

ASQUITH BOWLING & RECREATION CLUB LIMITED ABN 81 001 039 747

Minutes of Annual General Meeting held 20 October 2024 in the Club Rooms, **The Asquith Club, 1 Lodge Street, HORNSBY NSW 2077.**

MEETING OPEN 9.32 am

CHAIRMAN OPENING ADDRESS (Steve Wilson)

Chairman declared a quorum was present as per the attendance registry on entry to the meeting of over 20 members

Chairman welcomed Club Patron Del Phillipson and Life Members Danny Beecroft #30, Wal Hamilton #257 & Mon Khamis #51 to the meeting.

Chairman introduced G Edwards (General Manager) & Ben McEwan (McEwan & Partners) to the meeting.

APOLOGIES Carol Huttary #7028, Louise Clulee #7167, Michael McClure #7024, Debbie Barnes #7046, Douglas Taylor #1, Janice Bennett #7082, Ros Love #7038.

Resolved on a motion W Willis #208 & S Simmons #7047 the apologies be accepted.

Minutes Silence:

Minutes Silence was held for those club members who had passed away during the year.

CHAIRMANS REPORT

Chairman tabled his report for the members' attention noting it had been available on the club website

It was resolved on a motion R Pilgrim #7, J Maher #110 the Chairman's report be adopted.

PREVIOUS MINUTES

Chairman reported that the previous minutes had been circulated and were available on the club website.

It was resolved on a motion P Guest #429, T Macri #254 that the minutes be adopted

FINANCIAL REPORT

Chairman sought a motion to receive the Financial Statement for year Ended 31 December 2024.

It was resolved on a motion W Willis #208, B Simmons #7047 that the Financial Statement for year 30 June 2024 be received

Chairman asked General Manager if the club had received any written question from any members with regards to the Financial Report

General Manager informed the meeting that no specific question had been received for the meeting.

Chairman introduced B McEwan to give a brief report of the club financials.

This year has been consistent with the previous year with the Income Statement disclosing a loss of \$13k, an improvement of \$21k. Revenue increased by \$41k to \$2.75m while expenses increased by \$21k to \$2.77m.

In Note 2 (p14) revenue is disclosed as Revenue from Sale of goods and Revenue from Services. In simple terms, Revenue from Sale of Goods represents the sale of tangible or physical products, the primary example being beverages from the Bar and Revenue from Services represents intangible services or activities with the primary example being revenue from Poker machines. To that end, it was another challenging year in relation to profitability, and I note the following from the core trading areas:

Bar trading:

Bar sales increased by \$169k. whilst COGS decreased \$13k. This unusual correlation occurred primarily due to some issues with stock control in the previous year which have been rectified, resulting in GP% increasing to 59% from last year's 52%. This has enabled the Club to be more profitable in bar trading. with a profit of \$444k, an increase of \$139k which is a great result.

Poker machine trading:

Net clearance decreased by \$174k to \$945k. A disappointing result, however, the Club has strategies available and has improved facilities over the past few years and this area has potential to improve.

Of the expenses, most remained steady, with Poker machine tax decreasing \$38k as a result of decreased revenue. Overall, profit from poker machine trading decreased \$143k to 662k.

Income statement expenses:

On the face of the income statement (p4), there is no movement of note, however the directors have requested I explain what is included in Employees benefit expense: It is primarily Wages and salaries which accounts for the majority of the balance (approximately \$600k of the \$700k) and also includes superannuation, Leave entitlements, Termination benefits, Fringe benefits, Payroll taxes, Workers' compensation payments and Training and development costs

BALANCE SHEET (P16)

The balance sheet is in a reasonable position. The Club has a current ratio of \$2.89 (2023 \$3.38, 2022 \$3.46), meaning the club has \$2.89 in current assets, predominately cash, to meet every \$1 in current liabilities which is a good position.

Movements of notes on the balance sheet were Cash decreased by \$159k. Property, plant and equipment increased by \$144k. This is the net result of asset additions, disposals and depreciation which included the significant additions of the Alfresco area (\$175k) and the Playground (\$47k). Payables decreased by \$42k. This was predominately due to the timing of trade creditors being paid at year end.

Overall, the balance sheet is satisfactory.

CASH FLOW STATEMENT

This statement shows where the cash came from, where it went to and importantly how much we have left. During the year there was a decrease of \$159k in cash held after receipts from customers of \$3m and payments to suppliers of \$2.78m. Of note is that the club made payments for plant and equipment of \$403k which included Alfresco area (\$175k), Playground (\$47k) and Poker Machines (\$125k), which will hopefully serve to produce more income in the future. Overall, the Club does not have any immediate liquidity problems, however a positive cash flow via sustained profitability in the short term will be essential to ensure that remains the case.

CONCLUSION

Overall, while it wasn't the profit we were hoping for, there were some positives in the form of bar trading results, which all things being equal was fueled by more people in the Club after improvement to facilities via the Alfresco and playground areas. If some of that traffic can flow into gaming, then profits and positive cashflows will follow. The club must continue to focus on what it can control, development strategies and efficiencies to convert revenues into profits.

I would like to thank Club staff for their co-operation and assistance during our audit. As your auditor, I have concluded that the club financial statements disclose a true and fair view of the club's financial activities, and an unqualified audit report has been issued.

Questions of the Auditor:

S Burrows # enquire from the auditor his opinion on the club's position in comparison to 5 years ago when the club considered an amalgamation and had the club traded any better over those 5 years.

B McEwan reported there was no real change in his opinion of the club's operations, and we were holding our own regarding Cash Flow. Their now appeared to be a more settled Board and Management Team which was good, and the club was stable however could be trading better particularly in gaming.

B McEwan suggested he was optimistic about the club's future.

It was resolved on a motion J Mayer #110, S Burrows #90 that the 30 June 2024 Annual Financial Report Balance Sheet, the Profit and Loss Account and the report of the Auditor be adopted.

Motion carried

ORDINARY RESOLUTION

Chairman advised the meeting that to be passed, a Ordinary Resolution must receive votes in favour from fifty (50%) plus one of those members who, being eligible to do so, vote in person on the Ordinary Resolution at the meeting.

General Manager addressed the meeting and read out all Ordinary resolutions providing explanations as to why the ordinary resolutions were required what they addressed.

ORDINARY RESOLUTION No. 1

That pursuant to the Registered Clubs Act:

(a) the members hereby approve the reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following:-

- (i) The reasonable expenditure incurred by Directors in travelling to and from Directors Meetings or other duly constituted Committee meetings as approved by the Board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure.
- (ii) The reasonable expenditure in the form of a meal and drink for each Director in attendance at Monthly Board meeting or Special Board meeting in the course of their duties.
- (iii) The reasonable expenditure for uniforms for each Director or Officer of the Club who does not possess such items of clothing.
- (iv) The reasonable expenditure of food and refreshments for each Director, Club officers and various guests of the Club who have previously attributed to the service of the Club and their partners at the following Club functions:-
- (vii) The reasonable expenditure for Directors entertaining club volunteers and their partners at a thankyou function, where the Board determines such expenditure is in the interests of the Club.

(b) The Members acknowledge that the benefits in paragraph (c) above are not available to members generally but only for those who are Directors or other Officers of the Club.

It was resolved on a motion P Willis #428 / M Lonegan #128 that Ordinary Resolution No. 1 be adopted.

Chairman declared a show of hands of more than fifty percent (50%).

Motion carried

ORDINARY RESOLUTION No. 2

(a) That pursuant to Section 10(6) (b) of the Registered Clubs Act, 1976 the Members agree to the payment of the following honoraria for the period until the next Annual General Meeting:-

(i) Men's Bowls Club \$2,200 per annum

(b) The Members acknowledge that the benefits above are not available to members generally but only for the Men's Bowls Secretary has appointed by the Men's Bowls & supported by the Directors.

It was resolved on a motion T Macri #254 / B Simmons #7047 that Ordinary Resolution No. 2 be adopted.

Chairman declared a show of hands of more than fifty percent (50%).

Motion carried

ORDINARY RESOLUTION No. 3

(a) That pursuant to Section 10(6) (b) of the Registered Clubs Act, 1976 the Members agree to the payment of the following honoraria for the period until the next Annual General Meeting:-

(i) Women's Bowls Executive of \$1,400 pa

(b) The Members acknowledge that the benefits above are not available to members generally but only for the Women's Bowls Secretary has appointed by the Women's Bowls & supported by the Directors.

It was resolved on a motion T Macri #254 / B Simmons #7047 that Ordinary Resolution No. 3 be adopted.

Chairman declared a show of hands of more than fifty percent (50%).

Motion carried

ORDINARY RESOLUTION No. 4

The Board of Directors is authorised to determine at its discretion bonus and differential levels of rewards received by members under any club membership loyalty programs based on certain levels of usage of Club products and services. Any increased levels of rewards must be available to all members who achieve the levels of usage of the products and services.

It was resolved on a motion J Maher #110 / P Willis #428 that the first Ordinary Resolution No.4 be adopted.

Chairman declared a show of hands of more than fifty percent (50%).

Motion carried

SPECIAL RESOLUTIONS

Chairman advised the meeting that to be passed, a Special Resolution must receive votes in favour from three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.

The General Manager reported to the meeting that There are numerous changes being proposed to make changes to the present Asquith Bowling & Recreation Club Constitution, aimed as follows

1. To bring it into line with best practice and the requirements of the Corporations Act, Liquor Act and Registered Clubs Act (RCA).
2. Bowling members will need to be members of the Club for at least two years before they can
 - (a) attend and vote at all meetings and on all resolutions, including special resolutions to amend the Constitution; and
 - (b) stand for and be elected to the Board.
3. The introduction of the category of Dual Bowling Member. This category has existed at the Club for some time and is for those Bowling members who are Bowling members of another club and nominate that other bowling club as their home club for the purposes of their Bowls registration in New South Wales. Dual Bowling members, as is currently the case, have the rights of all Bowling members apart from the right to participate in pennants and championship.
4. Change the rights of the Social members so that Social members who have been members of the Club for at least five (5) years will have the ability to
 - (a) attend and vote at all meetings and on all resolutions, including special resolutions to amend the Constitution; and
 - (b) stand for and be elected to the Board.

General Manager reported that currently, the number of Bowling members of the Club is 220 and the number of Social members is 2,316 as of 10 September 2024. This represents Social members comprising 91 percentage of members of the Club. Having regard to this, the Board is keen to broaden the eligibility requirements for full participation in the Club by way of being able to vote on resolutions, attend meetings and stand for and be elected to the Board.

However, as a requirement for Social members, only Social members who have been members of the Club for at least five (5) years will have these rights.

5. Finally, the Special Resolution proposes to create a new category of non-voting Social membership. This will be a different form of Social membership, where members who do not wish to pay an annual subscription can still join the Club as now permitted under the registered Clubs Act but will have no voting rights.

Non-Voting Social; members will only be entitled to the social privileges and advantages of the Club as determined by the Board.

Non-voting Social members are not entitled to

- a) attend and vote at Annual General Meetings and general meetings of the Club, unless the Registered Clubs Act or Gaming machines Act provides that all ordinary members can vote on a resolution.
- b) nominate for and be elected to hold office on the Board.
- c) vote in the election of the Board.
- d) vote on any special resolution to amend the Constitution.

7019 enquired if this had any effect on the new 5km rule for clubs as recently reported in the press and was it in forced yet.

General Manager reported that the 5km rule simply meant a person living within 5km of the club did now not have to be a member to enter the club however, they still must sign to the club as per the present regulations. The new regulation had not been enforced yet and it was understood would take place by the end of this year.

S Thompson #131 sought clarification of the voting rights of Social members versus Bowling Members from next year.

General Manager reported that financial social members could attend and vote at all meetings and on all resolutions, including special resolutions and they could stand for and be elected to the Board. A new social member however needed to first be a member for five years although any present social member as long as they stayed financial did not have to wait the five years

Present Bowling could attend and vote at all meetings and on all resolutions, including special resolutions however new bowling members would have to wait two years.

S Wilson (Chairman) noted that on the new Board five (5) had to be Bowls members and only two (2) could be Social members however seven (7) could be Bowls Members.

It was resolved on a motion R Pilgrim #7 / S Burrows #90 that the Special Resolution be adopted.

Chairman requested for clarity how many members in the room were eligible to vote.

Sam Ali reported there was 47 members in the room entitled to vote being bowls members and Life members

Chairman put the special resolution to the members for a vote

Chairman declared a show of hands of more than seventy-five voting in favour for the resolution

Motion carried

GENERAL BUSINESS

#1251 enquired if the club was going to bring back Sunday Raffles and the Sunday Courtesy Bus
General Manager reported Sunday Raffles would be back starting November however it was not the intention to supply a bus. The bus would run on a Friday evening and Wednesday after Twilight Bowls.

#1251 enquired what butcher was supplying the meat
General Manager reported the meat for the Sunday Raffle would be the same supplier as the Friday Night as the provider (Big Top Promotions) also hosted the raffle on behalf of the club.

The General Manager also reported that the local butcher would supply the club for a new raffle held during Thursday Night Trivia

SW reported that the local butcher would continue to supply the Club Men's Raffle held on a Thursday & Saturday coming from the local supplier as the other supplier would also be the Raffle Host over November & December.

G Burrough #16 reported some members not receiving club emails and only receiving bowls emails

G Burrough #16 requested the Bowls toilets be cleaned more regularly

Peter reported the sliding door on the toilets needed attention.

T Macri #254 enquired if the present location of the ATM would be the permanent location.

General Manager reported the ATM had to be relocated due to new regulations that meant an ATM could not be within a 5m radius of the entry to a gaming room. Relocating it could take place after a Strategic Planning review the Board would be having the end of the year.

Meeting closed 10:26am

Minutes Confirmed as a true and accurate record of the Annual General Meeting held Sunday 20 October 2024, at the Monthly Meeting of the Board Tuesday 19 November 2024.

A handwritten signature in black ink, appearing to read 'S. Wilkson', is written over a horizontal dotted line.

S Wilkson - Club Chairman

