

MASSEY PARK GOLF CLUB

TREASURER'S REPORT

9 Months to March 2019

On behalf of the Board of Directors I am able to report that our Club has had improved trading compared to the same time last year and we continue to trade cash positive. Since the change in caterers the profit from the bar has significantly increased and the level of income from the poker machines remains stable despite some larger payout. Income levels from the Pro Shop have also been encouraging and it is hoped they continue for the remainder of the year. We wish to extend our thanks to the support of members and visitors. Expenses have been well contained but reflect the higher patronage of the club in areas such as electricity. Results for the nine months trading to March 2019 are as follows:

SUMMARY:

Statement of Income & Expenditure Year to Date as at September 2018

	2018/2019		2017/2018
	Actual	Budget	Last Year
Profit/(Loss) - Bar	180,227.36	155,310.00	135,382.27
Profit/(Loss) - Poker Machines	416,394.48	440,910.00	418,486.61
Profit/(Loss) - TAB	6,558.63	7,260.00	7,906.87
Profit/(Loss) - KENO	6,463.75	6,480.00	6,027.09
Profit/(Loss) - Catering	5,306.39	3,030.00	2,050.55
Profit/(Loss) - Golf	(83,955.11)	(82,860.00)	(83,214.40)
Profit/(Loss) - Promotions	(96,262.41)	(90,180.00)	(87,755.14)
Profit/(Loss) - Other Income	203,230.87	215,000.00	194,339.58
Profit/(Loss) - Clubhouse Expenses	(549,923.85)	(531,576.00)	(512,724.47)
Profit/(Loss) - Pro-Shop	53,772.48	54,342.00	39,585.55
EBITDA	141,812.59	177,716.00	120,084.51
Depreciation	(167,441.75)	(163,800.00)	(162,903.42)
Nett Profit(loss) on Sale of Assets	(6,211.60)	0.00	1,363.64
Net Profit/(Loss)	(31,840.76)	13,916.00	(41,455.27)

Although we had a net loss of \$31,840 for the nine months to the end of March and this is disappointing continuation of the prior quarter results but is improvement over the loss 2018/18 year. Your board has taken action in a number of areas but key to this was the replacement of the carters just prior to the end of 2018. Since then we have seen a significant rise in revenue from the Bar, Poker machines and Pro shop but also with profit months in January and March offset by a poor February. We are continuing to run an Operating (EBITDA or profit before depreciation) at slightly below our budget but above last year.

We are trading well across all sections of the Club with our income level for the Bar, Keno, catering, Pro shop and other income up against previous years. We have had a good result from the Pro Shop offset by some higher payouts in the Poker Machine area. Our promotions of Market Night continue to bring in good revenue and the only area of higher cost was the badge draw prizes paid to members.

We have also had a very good response to membership renewals this year as well as some healthy influxes of new members across all categories, we have also spent additional money attracting them as well.

At this stage we are tracking below budget however we anticipate that the extra patronage in the club with control of spending will see us break even for the year, this can only be sustained if we continue to attract visitors to the course and the club as well as making the club as attractive as possible for members. We continue to review rosters in order to find a balance between controlling wage costs and maintaining good levels of customer service and this is reflected in the bottom line figure. **The Net profit above includes depreciation charges of \$167,441.** The Club's financial position remains satisfactory with sufficient cash available to cover our expenses.

There are only two ways we can improve profitability: Increase revenues and / or reduce expenses. We are keeping a close eye on operating expenditure whilst at the same time promoting the club to increase bar and poker machine income & now of course the use of the golf course.

Overall the Club remains in a sound financial position and trading satisfactorily. The continued support of members is appreciated.

Our new caterer *The Family Brasserie* have been in place for 4 months now and are committed to providing excellent meals and caters for all types of functions. It is encouraging to see the number of members and visitors to support the Club now seven days a week.

Thanks to Tony, Johanne and the all the bar staff for their ongoing efforts.

Andrew Hall
Treasurer