to promote sporting and social activities and citizen recreation and to aid in the civic development of the district. Specific objectives are:

### **Short-term**

Our short term objective is to make the Pacific Palms Recreation Club the hub of the community by offering entertainment, sporting activities, dining and other recreation options for the benefit of members whilst being financially responsible.

### **Long-term**

As per our Constitution, the long term objective of the Pacific Palms Recreation Club is

1. to promote sporting and social activities and citizen recreation and to aid in the civic development of the district.
2. to form friendly associations with other social groups.
3. to establish and maintain a Club for the benefit of its members and their friends.
4. to provide Clubhouses, lounges, refreshment rooms, recreational rooms and properly maintain same.
5. to provide meals and other refreshments and to purchase and sell foodstuffs and liquors both intoxicating and non-intoxicating, tobacco, cigars and cigarettes, sports equipment and other goods, wares and merchandise likely to be required by members.
6. subject to the provision of any relevant statute and to the conditions attached to any licence issued therein, to conduct or assist or take part in the conduct of art unions, dances, balls or other public or charitable balls, entertainments or functions for the purpose of raising funds and to accept donations or gifts from any source for all or any of the above purposes or for the benefit of or to carry out the objects of the Club.
7. to diffuse and disseminate knowledge and information or otherwise further the objects of the Club by the printing, publication, issue and circulation of papers, periodicals, books, circulars, brochures, and other literary or artistic matter and by advertisement of all kinds and by purchase of the exhibition of works of art or interests and by granting prizes or donations.

**Pacific Palms Recreation Club Limited**  
**ABN 47 000 910 378**

### **Strategies for achieving those objectives**

Our strategy to achieve these objectives is as follows:

- Ensure a wide variety of activities and entertainment is available to members which reflects local interests and tastes
- Explore additional options to encourage more visitors to the Club, especially during the quieter months.
- Sponsor and support local sporting and community groups.

### **Principal Activities**

The principal activities of the company during the financial year was that of conducting a licensed club There were no other significant changes in the nature of the company's principal activities during the financial year.

### **Measures of performance**

The key performance indicators that the Board of Directors use to monitor the overall performance of the Club are:

- Profit & loss statements
- Cash flow
- Wages versus Sales
- Gross Profit in Bar and Bistro
- Poker Machine Retention

### **Operating Result**

The result of the company was a profit of \$59,783 (2017: \$193,157).

### **GENERAL MANAGER**

**Kylie Podger** Kylie was appointed as the Club Manager on July 13, 2015. She entered the hospitality industry in 2006 after a background in law. Kylie most recently held the position of Assistant Manager at Tuncurry Beach Bowling Club, a position she held for 5 years. Her hospitality experience incorporates Bar Operations, Catering, Gaming, HR and Compliance. Through hard work, determination and loyalty, many of Kylie's peers within the local business industry have seen her progress through the hospitality ranks. In doing so, she has gained the respect of many high-standing members within our local community. Kylie is dedicated to providing fresh, innovative ideas and to advance our Club into the future. Kylie resigned as Secretary Manager and Company Secretary on 16 October 2018.

### **Life Members**

S Allan, K Clifton, D Hughes, J Palmer, S Kenyon, B Stone, T Johnston, J Blanche, K Reynolds, T Lawson, L Schubert

## **BOARD OF DIRECTORS**

### **Experience & Background**

|                                |   |
|--------------------------------|---|
| Diane Ellis, President         | Di has a background in IT and computers plus extensive experience as a Project Manager and Project Director. She has managed multi-million dollar projects for some of Australia's leading financial services and transportation companies. Di is our go-to person for all things computer related. She joined the Board in 2009 and was appointed Vice-President in 2010 and President in 2012.  |
| Larry Schubert, Vice President | Moved to Pacific Palms in 1983 with family and operated 2 businesses in the area for 12 years, a caravan park and then bottle shop. He became a director in 1993 and served until 1996 when he moved to Cairns. In 2007 Larry moved back to Pacific Palms and re-joined the Board. Being a qualified electrician, he looks after much of the maintenance of the club. He was appointed Vice-President in 2012.  |
| Yvonne Ellis, Treasurer        | Yvonne is a qualified accountant with degrees in Business and Communications. She is committed to continual professional development and, as a result, other qualifications include Certificates in Public Relations, Television Production, Assessment & Workplace Training and Small Business Management. She spent many years in the financial and broadcasting industries before moving to Pacific Palms. Yvonne was elected to the Board in 2010, and appointed Treasurer that same year. She resigned on 29 October 2017.   |
| Ted Lawson, Director           | Appointed to the Board February 1996 and since then has filled all Board positions, including 10 years on the Club's Executive Committee. Since joining the Commonwealth Bank in 1963, Ted has worked continuously in the Finance Industry and now manages his own Consultancy business. He was appointed the inaugural Treasurer of the Boomerang Beach Boardriders in 1998, a position he held until 2004. He has enjoyed all the challenges and negotiations that come with being a Board member of the Pacific Palms Recreation Club.   |
| Ken Reynolds, Director         | Moved to Pacific Palms in 1983 with his wife Dale, established and still owns Boomerang Beach Surf Co. Elected to the Board of Directors in 1993 and also served as Vice-President and President until 2007 when, due to family reasons, he did not contest the 2007 board elections. Re-elected to the Board in 2012, Ken is a long-time sponsor of the Boomerang Beach Board Riders and Pacific Palms Netball and Soccer Clubs.   |
| Nick Montague, Director        | Nick Montague moved to the area in 2007 when the family bought Blueys Cellars. Prior to this he spent 8 years in the wine industry working for Tyrrells wines. He has been involved in the hospitality industry for 25 years both in Australia and overseas. Nick has run pubs and bottle shops in Sydney, he has spent six years in Portugal as owner operator of a bar/restaurant, and is still employed as a consultant to a number of hospitality businesses around Sydney. He was invited to join the Board in April 2013 and was subsequently elected to the Board at the 2013 AGM. |
| Mark Workum, Director          | Moved to Pacific Palms in 2002 with his wife Adele to own and operate Hueys at Blueys Pizzeria and Bar. They now have 3 young children who attend the local school. Held position as Treasurer in 2005-06 for the Boomerang Beach Board Riders, and is currently club Registrar for the Pacific Palms Football club, and on the committee since 2010. Mark has 13 years experience in the printing/desktop publishing industry, and over 25 years in Hospitality. Mark was invited to join the Board in September 2013 and was subsequently elected to the Board at the 2013 AGM.         |
| Claire Maclure                 | Claire Maclure moved to the area in 2015 with her Husband Henry to take over the management of Pacific Palms Resort. Prior to this she has spent 20 years in  |

**Pacific Palms Recreation Club Limited**  
**ABN 47 000 910 378**

business management in the hospitality and manufactured homes industry. Claire hold a degree in Business and Financial Management. She was invited to nominate for the Board in September 2017 and was subsequently elected to the Board at the 2017 AGM.

### Meetings of Directors

During the financial year 27 meetings of directors were held. Attendances by each director during the year were as follows:

| Director       | Board of Directors Meetings |          | Special Directors Meetings |          |
|----------------|-----------------------------|----------|----------------------------|----------|
|                | Eligible to Attend          | Attended | Eligible to Attend         | Attended |
| Diane Ellis    | 12                          | 12       | 15                         | 15       |
| Larry Schubert | 12                          | 11       | 15                         | 13       |
| Yvonne Ellis   | 4                           | 4        | 0                          | 0        |
| Ted Lawson     | 12                          | 11       | 15                         | 15       |
| Ken Reynolds   | 12                          | 8        | 6                          | 6        |
| Nick Montague  | 12                          | 12       | 8                          | 7        |
| Mark Workum    | 12                          | 7        | 8                          | 1        |
| Claire Maclure | 8                           | 6        | 4                          | 4        |

Larry Schubert and Ted Lawson were approved Special Leave for 1 meeting each.

### Guarantee of Members

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2.00 each towards meeting any outstanding obligations of the company. At 30 June 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$6,072 (2016: \$5,540)

### Auditor's Independence Declaration

The auditor's independence declaration for the year ended **30 June 2018** has been received and can be found following the directors' report.