



**West Belconnen Leagues Club
Annual Report 2007**

Building Committee Report – Terry Palmer
Finance Director Report – Rod Crocombe
Affiliated Clubs & Community Support Program Annual Report - Robert Kinkade
General Manager's Annual Report – John Penca
President's Annual Report – Les Savage

BUILDING COMMITTEE ANNUAL REPORT 2006/2007

This years Committee consisted of Terry Palmer (Chair), Les Savage and John Penca. Our objectives are to address structural improvements to the Club and major maintenance issues.

Unfortunately however, due to the impact caused by the non smoking bans, funds were limited thus causing the Committee to defer a number of projects.

We were able to improve the security at both ends of the outdoor Terrace enabling the smoking area to be increased. Also two air curtains were installed above the automatic sliding door with the intention of reducing cold air entering that section of the Poker Machine area.

Two light boxes (neon) were also installed within the Club indicating access to the outdoor Terrace and smoking area.

The Committee would like to advise members of projects and renovations under consideration and will be addressed as funds are made available by the Board. They are, but not limited to:

- Installation of gas radiant Heaters within the smoking areas. These are much more efficient and cost effective than those presently being used.
- To partially enclose the outdoor Terrace, during winter, to hopefully give members and guests some protection from the wind. However this will need to be discussed with the appropriate authorities to ensure the non smoking area remains "legal".
- The removal of the original stairs to the downstairs Sports Bar and infill of the floor. This will prevent noise going to the window lounge and Bistro when functions etc are held in the downstairs Bar.
- Enclosing the Poker Machine area from the privacy of players and noise reduction.
- The resurfacing of the middle car park.
- A partition between the Bistro and window lounge.
- Maintenance as required.

The Building Committee would like to hear any Members suggestions that may improve the structural aspect of the Club that perhaps has not been addressed in this Report.

Terry Palmer
Chairman

FINANCE COMMITTEE ANNUAL REPORT 2006/2007

The Finance committee has met at least monthly throughout the year to consider and make recommendations to the Board of Directors on financial planning aspects of our Club's operations. These aspects include the budget and trading oversight, development of finance strategies including cash flow monitoring and consideration of funding for expenditures for both current and longer-term capital proposals.

Committee members John Penca, Les Savage, Rose Georgeostathis, Bob Brading (consultant) and I have to report that the 2006/2007 trading year has been most challenging and somewhat disappointing with a loss of \$149,626 having been incurred for the period. It should be noted that this result follows a substantial reduction in bank indebtedness with a consequent reduction in interest and associated finance costs which will be better reflected in future trading results. Your Board is confident that initiatives already undertaken and proposed to be developed with a view to concentrating activities on core Member benefits will return your Club to profitable trading results. In this regard, budget expectations for the 2007/2008 trading year are for a modest profit

The downturn in revenues during the period from 1 December 2006, which may be directly attributed to the impact of non-smoking legislation, necessitated proportionate reductions in controllable outlays and although these were achieved in most areas, not all costs could be commensurably reduced in a sufficiently timely manner. Management has now addressed these outlays to provide additional savings in key expenditure areas. Our Club continues to meet its financial commitments as and when due and maintains a watchful eye on further mooted legislative challenges.

John Penca and his staff, particularly management staff, are to be congratulated on their dedication and commitment to the efficient operation of our Club. It is also appropriate to recognise the outstanding contribution to the Finance Committee, over many years, of Mr Bob Brading (Life Member) in his consultancy capacity. The Committee wishes him well in his alternative endeavours and recognises that there remains plenty of hard work ahead of it.

The full, audited, financial report for the year appears elsewhere for your information and these detailed Statements are commended to Members.

Some notable points are:

- Revenue decreased from \$8,092,538 to \$7,724,310
- Affiliated sporting bodies and community donations were \$154,123
- Deficit for the year was \$149,626
- Total assets of \$14,327,853 exceed total liabilities of \$6,086,514 to provide total Members equity of \$8,241,339

Rod Crocombe
Finance Director

AFFILIATED CLUBS AND COMMUNITY SUPPORT PROGRAM COMMITTEE ANNUAL REPORT 2006/2007

1. This is the eighth full year of operation of the Affiliated Clubs and Community Support Program sponsored by the West Belconnen Leagues Club for the benefit of the local and Canberra region community and sporting clubs. The Affiliated Clubs and Community Support Program Committee, consists of Board Members Robert Kinkade Chairperson, Secretary/Treasurer, Barry Pearce, and Shirley Cowan, who effectively administered this community program. The financial figures used in this report have not been audited by our accountants and may differ from the Club's Audited Annual Report.

2. The Affiliate Sporting clubs grants and subsidies have continued this year, although now only to our core clubs, the West Belconnen Warriors, West Belconnen Juniors, the Family Fishing Club and Social Golf Club and our Dart Teams to the amount of \$86,521 for the full year ending 30th June 2007. Each of these affiliated clubs shall receive ongoing support in funding for FY 007/008 to help assist in their effective administration.

3. These Clubs in conjunction with the other 4 affiliated clubs, Ginninderra West Belconnen Cricket (Jnrs), Action Calisthenics, West Belconnen Softball and West Belconnen Athletic received donated amounts upon request, for room hire and sports ground hire, and special financial grants to the total value of \$5, 527.

4. The Leagues Club also gave grants to the Masters Men's Football Team to Queensland \$500, and the Indoor Social Cricket Team \$500, and Hawker College Rugby League Team \$1,154 for set-up and to assist with uniform costs.

5. The Sport Development Officer was funded for wages and equipment for the development of sport in clubs and schools to the amount of \$41,618, this was offset by an amount of \$10,000 for wages from the Health Pact Program. At this time the Health Pact Program has finished due to government funding cut backs even though the program had a further two years to run.

The Canberra Region Junior Rugby League was again funded to the amount of \$2,198 in ground and room hire to assist in the administration of junior football.

6. Donations in FY 2006/2007 to local community groups were valued at \$308,695. The community contribution achieved was 8.75% of Net Gaming Machine Revenue (NGMR) as against the required by law donation of 7% of NGMR, an amount of \$61,872 over our responsible commitment.

The largest recipients being the local community, charities, schools and personal sponsorship to representative players of sport the amount of \$34,030 was donated.

7. The Committee has continued the two other major initiatives of community support in conjunction with twenty-one (21) other Canberra Licensed Clubs by supporting the Clubs ACT Foundation charities, the Spastic Centre Rural Outreach and Disability Support Service for \$3000, and the Camp Quality Program, a pledge for ongoing support has been committed.

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8. In other areas of local community support. The Development Officer Ray Ballantyne has been working very hard throughout the year as part of the Leagues Club commitment to healthy and active participation of children in sport and exercise. He has worked conscientiously with the primary schools teaching “Motor Skills” to non rugby league schools and Rugby League Development in the schools who have a Rugby League Program. Additional to the above commitment Ray Ballantyne has coached and assisted the development of the Hawker College Rugby League Team in the “Arrive Alive Cup” Competition.

9. A personal donation to twenty one (21) sporting representatives from our affiliated clubs, whom are leagues club member’s immediate family. The funding was donated to assist with travel and accommodation in respect to that representation. The amount this year is \$21,000 a minimum of \$100 per application. The amount may be increased upon special application on a case by case basis.

10. I will take this opportunity to thank the Committee for all their time and effort put into this program to make it so successful and the confidence of the full Board of Directors for approving all of our varied initiatives.

11. West Belconnen Leagues Club is seen by many as an important element in the local community and as such, the Committee views any proposal received from local non-profit sporting clubs or non-profit community based organizations in some depth and consider it our responsibility to try to respond to those needs as funds are available. This in turn should assure the Club’s overall future in the West Belconnen area.

Robert. A. Kinkade
Chairman

GENERAL MANAGERS ANNUAL REPORT 2006/2007

In what has been a most difficult year I am obliged to report a trading loss of \$149,626. This is due mainly to the impact no smoking has had on our business. It must also be recognized that increased competition has also eroded profit.

To minimize our trading loss, the Board and management made significant changes to the way we operate. Operating efficiencies at every level were reviewed and changes made as quickly as possible to mitigate loss.

When reflecting back on the past year, the Club made a quantum leap forward during the months July to November and by the end of November the Club had recorded a year to date profit of in excess of \$250,000. However with the introduction of no smoking the club incurred regular losses eroding any profit made in the 1st 5 months.

As it became apparent that the road to recovery was going to take much longer than anticipated, your Board and management team agreed to positive and significant changes to the Club's corporate structure. We have also commenced on a thorough and significant review of the Clubs marketing and operational arms. This has culminated in a new and aggressive Strategic Marketing Plan which is being implemented as we speak.

In closing I would like to congratulate and thank the Board, management team and staff for their continued support and commitment.

I would also like to thank the members for their understanding and acceptance of changes made during the year.

I would also like to make a commitment to the members that we will be improving our service and our standards over the next 12 months.

John Penca
General Manager

PRESIDENTS ANNUAL REPORT 2006/2007

Changes to Club Life

The 2006/2007 Financial Year has been difficult as the club continues to face significant challenges. I am of course referring to the economic impact of the smoking ban and gaming tax increase in addition to several other legislative changes in the past couple of years. It is the Government's intent to make this legislation for all the right reasons and as a community based Club we accept this. However, we do need sufficient time to make the transition to each phase of law change.

At the end of the day it is the responsibility of your Board and Management, to overcome this difficulty by utilizing our experience in all aspects of the operation of this club in a professional and responsible manner.

The Board and Management have made alterations to trading hours and several promotions to name a few. In doing so, we are always conscious of the members needs.

Staff Training

Management adopted training innovative whereby many staff received formal qualifications for the jobs they perform. Staff entered into an agreement committing themselves to completing set modules; allowing to be assessed and receiving formal qualifications and there fore obtaining industry recognition. Thanks to the Retail and Office Training Centre (ROTC) and Employment ACT.

Perpetual Membership

The 2006 Annual General Meeting passed a proposal of a new category of Membership known as "Perpetual Membership." A perpetual member is an extension of an ordinary member whereby that member pays a one off fee of \$100 plus G.S.T. which entitles that Perpetual Member, Club membership for the term of their life.

School Support

The Rugby League Development Officer continues to impress Colleges, High Schools, and Primary Schools in the local area with support in school sport training techniques, valuable life skills in healthy living and hygiene programs and donations of equipment and prizes to assist these learning institutions in the development of sport and educational programs for these youngsters.

Historic Club

The Club has formed a Historical Committee, for West Belconnen Rugby League (yes, we were formed in 1977). If any member has memorabilia or just a story they would like to share with us, please contact me on 62545453.

Water Restrictions

Stage 4 water restrictions have been discussed in earnest since last summer's very hot & dry conditions. In May ACT Sport and Recreation held a "Sport Industry Meeting" to discuss and hear from ACTEW, Sports and Recreation and industry stakeholders the likely implications the reduction of water is going to have on local sporting grounds. Due to West Belconnen having its own oval, water restrictions will have a severe impact on the club's ability in maintaining a fully functioning oval. We are unsure of the full extent of that impact; however this will become clearer as the full impact of restrictions take effect.

The club continues to be managed very efficiently, with many thanks to John (GM) and his dedicated staff.

I would like to express my appreciation, to my fellow directors, for their harmony and good governance.

To you the members may good health be with you and may you continue to support your club.

L. R. Savage
President