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Barham & District Services Memorial Club

2017
Annual Report

NOTICE OF MEETING

Notice is hereby given that the 46th Annual General Meeting of the Barham & District Services Memorial Club Ltd A.C.N. 000 893 701 will be held at the Registered Office, Niemur Street, BARHAM on Wednesday 11th October, 2017, at 8pm.

BUSINESS

1. Notice Convening the Meeting.
2. Apologies.
3. To confirm the minutes of the Annual General Meeting held on Wednesday 5th October, 2016.
4. To receive and consider the report of the President.
5. To receive and consider the report of the Directors.
6. To receive, consider and adopt the Financial Report of the Club, the economic entity and the Auditor for the year ended 31st May 2017, and to fix the remuneration of such Auditor for the ensuing year at \$12,000. (The full financial report is available at www.clubarham.com.au or Barham Services Club reception)

Questions pertaining to the financial statements should be lodged in writing with the Chief Executive Officer at least 7 clear days before the Annual General Meeting (ie: before 4th October 2017).

7. To consider and if thought fit, pass the following First Ordinary Resolution:
 - (a) That the directors remuneration for the year ending 31/05/2018 remains at \$40,000.
 - (b) That appropriate uniform is provided to all directors when representing the Club at official functions.
 - (c) Approve reasonable expenditure for Directors to attend meetings and seminars of the Clubs NSW Association and other recognised associations within the club industry in relation to accommodation, seminar/conference fees, travel costs and refreshments.
8. Recommendations from the floor to the incoming Board.
9. Declaration of the poll for the election of Directors.

By order of the Board of Directors.



Michael Alexander
Chief Executive Officer
1st August 2017

PRESIDENT'S REPORT

Now in my third and final year as President I can advise the financial results for the Barham & District Memorial Services Club Ltd are once again acceptable to your Board. Approximately two and a half years ago your Board and Management team undertook a strategic planning session. This session was held off site and was designed to discover and develop opportunities for your Club. One of the opportunities examined was the potential to sell surplus poker machine licenses within our local council area if and when the Murray Shire and the Wakool Shire amalgamated. Two years later we knew the answer to that expectation; the amalgamated shire's name is the Murray River Shire. Both shires prior to the amalgamation were considered to be in red areas (gaming machine population grading) and neither Clubs within those shires could have bought additional gaming licenses easily. Therefore, cluBarham and another Club in the old Murray Shire entered into discussions about the possibility of trading entitlements for cash if the amalgamation occurred. The discussions were fruitful. cluBarham made a total profit of \$2,839,403 which includes the sale of 36 poker machine entitlements and the operation of the business.

At the same strategic meeting mentioned earlier, the Board took into account the opportunity to develop some of the Club's land. To date the Vinecombe Lane development on the western side of the golf course has proceeded and there is an expectation that a profit of in excess of \$500,000 for 2017/18 will occur, with a further expectation of a duplication of this amount in 2018/19. Obviously, the Club has further housing and community park developments available at our Barham Lakes site. We are currently working with the Council to develop this land and have it rezoned residential. We have an expectation that profits from this property will be on the agenda in the 2019/20 year and beyond. I am trying to impart on the members that it is necessary for your Board and Management to work closely together in the long term to ensure the development and survival of your social and sporting assets. It amazes me when I look back on the last three years how closely we have followed the strategic plan and the benefits that should eventuate in the medium to long term from our hard toil.

I would personally like to thank all the Board Members for providing their private time to ensure that the Club has once again performed well. The legacy of their toil reflects on the balance sheet where the consolidated business has cash and cash equivalents in excess of 5.45 million dollars. Physical changes in 2017/18 will include the gaming room. It is our intention to modernise this area and include the old Niemur Street foyer into these changes. The Club has already completed the refurbishment of the dining room on the south-eastern corner of the Club. We are also looking at other ways of entering the old Bistro/Chinese Gardens area and auditorium facilities. On a sad note the proprietors of the Chinese Gardens Amy and Tony made a decision to move on effective as from August 30, 2017. I would like to thank them for their business and social relationship over the years at the Golf & Sports Club and the Services Club. The Board and Management wishes them a happy and prosperous future.

The Club will also develop three, 3-bedroom apartments at the Golf Resort in the 2017/18 year along with the removal of the older cabins which served the Club well. It has also ensured that another golf hole, the 15th will be upgraded and will further contribute to a better golf course. It is the Board's expectation that the golf course and resort over the next ten years will be developed to reflect a state of the art sporting facility. There is an old adage that says build it and they will come, don't and they will stay away. Our accommodation assets continue to bring visitors to our region and the profits received from this part of our business continues to grow, we intend to increase this portfolio into the future.

Current trading for the 2017/18 year is in line with budget. I expect the new President, Board and Management will continue with the legacy of those many Directors and Managers that have given of their time since our Club's conception.

I take time out to remember those who have passed throughout the year. Those who have contributed to the management of the business and other that have been the social backbone to the sporting and social activities, to me every one of them was important. Those who still remain as volunteers and are still ensuring our sub-clubs remain viable I also thank you. I have not named the people individually as we know who they are, remember a Club is a group of people who work together with similar expectation to ensure enjoyment for all.

In closing, I wish to thank all the staff at the Club, regardless of position or rank. It is this group who are hardworking, always smiling whilst providing the service we expect. To families of the staff who are home alone at night, on the weekends or early in the mornings thank you for your understanding. I look forward to a new President at the Club, I do believe that change is important, a new broom does clean better and fresh ideas are important. I thank those members who have supported the Board over the last three years whilst I've been President. I also thank those who were critical of some of our actions we undertook, as it allows the Board as a whole, to review these actions and amend them where necessary. I will look on with comfort as our wonderful Club continues to prosper.

Kind regards



Keith McDougall
PRESIDENT

CORE PROPERTY DECLARATION

Core property is defined as;

- The defined premises of the Club
- Any facility provided by the Club for the use of its members and guests
- Any other property declared by members at a General Meeting to be core

Core properties owned by this Club as defined above are located at:

- 6-8 Niemur Street, Barham – Main Club premises and car park
- 6 Cobwell Street, Barham – Bowling Clubhouse, greens and surrounds
- Lot Nox 125-135 and Lot B Moulamein Road Barham – Golf and Country Clubhouse, Golf Course and car parks, Barham Tennis Clubhouse, Courts and car park, Bowling Greens and surrounds

All other property owned by the Club is non core.

SUPPLEMENTARY FINANCIAL INFORMATION
BARHAM & DISTRICT SERVICES MEMORIAL CLUB LTD
ABN: 32 000 893 701
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31st MAY 2017

	Niemur St		Moulamein Rd		Consolidated	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
BAR						
Income						
Sales	1,202,318	1,146,582	299,271	295,573	1,501,589	1,442,155
Less Cost Of Goods Sold	398,127	403,811	115,934	112,817	514,061	516,628
Gross Profit On Bar Trading	804,191	742,771	183,337	182,756	987,528	925,527
Expenditure						
Cleaning, Materials & Supplies	123,352	80,695	9,106	10,279	132,458	90,974
Depreciation	21,164	23,901	9,573	8,505	30,737	32,406
General Expenses	75,361	72,663	18,832	20,495	94,193	93,158
Repairs & Maintenance	8,813	10,063	1,729	4,488	10,542	14,551
Salaries & Wages	384,852	380,971	96,670	127,210	481,522	508,181
	613,542	568,293	135,910	170,977	749,452	739,270
Net Trading Profit/(Loss) - Bar	190,649	174,478	47,427	11,779	238,076	186,257
GAMING						
Income						
Poker Machines Net Revenue	4,885,228	5,098,914	41,103	42,386	4,926,331	5,141,300
Commission - Keno	39,690	45,800	796	620	40,486	46,420
Commission - TAB	24,572	25,994	10,076	12,084	34,648	38,078
GST Rebate on PM Income	17,180	17,180	4,192	4,060	21,372	21,240
	4,966,670	5,187,888	56,167	59,150	5,022,837	5,247,038
Expenditure						
Cleaning	117,101	76,794	5,439	5,814	122,540	82,608
Depreciation	494,996	487,794	8,815	9,604	503,811	497,398
General Expenses	105,472	100,722	38,980	42,151	144,452	142,873
Poker Machine Tax	886,921	941,531	-	-	886,921	941,531
Data Monitoring Service	71,853	69,304	-	1,400	71,853	70,704
Repairs & Maintenance	111,397	109,739	6,636	9,151	118,033	118,890
Salaries & Wages	382,436	370,469	10,075	12,595	392,511	383,064
	2,170,176	2,156,353	69,945	80,715	2,240,121	2,237,068
Net Trading Profit/(Loss) - Gaming	2,796,494	3,031,535	(13,778)	(21,565)	2,782,716	3,009,970

SUPPLEMENTARY FINANCIAL INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31st MAY 2017

	Niemur St		Moulamein Rd		Consolidated	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
CATERING						
Income						
Sales	1,289,014	1,348,158	6,590	13,298	1,295,604	1,361,456
Less Cost Of Goods Sold	468,272	516,650	5,251	8,920	473,523	525,570
Gross Profit From Catering	820,742	831,508	1,339	4,378	822,081	835,886
Expenditure						
Cleaning, Materials & Supplies	64,800	136,425	9,185	10,660	73,985	147,085
Chinese Gardens Expenses	38,404	3,391	-	-	38,404	3,391
Depreciation	59,703	44,827	2,650	3,569	62,353	48,396
General Expenses	73,649	82,563	10,273	11,860	83,922	94,423
Repairs & Maintenance	24,323	21,343	583	2,026	24,906	23,369
Salaries & Wages	882,049	829,464	17,893	18,793	899,942	848,257
	1,142,928	1,118,013	40,584	46,908	1,183,512	1,164,921
Net Trading Profit/(Loss) - Catering	(322,186)	(286,505)	(39,245)	(42,530)	(361,431)	(329,035)
SPORTING FACILITIES						
Income						
Green Fees	-	-	262,508	284,699	262,508	284,699
Golf Cart & Trolley Hire	-	-	119,525	113,170	119,525	113,170
Golf Subscriptions	-	-	103,355	99,947	103,355	99,947
Pro Shop Sales	-	-	78,758	74,316	78,758	74,316
Tee Sponsorship & Tournaments	-	-	52,587	32,504	52,587	32,504
			616,733	604,636	616,733	604,636
Less Cost of Goods Sold	-	-	55,961	47,411	55,961	47,411
Gross Profit	-	-	560,772	557,225	560,772	557,225
Expenditure						
Affiliation	-	-	13,230	8,395	13,230	8,395
Course Maintenance	-	-	105,598	117,537	105,598	117,537
Depreciation	3,495	3,446	77,631	67,572	81,126	71,018
General Expenses	17,260	19,704	104,442	100,324	121,702	120,028
Pro Shop Expenses	-	-	19,466	15,416	19,466	15,416
Repairs & Maintenance	3,021	7,062	49,143	50,696	52,164	57,758
Salaries & Wages	62,721	85,397	514,595	460,738	577,316	546,135
Water	-	-	6,892	7,669	6,892	7,669
Bowling Club Expenses	-	-	32,247	42,393	32,247	42,393
Tennis Club Expenses	-	-	24,731	24,156	24,731	24,156
	86,497	115,609	947,976	894,896	1,034,473	1,010,505
Net Trading Profit/(Loss) - Sporting Facilities	(86,497)	(115,609)	(387,204)	(337,672)	(473,701)	(453,281)

SUPPLEMENTARY FINANCIAL INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31st MAY 2017

	Niemur St		Moulamein Rd		Consolidated	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
OTHER INCOME						
Members Subscriptions	53,173	48,289	-	-	53,173	48,289
Bingo & Raffles	217,014	207,466	-	-	217,014	207,466
Entertainment	115,657	125,420	-	-	115,657	125,420
Inner Clubs	13,466	-	-	-	13,466	-
Profit on Disposal on Non-Current Assets	-	-	7,000	994	7,000	994
Rent Received	16,330	6,300	18,092	16,904	34,422	23,204
Sundry Income	151,164	119,217	12,227	13,926	163,391	133,143
Total Other Income	566,804	506,692	37,319	31,824	604,123	538,516
INDIRECT EXPENSES						
Advertising	55,644	66,807	2,150	2,975	57,794	69,782
Audit Fees	13,245	10,351	-	-	13,245	10,351
Bad Debt	2,326	367	-	-	2,326	367
Bank Charges	9,790	11,218	2,748	3,026	12,538	14,244
Bingo & Raffles	243,553	239,093	-	-	243,553	239,093
Bus/Group Subsidies	10,599	15,215	-	-	10,599	15,215
Cleaning	29,688	31,315	2,954	2,603	32,642	33,918
Computer Expense	7,190	7,214	2,247	1,006	9,437	8,220
Decorations	4,781	5,971	-	-	4,781	5,971
Depreciation	125,546	128,018	10,509	8,244	136,055	136,262
Directors Honorarium	38,667	38,677	-	-	38,667	38,677
Freight & Cartage	44	160	-	-	44	160
Fringe Benefits Tax	1,062	1,611	-	-	1,062	1,611
Fuel, Light & Power	32,846	31,277	4,326	5,533	37,172	36,810
Insurance	2,784	3,352	696	675	3,480	4,027
Journals & Subscriptions	27,000	21,581	2,186	1,312	29,186	22,893
Legal Costs	844	-	-	-	844	-
Loss on Disposal of Non-Current Assets	1,149	3,896	-	-	1,149	3,896
Members Only	318,328	271,499	-	-	318,328	271,499
Minor Equipment Purchases	3,224	4,499	1,448	272	4,672	4,771
Miscellaneous	40,062	42,097	3,587	1,527	43,649	43,624
Motor Vehicle Expense	11,649	11,768	-	-	11,649	11,768
Postage	4,280	13,570	1,874	2,419	6,154	15,989
Printing & Stationery	22,061	29,458	3,700	3,512	25,761	32,970
Professional Fees	1,500	14,837	-	945	1,500	15,782
Promotions	27,978	39,673	2,199	1,291	30,177	40,964
Rates	24,945	17,117	28,057	28,507	53,002	45,624
Repairs & Maintenance	110,150	109,335	20,749	21,781	130,899	131,116
Salaries & Wages	984,994	978,762	36,722	31,232	1,021,716	1,009,994
Security	6,582	8,671	1,699	1,586	8,281	10,257
Shows & Bands	230,437	266,883	-	-	230,437	266,883
Staff Training, Travel & Recruitment	5,599	20,252	1,325	1,276	6,924	21,528
Staff Amenities	9,162	12,248	-	-	9,162	12,248
Telephone	32,923	30,424	8,256	9,092	41,179	39,516
Uniforms	20,368	10,850	3,622	1,707	23,990	12,557
	2,461,000	2,498,066	141,054	130,521	2,602,054	2,628,587

SUPPLEMENTARY FINANCIAL INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31st MAY 2017

Core Club trading Trading Profit / (Loss)	684,264	812,525	(496,536)	(488,685)	187,728	323,841
	Niemur St		Moulamein Rd		Consolidated	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
Non Core trading						
Income						
Interest Received	92,795	70,425	-	-	92,795	70,425
Profit on Sale of Poker Machine Entitlements	2,338,371	-	-	-	2,338,371	-
Accommodation	192,039	175,759	122,398	160,143	314,437	335,902
	2,623,205	246,184	122,398	160,143	2,745,603	406,327
Expenditure						
Donations/Sponsorship	70,157	87,987	-	-	70,157	87,987
Lakes	23,771	37,884	-	-	23,771	37,884
	93,928	125,871	-	-	93,928	125,871
NET TRADING PROFIT / (LOSS)	3,213,541	932,838	(374,138)	(328,541)	2,839,403	604,297

Note - General Expenses is made up of Insurance, Fuel, Light & Power, Austar/Music subs and Unders/Overs

**BARHAM & DISTRICT SERVICES MEMORIAL CLUB LTD
AND CONTROLLED ENTITIES
CONSOLIDATED BALANCE SHEET
AS AT 31st MAY 2017**

	Consolidated	
	2017	2016
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	5,671,723	3,416,012
Trade and other receivables	28,441	27,655
Inventories	121,411	144,865
Other current assets	43,249	35,338
Total current assets	5,864,824	3,623,870
Non-current assets		
Property, plant and equipment	25,779,352	24,904,720
Intangible assets	607,000	607,000
Total non-current assets	26,386,352	25,511,720
TOTAL ASSETS	32,251,176	29,135,590
LIABILITIES		
Current liabilities		
Trade and other payables	879,609	844,873
Financial liabilities	3,300	5,697
Short-term provisions	316,342	307,043
Other current liabilities	139,134	131,546
Total current liabilities	1,338,385	1,289,159
Non-current liabilities		
Long-term payables	-	-
Long-term provisions	121,219	130,156
Total non-current liabilities	121,219	130,156
TOTAL LIABILITIES	1,459,604	1,419,315
NET ASSETS	30,791,572	27,716,275
EQUITY		
Reserves	5,835,772	5,835,772
Retained earnings	24,955,800	21,880,503
TOTAL EQUITY	30,791,572	27,716,275

**BARHAM & DISTRICT SERVICES MEMORIAL CLUB LTD
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MAY 2017**

	Consolidated	
	2017	2016
	\$	\$
Cash from operating activities:		
Receipts from customers	9,826,981	9,963,863
Payments to suppliers and employees	(8,317,920)	(8,867,892)
Interest received	96,606	71,159
Rent Received	34,422	23,204
Net cash provided by (used in) operating activities	1,640,089	1,190,334
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	2,369,495	261,314
Acquisition of property, plant and equipment	(1,753,873)	(1,875,435)
Net cash provided by (used in) investing activities	615,622	(1,614,121)
Net increase (decreases) in cash held	2,255,711	(423,787)
Cash at beginning of financial year	3,416,012	3,839,799
Cash at end of financial year	5,671,723	3,416,012



Local community groups and organisations were proudly supported with donations totalling **\$543, 858.00** in the 2016/17 financial year.

Barham Angling Club	Echuca Sub Branch National Services
Barham Combined Classic Triples	Echuca/Moama RSL
Barham Consolidated Inc	Golden Rivers Football League
Barham Debutante Ball	Golden Rivers Netball League
Barham Garden Club	Kerang Group of Bendigo Legacy
Barham High School	Kerang Little Athletics
Barham Hospital	Koondrook Barham Foot/Netball Club Inc
Barham Koondrook Junior Basketball Club	Koondrook Barham Junior Basketball
Barham Koondrook Memorial Hospital	Koondrook RSL
Barham Koondrook P.A.& H. Show Society	Koondrook Swimming Pool Committee
Barham Koondrook Police Charity Golf Day	Leitchville Bowls
Barham Koondrook Tourism Group	Maldon Football
Barham Landcare	Moulamein Pre School
Barham Medical Trust	Moulamein Public School
Barham Public School	Murrabit Football
Barham Redgum Country Cup	Murray River Council HACC Services
Barham RSL	Murray River Council Home Support
Bar-rook Sporting Field & Game	NSW RSL Riverina District Council
BDSM Darts Club	Pyramid Hill Bowls
BDSM Indoor Bowls Club	Red Gum Darts
BDSM Sports Bowls Club	St Johns
BDSM Tennis	St Vincent De Paul Society
BDSMC Bowling Club	Think Active
BDSMC Euchre Club	Wakool Bowling Club
Biggest Morning Tea	Wakool Bowls
Border Flywheelers Inc	Wakool Burraboi Senior Citz
Close to My Heart	Wakool River Association
Cohuna Bowling Club	Wakool Sheep Races
Cohuna Golf Bowls Club	Wycheproof Bowls
Cohuna Leitchville RSL Sub-branch	

