



TARADALE CLUB INCORPORATED

CHAIRMANS REPORT TO 49TH ANNUAL GENERAL MEETING 2 AUGUST 2020

On behalf of your Committee, I am pleased to submit the following report to our Members. To refresh memories, we set about re-establishing the Club back in early 2017, with the following objectives, summarised as under:-

- 2017 The Year of Restructure** > **Need to Change Course Identified**
- 2018 The Year of Development** > **Establishing a Strategy for the Future**
- 2019 The Year of Change** > **Encompass and Deliver on the New Strategy**
- 2020 The Year of Consolidation** > **Driving Home and Building on the Success**

We are proud to report and I am sure you will agree, we have delivered on these objectives. The Club is in far better heart than it was, when we commenced on our path. Our immediate goal was to save the Club from the brink of demise and then to rebuild into the Family Friendly Social Hub for all to enjoy, as it is today. Whilst we did not achieve our budgeted net profit before depreciation for the 2019/20 year, we did achieve a result significantly ahead of the previous year and laid solid foundations for the future. We can now add to the Strategic headings:

- 2021 The Year of Capitalisation** > **Driving Home our Strategy and Building Further Success**

The year was one of significant changes for our Club. Among these were our name change back to our original name of Taradale Club (Inc) which was proposed and approved at our 2019 AGM, the decision by the Taradale Bridge Club, not to renew their Occupation Agreement with us and thereby ending a 10 year association with us and the decision by our Snooker Adjunct, to not accept our offer of relocation within the Club, thereby closing that Adjunct. It has and always will be, our best intention to cater for and support all our Adjuncts and any associated Clubs, however our core responsibility is to all our Members, to drive growth and activity within the Club and to improve financial performance to make our long term sustainability more secure. This key objective sometimes means decisions are made which do not suit all individuals or groups, however I assure you we have and always will act in the best interests of our Club.

FINANCIAL REPORT

The last month of the financial year, March, was seriously adversely affected by Covid 19, which was beyond anyones control or expectations. Whilst this dramatic event hit our Hospitality Industry very hard, we were fortunate to be in a strong enough financial position to survive this severe setback. It will not however, cause us to change direction, we will continue on our path of " Driving Home and Building on the Successes" of the past year. We are now more confident of the recipe for delivering the results we are targeting. Over the past year we have gained a better knowledge of what works well for us and will strongly focus on our learnings. The continuing impact of Covid 19 will, of course

not help our cause, as we have made a horrible start to the 2020/21 financial year, with no trading for April and limited trading for May, the first two months of the new year, resulting in significant losses. With members strong support and positive signs starting to emerge in enquiry and bookings for functions and events, together we can and will over time , overcome this setback.

The 2019/20 Financial Year definitely was, until Covid 19 arrived, a very successful year. We are proud to report an operating profit before depreciation of \$81K compared to last year \$57.3K. The year end was seriously adversely affected in March. Throughout the month we witnessed a progressive slowdown in activity as news of Covid 19 before more real. The leadup to Lockdown saw less people in the Club, before over 70's were told to stay home from 21 March, then Lockdown proper for all from 24 March. The loss of \$17K for the month, was a real blow to our most recently projected profit for the year. We applied for and received the first tranche of the Government Wage Subsidy just prior to the end of March. This, of course could not and was not treated as Income, save for one week. The balance will be accounted for over the first 11 weeks of the new financial year. Our Capital Spend during the year was \$148K, with our new courtesy van and new poker machines, accounting for \$88K of that amount, Gaming Room, Restaurant and Function Room upgrades accounting for \$32K and \$28K being for increases in our base Restaurant reusables. The upgrading of the Restaurant and Function Rooms, makes our Club far more attractive and versatile as a function and events centre. Much of our success in growing our business, can be accurately attributed to our spending in these respects and is an investment for the future.

We are very pleased to report growth in our trading turnover, in all sectors. For the year, Bar turnover was up \$132K or 21%, Restaurant turnover up \$97K or 31% and Gaming turnover up \$11K or 3%. These results all contributed to our improved bottom-line result, as did our much improved roster management, where we better aligned our paid hours with sales. For the Bar our salary and wage costs as a percentage of turnover improved 6.2 percentage points from 24.4% to 18.2% and for the Restaurant, improved 6.4 percentage points from 43.0% to 36.6%. These are significant improvements which also contributed greatly to our result and are very satisfying as we put a lot of work into our analysis of our past performance, in this respect.

STAFF

We are proud of our Staff in the way they work together as a team, with a common goal to make our experiences and that of our visitors friendly, satisfying and enjoyable. They have all worked very hard during the year as the growth of the Club, has increased their workload considerably. This is evidenced by the much improved salary and wage to turnover ratios. We thank them most sincerely for their efforts and ask you, our members to acknowledge their efforts whenever you can.

It was deeply regrettable, the impact of Covid 19 forced us to make cuts in our Staffing, particularly us having to disestablish the position of Assistant Manager. This resulted in our longest serving Staff member, Donna Rapa, being made redundant. We take this opportunity, on behalf of all Members, to acknowledge Donna's 32 years of service to our Club and thank her most sincerely.

COMMITTEE

I again had the honour and privilege of being elected to lead our Committee, following the Committee's election at last year's AGM. It has not been an easy year on any of our Committee, with some difficult decisions having to be made and an additional workload. We had 16 Committee Meetings throughout the year, together with a number of Sub-Committee Meetings, all of which have been well attended. Our overall attendance rate at 90% is testament to the commitment of your elected members. During the year Ash Fitchett resigned from the Committee, due to his dissatisfaction as to our negotiations with the Bridge Club over their future occupation agreement with us. Dion Jeffares and Neil Myers have advised they are no longer available, both having Family and work priorities. We most sincerely thank them for their respective service and for the valuable contributions they have made.

The rest of our serving Committee members, Craig Macmillan, Darryl Le Claire, Gerald McCarthy, Paul Coe and myself are again available for election, have been nominated and seconded and as nominations did not exceed the number provided for in our Constitution, will be declared elected at our AGM. We will be joined by Karla Lee, the CEO of the Hawkes Bay Chamber of Commerce, who will bring our Committee complement up to Six (6), the minimum number required under our current Rules. We welcome Karla to our Committee. We feel we are on the right path but have some unfinished business we would like to see through for the long term betterment of our Club.

I want to again especially thank Gerald McCarthy, whose hours of skilled work on our behalf, as Director of Finance, has greatly contributed to our successes. I also say a big thank you to Val McBride, whose work as our Secretary, goes largely unnoticed. Val is a very experienced Secretary, keeps us on our toes, is very efficient and is also very committed to the success of our Club.

In conclusion, we thank you our members for your patronage and support. As we recommence our ascent again, following our recent Covid 19 setback, we are going to be more reliant than ever, on your support. We trust you will support our endeavours to “ get back on our feet again “ and take this opportunity to wish you all much happiness and good health for the next year.



Lloyd Fitness

(Chairman)

