



STRATHFIELD RECREATION CLUB LIMITED
ACN 000 001 178

MINUTES OF ANNUAL GENERAL MEETING OF MEMBERS

16 FEBRUARY 2020 at 12 NOON

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

CHRIS DUNN – GENERAL MANAGER
KERI SULTMANN – BOOKKEEPER/ADMINISTRATION
MEMBERS AS PER ATTENDANCE ROLL

APOLOGIES: Colin Sheehan, Christopher Kelly, Anindha Parthy

1. Bob Bow, President (237) welcomed members.
2. The Minutes from the AGM held on 24 February 2019 were made available to members and approved. Proposed by Daryl Hart (44) and seconded by Sharon Doherty (40).
3. Bow announced the resignation of Christopher Kelly as Director due to urgent family matters. Recognition was given for his contribution over the past 3 years and the experience he brought to the Board.
4. Bob noted that contribution to the Board takes approximately 4 hours per month and discussion on a replacement for Chris Kelly will take place at the next Board Meeting.
5. Staff
 - Bob commented that staff numbers had increased after the refurbishment of the Club.
 - Special thanks to Chris Dunn, General Manager, for dedication and service to the Club and for his role in achieving the good results.
 - Bob noted that Chris and all other staff were formally thanked at the staff Christmas Party in December.
6. Business Relationships
 - Bob thanked all the people and organisations that contribute to the success of the club.
7. President's Report Summary
 - The three main goals have been worked on for the last few years, those being: - Promoting Tennis; Upgrading the Grounds and Upgrading the Clubhouse.
 - The new amenities provided by the refurbishment has had 1 year of experimenting. Everything is starting to fit together – both amenities and staff.
 - Membership increased from 1,000 to approximately 12,000 which has ramifications for the Constitution. Two Special Resolutions will be proposed later in the meeting to addresses this issue.
 - The Club has accumulated debt to carry out refurbishment. The initial Loan Facility was for \$6m. Only \$3.5m remains to be paid off, which is due in 3 years.
 - Aim of the Board to is to start accumulating capital to be able to pay off debt on due date.
 - The Club upgrade, which is virtually complete, has brought an increase in membership which has raised new issues for Tennis and Parking.
 - Use of courts has increased. A DA to convert the natural grass courts to mixed use courts has been approved. The new courts will be made of artificial grass and lighting will be installed. A DA for additional carparking at the back (Lyons Street) has been submitted.
 - Spending on upkeep of Club and grounds has increased to ensure a good standard is maintained. This will continue.
 - The Club had another successful year for Tennis. Autumn Badge had 8 teams entered. Internal competitions saw the introduction of Junior competitions and the ever-popular Club Championships at the end of the year.
 - The Board would still like to see female tennis player numbers increasing.
 - The Board will concentrate on members enjoying the Club. Any conflict of interest will be sorted out as soon as practical and a continuous effort will be made to iron out issues.

- Long term, the Board will see to the maximum use of facilities and courts; complete the current Masterplan; strengthen relationships and see through the grass court conversion.

8. Financial Results Summary

- Income is still predominately from Gaming and Bar. Still aiming for diversity.
- Bar income was good in 2017, dropped off in 2018 but has made a good comeback in 2019 with the upward trend continuing.
- Gaming was slightly down up but is trending upwards.
- Net Profit for the 2019 financial year was \$965,540.
- The overall results of the year points to a prosperous future. But the only unknown factor is the recently active Corona Virus and what effect it will have on the coming year.
- Expenditure of cleaning significantly increase due to higher standard of amenities being sort.
- New item in Gaming Related Expenditure – Poker Machine Entitlement Lease. Part of plan to increase the Club's entitlement from 26 to 40 machine. Entitlements being leased off Bega RSL Club.
- Cash at bank as at 16 February 2020 totalled \$679,704. Aim is to accumulate funds and invest to enable loan to be paid off on time.
- Gaming Trends – coming back up. Increase in patronage and machines is seeing the long-term trend go upwards.
- Industry Benchmarks – used to show how we compare to similar venues. Bar GP is equal to benchmark (60%) and wages at 17% continues to come in under the 20% benchmark. Our EBITDA at 30% is still favourable against 15% industry benchmark. This result has been going on for many years.
- CAPEX for 2019 was \$4,486,386. Investment on maintenance and equipment to keep standards as high as possible. Cashflow enables Club to purchase if needed.

9. Trends

- Bar has bounced back, indicative of patronage and use of facilities, increasingly busy during the week.
- Gaming is slightly down but on the increase. Gaming revenue is contributing 67 cents for every dollar earned.
- Tennis revenue from Coaching and Casual Court Hire has increased. Board believes this is from upgraded courts and the organisational aspect.
- Achievements
 - Increase in revenue from \$5.43m to \$5.57m (3%).
 - Increase in Community Support with over \$800,000 being donated over the last 8 years.

10. Community Support

- The Club continues to support Mr Perfect Incorporated as they continue to support the Club. This year, they held a Futsal competition with approximately 100 competitors.
- The Club organised a Bushfire Appeal and provided \$50k in direct donations to various groups. The Board discussed the best use of the funds and decided on the donating to WIRES (\$10K) and to the families of the three firefighters that lost their lives (\$12k each).
- The Club also made a donation last year to ClubsNSW Crisis Response Team, which was set up to assist clubs impacted by the bushfire crisis,

11. Membership and Sport

- Futsal has been one of the best investments the Club has made. Revenue continues to increase each year and it's extremely well used. Many outside organisation use the facilities including schools.
- Billiards returned late last year. It is still being fine tuned but is looking good so far.
- Tennis, as a whole, has undergone many discussions ranging from fair systems to optimal court usage in an attempt to satisfy everyone. One significant issue was the inability to provide adequate courts at night. A decision was made to cap all Full memberships. A waiting list system was established for those members who wanted a Full membership. Ivan Ho (Everything Tennis) has played a large role in the regulation and co-ordination of all things Tennis.
- Tennis Membership is currently 261.
- Membership Demographics are showing a drop off from when Juniors turn 18.
- Achievements
 - Four synthetic grass courts were resurfaced.
 - A weekly Member-run Round Robin competition has seen players with an enthusiasm to complete. Director Mrigesh Tamang is the proud organiser.
 - Badge 2019 attracted 8 teams including the Premier League team. 5 teams made the finals with 3 teams going on to win. Strathfield has the highest number of teams in the competition.
 - Two Junior Development Series competitions were held this year. Ivan Ho was the chief organiser and the competitions attracted around 110 entrants.
 - Club Championships 2019 has outdone the success of the 2018 competition. With 67 entrants (singles and doubles), 56 players, 85 matches and 12 events, the competition was well run and highly successful. Once again, Ivan Ho was the chief organiser.

12. The financial statements of the company for the year ended 30 September 2019 together with the accompanying reports of the Directors and the Auditor were considered and adopted. Moved by David Tilston and seconded by Phil Low.

13. Special Resolutions

First Special – to amend the membership right of House members. This will enable some House members of less than 2 years continuous membership to vote in the Election of the Board when the Club needs to meet the 25% of total number of members rule.

First Special Resolution passed unanimously.

Second Special – to amend existing provisions in the Club’s Constitution to ensure the document is up to date and reflects current legislation relating to: 1) corporate governance and accountability; 2) calling of general meetings on the request of members and 3) sending notices of meetings.

Second Special Resolution passed unanimously.

14. Ordinary Resolutions

First Ordinary Resolution, as set out below – passed unanimously

That the members hereby approve expenditure by the Club, until the next AGG 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 Tennis membership of the Club for services as Directors of the Club.

15. Development Update

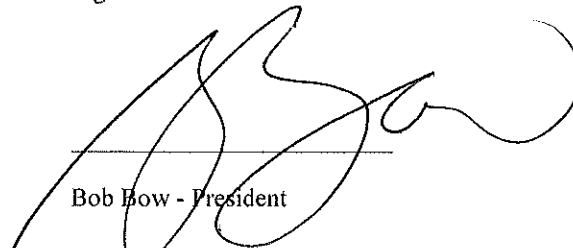
- Construction costs all paid with loan and cash.
- Loan – pay interest for 3 years then able to pay of principle.
- Photos of the old club and the new club show the remarkable difference.
- Conversion of natural grass courts to synthetic, multipurpose courts with lighting.
- Old groundsman sheds to be removed and converted to additional car parking.
- Master Plan for whole of site – Stage 1 complete and Stage 2 is in progress. Any further stages will be discussed and likely ready for the next AGM.

16. General Business/Questions

- No General Business items were tabled prior to the AGM.
- Question asked if new courts will be used for Badge. Bob advised that they would be if needed.
- A member extended congratulations and thanks to the Board and management of the Club for the extraordinary changes to the club after the refurbishment.
- A member commented on the 2021 Election of the Board and suggested gender diversity. Bob responded that all groups are welcome to run.
- A member asked for an approximate estimate of 1st quarter figures compared to last year. Chris Dunn responded and pointed out that 1st quarter 2018 the Club was heavily under construction so figures would be vastly different.
- A member asked about the possibility of putting in Table Tennis. Bob responded that it could be discussed.
- A member brought attention to the Boom Gate issues. Bob responded that issues had been corrected. Stickers are still temperamental, so any issues see reception for a new one. Reminded that membership cards will work. Overall, continuing to work on ways to improve system and will keep trying to resolve issues as they come up.
- Member brought up the issue of motorcycles taking up full parking spots. Bob responded that Board will discuss having marked spaces for motorcycles.

Meeting closed at 1:08pm.

Signed as a correct record


Bob Bow - President