

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 2021

TO BE PRESENTED AT THE
ANNUAL GENERAL MEETING
TO BE HELD AT THE CLUB ON
SUNDAY 17 October 2021 at 10:15am

3957 THE LAKES WAY, ELIZABETH BEACH, NSW

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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 17 October, 2021 commencing at 10.15am.

AGENDA

1. Apologies
2. Minutes Silence
3. Confirm the minutes of the Annual General Meeting held on Sunday 25 October 2020
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 2021
6. To receive and adopt the Full Financial Report for the year ended 30 June 2021
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 9 October 2021 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 Mr L Schubert by Saturday 9 October 2021 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;
 - (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;

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- (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

I am pleased to report a profit of \$568,342 for the financial year ended 30 June 2021.

The Club, and indeed the entire local area, had a bumper season from July through to April as NSW visitors, unable to travel interstate, descended on our region. As you'll see in the Treasurer's report the Club's turnover increased across all core areas of the business, thanks in large part to these travel restrictions.

Sadly, at the time of writing we are once again under lockdown in a bid to curb the spread of the Delta variant of Covid-19. However, the Club has been able to swiftly move to a takeaway model so we can continue to serve our local community.

During the year, the Club has been able to offer support to our local community groups, providing funding in excess of \$10,000 to Coomba Aquatic Club & the Wallis Spirit Dragons, the Palms Community Centre, Cricket Club, Netball Club, Soccer Club, Surf Club, our local Palms Public School and their P & C Association, the Palms Rural Fire Brigade and Boomerang Beach Boardriders.

In addition, the Club provided donations of either cash or kind to our local Golf Clubs, several fundraisers, Koori Kids and the Special Children's Christmas Party, as well as sponsoring Battle of the Boats (sadly cancelled) and the Palms Art Festival.

With such a tremendous year, the Club has undertaken to have Architect's plans drawn up for alterations to take advantage of our lakeside location by maximizing seating available on our deck area and indoors. This will include moving the offices to increase seating available for patrons. We will proceed to get these plans costed before deciding an appropriate way forward.

However initially the Club has lodged a DA with Council to construct a new cellar at the back of the current Auditorium bar area. Our current cellar is as far away from the Bar as you can get – underneath the Club fronting the lake. This makes for high wastage when performing beer line cleaning (due to the length of the beer lines) as well as a long time to wait for a keg change!

We hope that all members will enjoy the changes we are planning. And we hope to see you (back) here again soon!

Larry Schubert
President

Secretary Manager's Report

As mentioned in the President's report, 9 of the last 12 months have been some of our busiest on record. I'd like to give a big shout out to Kurt, Leon, Ashley, Tracey and the rest of the staff for their hard work over the last financial year.

This year we welcomed the Dine & Discover vouchers in our Bistro, which proved to be immensely popular. And a big thank you to everyone who voted for our Recky Parmigiana in the Clubs NSW Perfect Plate awards. We finished in 2nd place in the Far North Coast region – well done Bistro staff!

I'd also like to welcome our new Head Chef, Daniel Williams. Daniel is an award winning Chef who plans to introduce a mouth watering new menu taking advantage of some of our best local produce in mid September.

Over the last year we have made several improvements in our Bistro, including new crockery and cutlery, purchase of a Char Grill, and most recently replacement of our old (faulty) dishwasher.

In the Bar, we have increased our capacity by adding 2 new tills, one each in the Sports Bar and Auditorium. We have also remodeled the TAB area and moved to electronic wallsheets.

We have also introduced, and in some cases re-introduced, specials across both Bar & Bistro including drink specials of the month, weekly Bistro specials, and Sunday \$1 oysters.

We have also greatly expanded our drinks selection with an expansive list of craft beers, seltzers and spirit options.

One piece of unwelcome news throughout the year was that the Club was no longer able to sell on premise drinks for consumption on the lawn. We have been working tirelessly with Crown Lands, MidCoast Council, Liquor and Gaming and the local Licensing Sergeant to attempt to resolve this issue, however all efforts so far have proved fruitless. We have now escalated the issue to the NSW Government seeking their support and guidance.

In the meantime, patrons are able to purchase takeaway alcohol (in a sealed container) for consumption on the lawn.

Hoping to see many of you back at the Club soon, and stay safe everyone!

Diane Ellis
Secretary Manager

Treasurer's Report

What a year to be Treasurer!

The Club has posted it's largest ever profit for the financial year ended 30 June 2021 of \$568,342.

Bar trading during this period increased by 34%, Catering trading increased by 36% and gaming revenue increased by almost 51%. This was driven in large part by lack of access to overseas and interstate travel due to Covid restrictions, which meant everyone holidayed in NSW last year.

Overall, our revenue increased by \$1.1 million or 33% on last year. Expenses also increased, but only by \$482,000. And on that note I'd like to address the issue of JobKeeper payments which have been much in the news lately.

All money received from JobKeeper was paid directly to staff – none of these funds were retained by the Club, and gave the majority of our staff some financial security during this difficult period that they otherwise would not have had.

What this did mean, however, is that our cost of staffing was heavily subsidised by the Federal Government for 3 months (July to September), thus reducing the Club's operating costs during that time.

This, along with the major increase in the number of visitors once the Club reopened, allowed us to post a record profit for the year.

This puts the Club in a great position to start some much needed Club refurbishments as reported by Larry in his President's Report.

Nick Montague
Treasurer

DIRECTORS' REPORT

The directors present their report together with the financial report of Pacific Palms Recreation Club Ltd ("the Company") for the financial year ended 30 June 2021 and the auditor's report thereon.

Directors

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

Larry Schubert	President from 16 October 2019 Vice President to 16 October 2019 Elected to the Board - October 1993 Life Member Electrician
Ted Lawson	Treasurer Elected to the Board - February 1996 Retired from the Board – October 2020 Past President Life Member Banking & Finance
Claire Maclure	Vice President from 25 October 2020 Elected to the Board - 29 October 2017 Business management & hospitality
Ken Reynolds	Elected to the Board - 28 October 2012 Past President Life Member Business owner
Nick Montague	Treasurer from 25 October 2020 Vice President from 16 October 2019 Elected to the Board - April 2013 Business owner
Mark Workum	Elected to the Board - September 2013 Printing and hospitality
Saimaa Miller	Elected to the Board - 27 October 2019 Retired from the Board – 25 October 2020 Health & Wellbeing, Marketing
Mary-Jane Silver	Elected to the Board – 25 October 2020 Mediation Services
Todd Herring	Elected to the Board – 25 October 2020 Business Owner

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

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Company Secretary

Ms Diane Ellis was appointed as company secretary on 17 October 2019. Ms Ellis is the Secretary Manager of the Club.

Life Members

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

Meetings of Directors

During the financial year 20 meetings of directors were held. Attendances by each director during the year were as follows:

Director	Board of Directors Meetings		Special Director Meetings	
	Eligible to Attend	Attended	Eligible to attend	Attended
Larry Schubert	12	10	8	6
Ted Lawson (1)	4	2	5	3
Claire Maclure	12	8	7	4
Ken Reynolds	12	11	6	6
Nick Montague	12	11	8	8
Mark Workum	12	11	7	7
Saimaa Miller (1)	4	3	4	4
Mary-Jane Silver (2)	8	8	3	3
Todd Herring (2)	8	6	3	3

(1) Retired 25/10/20

(2) Elected to the Board 25 /10/20

Description of Company

This report covers the single entity Pacific Palms Recreation Club Ltd 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:

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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 foodstuff 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 interest and by granting prizes and donations.

Strategy for Achieving Those Objectives

To achieve these objectives, the company has adopted the following strategies:

- ensure a wide variety of activities and entertainment is available to members which reflects local interest 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 activity of the company during the year was operating as a licenced club and there has been no change in that activity from the prior 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 Results

The result of the company was a profit of \$568,342 (2020: profit \$160,922).

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 2021, the total amount that members of the company are liable to contribute if the company is wound up is \$7,886 (2020: \$7,068).