

## **Chairman's Report – Year Ending June 2022**

Welcome to this, the first, AGM of the Maryborough Services and Citizens' Memorial Club. I am pleased to present to you our Annual Report and Financial Statements for the year ending 30 June 2022.

### **Background**

For the 50 years prior to 2005 the Maryborough Services and Citizens' Memorial club operated separately from the Maryborough RSL Sub-branch. However, in 2005 the Sub-branch absorbed the Club and they then operated as one entity.

Since 2005 the Club has grown into a large commercial operation and it became evident that, once again, it needed to be separate from the Sub-branch and be managed by its own Board.

At their February 2021 AGM, the Sub-branch approved a constitution for a new company for the purpose of conducting the business of the club. Appropriately, the new company is called The Maryborough Services and Citizens' Memorial Club, a not-for-profit company, which subsequently began trading on 2 December 2021.

The Club rents the building on a 15- year lease from the Maryborough Sub-branch; with this arrangement securing their long- term financial viability. As part of the sale agreement the Sub-branch provided two loans; one for \$707,620 for the purchase of the business as a going concern and the second for \$500,000 Working Capital. Both these loans are being repaid on a monthly basis.

The decision to separate the Club and the Sub-branch frees the Sub-branch from the encumbrance of running the Club, thereby enabling them to concentrate their efforts on the Wellbeing of their members and their valued work within our community.

### **The Company**

As a Services and Citizens Club the company Objects are oriented to the support of returned and service personnel as well as community, educational and sporting bodies. As at 30 June company membership stood at 3021.

The company board consists eight members being: three Ordinary, three Appointed and two Service members. At the AGM this year we will conduct an election for the three Ordinary and two Service members. The Board has previously appointed Judith Mills (accountant), Stewart Norton (business) and Travis George (solicitor) as the Appointed Members.

### **The Club**

Ladies and Gentlemen, your Board, in conjunction with management, has been very busy in the 7 months since inception.

Early in 2022 the Board went to market to fill the position of General Manager. Shane Armstrong was subsequently appointed on 2 April from a strong field. Shane comes to us with extensive management experience in the sporting, hospitality and gaming industries. He also holds a Bachelor of Business majoring in management.

In May, Brett Libbis was appointed Head Chef and has been tasked with improving kitchen efficiency, producing a new menu and improving the quality of our offerings.

At this point I would like to express the Board's thanks to Stephen Yeates for acting as General Manager for the past twelve months and his 25 years' loyal service to the Club. We wish him all the best for the future.

Club membership eligibility has been revised to improve the attractiveness of membership and our marketing strategy has been reviewed to place a focus on social media and targeted promotions.

Covid restrictions, combined with three floods within three months, saw a difficult trading period. Under the circumstances we are pleased to report a modest Net Profit of \$243,691\* for the seven months ended 30 June 2022. This profit is exclusive of a \$30,000 donation to the RSL Sub-branch. We see the support of the Sub-branch and other charitable, educational and sporting organizations as our core Object.

The lifting of the Covid mask mandate saw a noticeable improvement in trade and the Board is budgeting for a Net Profit of \$484,000\* for this coming year.

The Club has recently invested in nine new gaming machines and an upgrade to six others. This improvement resulted in a significant increase in gaming turnover and we are planning additional upgrades this year. The Sports Bar facilities have been enhanced with four large TV screens streaming Fox Sport and turnover is expected to further increase with a proposal to open direct access to the Sports Bar and Gaming Room from Adelaide Street. Further improvements to the Sports Bar are planned.

## **Conclusion**

I am happy to report, that the Club is in a strong position. With improving trade and a new General Manager I am confident we can look forward to a profitable year. Our goal is to provide a club that meets the needs and expectations of our members and the wider community; and in so doing generates surplus funds to be redirected back into our RSL Sub-branch and local community.

Finally, I would like to thank the Board, management and staff for their efforts over the past challenging year. Without their dedication commitment the Club would not be in such a strong position.

Paul Coleman  
Chairman