

# 2021 ANNUAL REPORT



TOUKLEY RSL SUB BRANCH CLUB LIMITED  
ABN 61 000 990 269

**Notice of Annual General Meeting,  
Ordinary Resolutions,  
Elections and Reports**

# 2020-2021 Board of Directors



**Steven Chappell**  
Chairman



**Peter Whybourn**  
Senior Deputy Chair



**Ron Marlin**  
Junior Deputy Chair



**Mark Dickson**  
Director



**Len Jackson**  
Director



**Helen Motbey**  
Director



**Ken Piper**  
Director



**Trevor Haynes**  
CEO



**Deborah Condon**  
Assistant CEO

## Life Members of the Club

Andrew McLauchlan\*, Roydon Secomb\*, John Chester\*, Martin Owens\*, Charles Hinds\*, Kevin Cahill\*, Ronald Saville\*, Terry Smith\*, Bill Armstrong\*, Jock Crocks\*, Noel Dyson\*, Ronald Miller\*, Robert Cubitt, William Baldry, Harry Burdon, John Maxted\*, Jack Muller\*, Mary Muller, Ken Piper, Frank Sutton\* and Ron Marlin.

\* Denotes deceased



# Club Membership

As at 30<sup>th</sup> June 2021

	<b>2021</b>	<b>2020</b>
<b>Associates</b>	16,224	17,247
<b>RSL</b>	192	214
<b>Junior</b>	1	6
<b>Total</b>	<b>16,417</b>	<b>17,467</b>

## Note to Members and Guests

The Board of Directors and Management advise that as members or visitors there are health and safety requirements that are to be complied with while in our venue.

### Those responsibilities are to:

- Take reasonable care of your own health and safety;
- Take reasonable care that you do not adversely affect the health and safety of other persons; and
- Comply, so far as you are reasonably able with any reasonable instruction that is given by club staff.

## Important Information for Members

- Members are able to access the Club's Annual Report and Financial Reports via the Club's website at [www.thearytoulkey.com.au](http://www.thearytoulkey.com.au) and following the link to Annual Report.
- A copy of the Club's 2020-2021 Financial Statements has been forwarded in October 2021 to those members who have previously advised the Club of their option to receive a hard or electronic copy of the financial report.
- For any members who wish to receive a copy of the Financial Report and have not previously advised the Club of this request please contact the Club.
- A copy of the Club's Constitution and minutes of the previous Annual General Meeting held on Sunday, 25<sup>th</sup> October 2020 are available on request.
- Please be advised that all Directors are required to complete mandatory courses delivered by ClubsNSW in Finance for Club Board's and Director Foundation and Management Collaboration.



# Notice of Annual General Meeting

## The 50<sup>th</sup> Annual General Meeting of Toukley RSL Sub Branch Club Ltd

Notice is hereby given that the 50<sup>th</sup> Annual General Meeting of Toukley RSL Sub Branch Club Limited is to be convened on Sunday 16<sup>th</sup> January 2022 at 10.30am at the premises of the Club, 35-47 Holmes Avenue, Toukley NSW.

### Business:

1. Declare meeting open
  2. Apologies
  3. To confirm the previous AGM Minutes held on Sunday, 25<sup>th</sup> October 2020
  4. To receive and consider the Chairman's report
  5. To receive and consider the CEO's report
  6. To receive and consider the Director's report
  7. To receive and consider the Income Statement, Balance Sheet, Cash Flow Statement, Statement of Changes in Equity and Notes to the Financial Statements
  8. To receive and consider the Director's Declaration
  9. To receive and consider the Independent Auditor's report
  10. Declaration of the two (2) vacant Directors' positions
  11. To consider the Director's benefits for 2021-2022
  12. To consider the Special Resolutions
  13. Other business in accordance with the Club's Constitution
- In order that Toukley RSL Sub Branch Club Ltd complies with the Registered Clubs Act, members are requested to produce their membership card for admittance to the Annual General Meeting.
  - To be eligible to vote at the AGM, members must have been a financial Social or Life member for not less than twenty-four consecutive months. Club members who are employees and Junior members are not eligible to vote.
  - Any additional general business or questions from the members to the AGM must be submitted in writing to the CEO no later than seven (7) days prior to the AGM to allow a response to be prepared.



# Chairman's Report

Dear Members,

What a year! On behalf of the Board of Directors I proudly present this my first Annual Report as Chairman of the Ary Toukley. Despite a trying year for all, the Club was able to post an outstanding operating profit for the 2020-2021 financial year of \$2,406,844.

As we were once again required to confront the constantly evolving Covid-19 Pandemic which has affected our whole society, the Club was faced with some unprecedented challenges. Like all hospitality businesses we were severely impacted by the extended lockdown and Covid-19 related restrictions continue to impact trade.

The Club is fortunate enough to have built a strong financial foundation over recent years meaning we have been able to maintain our operations and redirect resources to ensure the ongoing viability of the Club. Whilst this has meant some difficult decisions for your Board to undertake, please be assured that these have been made in the best interests of the membership as a whole to ensure the Club is able to remain a going concern into the future.

I am pleased to advise that as restrictions continue to ease, the Club is planning a brand new and exciting events and entertainment calendar with activities designed for all to enjoy.

One thing that resounded with the Board over the past year was the continued dedication and commitment of our management team, ably led by CEO Trevor Haynes. Our managers continued to work tirelessly through lockdown and are now capably navigating the ever-changing environment in which we now live. Our management team has the full support of the Board and we would like to personally thank them and our staff for their efforts throughout the year.

Despite several commemorations and functions being forced to be cancelled, the Sub Branch committee have continued their great work supporting and advising our Returned Service personnel and their families and for this they should be commended.

At The Ary your health and safety remains our number one priority. I understand that some Covid-19 conditions appear cumbersome, however I ask for your continued cooperation and support of our staff who are fulfilling their duties by ensuring compliance is adhered to.

I thank all members for their continued support and look forward to seeing you at our Club soon.

Steven Chappell - Chairman of Directors



# CEO's Report

Dear Members,

I can recall the common outcry from last year, "Can't wait for 2020 to be over and let's bring on 2021". The 2021 financial year was preceded with such hope and promise as we reopened our doors after 9-weeks of lockdown to members who flocked back to their favourite club. Who was to know then of the struggles we would continue to endure under these Covid-19 times? Our Club was again closed for another 106 days and the impacts of the pandemic over the last year has and will continue to shape our future and the way we conduct our business.

The Ary is proud to be the heart of our fantastic local community. During lockdown we made it our priority to engage with and offer support to our local businesses by way of sharing their stories and messages on our social media platforms and purchasing prizes for our raffles to give them a small cash injection. We are committed to extending this support and engagement into the future.

Covid compliance conditions, imposing social distancing and restrictions caused the cancellation or postponement of the Club's entertainment and promotional calendar as well as resulting in a third of the Club's poker machine assets having to be put in storage. Despite these drawbacks, our amazing staff continued to provide members with a warm welcome along with our customary quality service.

Two of our biggest ongoing challenges the Club faced throughout this year were the management of resources and the maintenance of and compliance with our Club and Sub Club's Covid Safety Plans. Our Covid Safety Plan is currently in its 28<sup>th</sup> version. The volume and quality of work from our staff and Sub Club Committee members to design, implement and oversee compliance with these plans throughout the year was exemplary. Implementing change is never easy but with their dedication and commitment, activities were able to be reactivated with revised conditions and for this they are to be commended for their efforts. It was a pleasure to see that members embraced the changes with a positive attitude.

On a more positive note, the Australian and NSW Government's Covid economic stimulus packages gave our community confidence to spend. The JobKeeper payment and the Dine and Discover voucher schemes, have underpinned the Club's 2021 financial recovery and provided funds to enable the ongoing operation of your Club. It must be acknowledged however, that the challenges that lay ahead will be without the benefit of JobKeeper and further tested with tough Covid-19 compliance conditions.





# CEO's Report

Your Board of Directors were advised by our governing body, ClubsNSW, that when the industry reopened from our most recent lockdown we would do so under the strictest Covid-19 conditions. To ensure the Club was in its best position to meet the coming challenges two important and tough decisions were in respect to the Club's operations.

We were advised by ClubsNSW to prepare to reopen and operate the Club for an indefinite period under the 1 person for each 4 square metre of trading floor space, commonly referred to as the 4:1 rule. The reality of this rule was that all areas of the Club would be severely impacted by the number of patrons we could have in the whole Club and within each area of the Club.

As a strategy to give the Ary an opportunity to trade at a profitable level it was recognised that the Club's trading footprint would need to be reconfigured. The Club consulted with industry leading builders for the removal of the Auditorium, this is necessary to ensure the full entitlement of gaming machines can be reinstated and be operated under social distancing conditions - one and a half metres between each machine takes a lot of available floor space. I emphasize we are not installing additional gaming machines, just bringing these assets out of storage for the enjoyment of members.

Secondly, the removal of the billiard tables and their storage onsite for an indefinite period enabled us to increase the members lounge space and activate an exciting entertainment and promotional schedule for all to enjoy. This area will also allow for most displaced auditorium events and provide overflow options from our ZIVA restaurant.

You will understand these were tough decisions to make on many levels as we appreciate the effect these actions have on sections of our membership.

It is interesting to note that several clubs on the Central Coast have very recently seen their best opportunity to navigate their way to the future was by seeking amalgamation with the strength of a Sydney based club group. There is cause to understand that an amalgamation strategy is a very real option when an opportunity arises. However, unlike some venues the reconfiguration of our facility makes us fortunate enough to be able to pivot to the changing conditions and provides opportunity to remain a profitable and a going concern in these unprecedented times.

With the challenges we have been experiencing, and still continue to navigate, to discuss the financial performance of a year under review almost seems superfluous. However, the strength in the numbers will set us up to meet the coming challenges.



# CEO's Report

<b>Key Trading &amp; Profit</b>	<b>2021</b>	<b>2020</b>	<b>Variation %</b>
Before tax profit	\$2,532,703		403%
Net Gaming Revenue	\$8,016,518		27%
Catering Revenue	\$2,229,443		10%
Bar Revenue	\$1,787,074		7%
Depreciation	\$952,286		-14%
Net Assets	\$16,372,420		17%
<b>Key Financial Ratios</b>	<b>2021</b>	<b>2020</b>	<b>Variation %</b>
Total Wage Cost	29.13%	36.26%	-7.13%
Current Ratio	4.87	2.37	105.49%
Profitability	19.66%	4.35%	15.31%
Debt Ratio	9.92%	13.09%	-3.17%
EBITARD	24.85%	13.52%	11.33%

The above summary is important; the comparable period demonstrates that we recorded a financially strong year and have now established a strong cash position that gives us the resources and ability to continue to make plans for the future and face the challenges ahead. It is undeniable that without the accumulation of our cash reserves the Club would struggle to meet our biggest challenges in the indefinite period in managing Covid-19 conditions for the benefit of all members and the longevity of the Club. This point is clearly demonstrated by our 2022 budget which forecasts that we will open the 2022 first quarter with a loss of (\$526,232), such is the impact of the pandemic and its fallout.

## RSL Sub Branch:

Whilst the Sub Branch had to manage Covid matters of their own it was pleasing for the community that the Sub Branch was able to host Anzac Day Commemorations. Please remember the Cenotaph is a perfect place to commemorate and remember in our own silence and thoughts. It is a landmark in Toukley and is something to be very proud and made use of.

## Sub Clubs:

The movement of the snooker tables has put the Snooker Sub Clubs on pause until a suitable solution is resolved.

The Bowling Club will continue to host competitions for their members as permitted under Covid-19 restrictions.





# CEO's Report

## Community and Sponsorship:

Your Club continues to proudly support the local community and sporting groups through sponsorship and support. We are proud to maintain our standing as major sponsors to Toukley Gunners Football Club, Toukley Cricket Club, Toukley Netball Club and the Warnervale Bulls JRLFC. Some of our worthy recipients other than the major sporting clubs mentioned include Camp Breakaway, Autism Central Coast, Northern Women's Health Centre at Wyong, Ronald McDonald House, The Attic Theatrical Society and Toukley Public School but to name a few. It was particularly pleasing to be able to further assist Camp Breakaway who put out a call for support as they themselves became a financial victim to the Covid-19 pandemic.

## Concept Master Plan:

The Club engaged Tully Heard Consulting and completed Strategic Planning in April 2021. Tully Heard agreed with previous recommendations that Seniors Living is the most prospective long-term development opportunity on the site. Covid has slowed the progression of this plan, however the Club continues to further develop and investigate this concept and study its potential value. Members will be updated as the plan progresses and, in the meantime, it is business as usual with the bowling greens. The Club will also continue to progressively invest and expand its core Club hospitality operations to appeal to current and new market segments – evolving with the market demand.

## Membership and AGM:

There have been many changes to our planned membership renewal period and AGM schedule. Membership was extended to 11<sup>th</sup> November allowing time for renewals and the 2021 AGM program has been rescheduled with the AGM to be held Sunday, 16<sup>th</sup> January 2022 at 10:30am.

## Close:

To our leaders, Chairman Steven Chappell; Assistant General Manager Debbie Condon and Sub Branch President Bob Wilson, thank you for your support and leadership of the team.

We will continue with this new normal of Covid-19 life by meeting each new challenge with the empathy of all stakeholders at the forefront. Please remember that if a staff member asks you to remain seated or to separate from another group they are doing their job and maintaining our compliance with the Covid-19 Public Health Orders to ensure the Club remains open for members and guests to enjoy.

If 2020 taught us anything it was to that we are resilient and we have great community spirit. We have and continue to band together to support one another and appreciate what we have, our family, our friends and many of us have had additional time to explore and just enjoy the area in which we live.

To those members, staff and friends who have lost a loved one throughout the year, you carry with you our deepest sympathy.

Stay safe and thank you for your continued support.

Trevor Haynes - CEO



# Resolutions for 2021 AGM

- **First Ordinary Resolution:** That the members hereby approve the provision of an honorarium to the Chairman not exceeding \$13,000 (inclusive of 10% superannuation guarantee levy - if applicable) until the next AGM.
- **Second Ordinary Resolution:** That the members hereby approve the provision of honorariums to the Senior Deputy Chairman not exceeding \$8,000 (inclusive of 10% superannuation guarantee levy - if applicable) and the Junior Deputy Chairman not exceeding \$8,000 (inclusive of 10% superannuation guarantee levy - if applicable) until the next AGM.
- **Third Ordinary Resolution:** That the members hereby approve an honorarium to the other four (4) Directors not exceeding \$6,000 (inclusive of 10% superannuation guarantee levy - if applicable) per Director until the next AGM.
- **Forth Ordinary Resolution:** That the members hereby approve the provision by the Club of the following benefits for each of the Directors of the Club until the next AGM:
  1. Club Uniform.
  2. Reasonable dry-cleaning expenses of the Club uniform.
  3. Reserved car parking spaces.
  4. The reasonable cost of a meal for each Director when attending Board meetings when that meeting coincides with a normal meal time.
  5. The reasonable cost of refreshments immediately after a Board meeting.
  6. The reasonable cost of a meal and refreshments for Directors and Spouse attending a Directors End of Term Dinner. The reasonable cost of a meal and refreshments for Directors and Spouse attending a Christmas Dinner and a Christmas hamper.
  7. The reasonable cost of the provision of telecommunications for Director's to attend remote Board meetings as required.
- **Fifth Ordinary Resolution:** That the members hereby approve former Directors being allowed to wear their Club uniform in the Club after the expiration of their term in office.
- **Sixth Ordinary Resolution:** That the members hereby approve and agree to the reasonable costs incurred by the Club until the next AGM in relation to the following:
  1. The reasonable cost of professional development and education for Directors until the next AGM.
  2. The reasonable cost of Directors and their spouses/partners attending industry activities and functions and other similar events as approved by the Board from time to time.



# Notice of Special Resolution for 2021 AGM

## PROCEDURAL MATTERS FOR SPECIAL RESOLUTION

1. To be passed, the Special Resolution must receive votes in favour from three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
2. Only Life members, and those financial R.S.L and Social members who have been members of the Club for at least 24 months immediately prior to the date of the meeting are entitled to vote on the Special Resolution.
3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.

The Board of the Club recommends the Special Resolution to members.

## SPECIAL RESOLUTION

(The special Resolution is to be read in conjunction with the notes to members set out below)

That the Constitution of Toukley RSL Sub Branch Club Limited be amended by:

- a. **deleting** from Rule 15.8 the words *"and address"*
- b. **deleting** from Rule 16.1 the words *"provided that the annual subscription shall be not less than \$2.00 (excluding Goods and Services Tax) or such minimum subscription provided from time to time by the Registered Clubs Act"*
- c. **inserting** the following new Rule 16.1(a): *"The Board may resolve not to charge annual subscriptions for any category of membership and for specified periods"*
- d. **deleting** Rule 18.1 (a)(ii)
- e. **inserting** into renumbered Rule 18.1(a)(iv) the words *"if the Board has resolved that an annual subscription be paid"*
- f. **deleting** Rule 27.2 and **inserting** the following new rule *"The Board shall in accordance with the triennial rule set out in Rule 27.2(a)"*
- g. **deleting** from Rule 30.1 the words *"in each calendar month for the transaction of business"* and **inserting** the words *"each quarter for the transaction of business, where quarter means a period of three (3) months ending on 31 March, 30 June, 30 September and 31<sup>st</sup> December in each year"*
- h. **deleting** Rule 44 and **inserting** the following new Rule 44:

*"44.1 A notice may be given by the Club to any member either:*

- a. *personally; or*
- b. *by sending it by post to the address of the member recorded for that member in the Register of Members kept pursuant to this Constitution; or*
- c. *by sending it by any electronic means; or*



# Notice of Special Resolution

- d. *by notifying the member, either personally, by post, or electronically, that the notice is available and how the member can access the notice.*

*44.2 Where a notice is sent by post to a member in accordance with Rule 44.1 the notice shall be deemed to have been received by the members:*

- a. *in the case of a notice convening a meeting, on the day following that on which the notice was posted; and*
- b. *in any other case, at the time at which the notice would have been delivered in the ordinary course of post.*

*104a. Where a notice is sent by electronic means, the notice is taken to have been received on the day following that on which it was sent.*

*104b. Where a member is notified of a notice in accordance with Rule 44.1(d), the notice is taken to have been received on the day following that on which the notification was sent.”*

## Notes to Members on Special Resolution

1. The Special Resolution proposes a number of amendments the Club's Constitution to take into account recent amendments to the Registered Clubs Act (Act).
2. Paragraphs (a) and (d) removes the requirement for the address of applicants for membership to be displayed on the Club Noticeboard.
3. Paragraphs (b), (c) and (e) amend the Constitution in relation to annual subscriptions. The Act now provides that a club does not have to charge annual subscriptions for membership.
4. Paragraph (f) amends a transitional provision which referred to the previous method of electing directors.
5. Paragraph (g) removes the requirement for monthly board meetings. The Registered Clubs Act now provides that boards must meet at least quarterly.
6. Paragraph (h) updates the rule in relation to distributing notices to members to reflect current provisions of the Corporations Act. These amendments make it easier for companies to give notice of meetings electronically, e.g. through email and text message. If a member still wants to receive a hard copy notice by post, the Club will still give notice this way.

By Resolution of the Board.

Trevor Haynes – CEO.



# Welcome to the Board of Directors

The following members nominated for the two vacant Director positions unopposed and will be appointed at the Club's AGM on 16<sup>th</sup> January 2022.



## Iain Forbes

**Occupation (current):** Retired

**Occupation (previous):** Banking and Finance

**Experience:** 50 years experience in the banking and finance industry. Founded home loan company Australian First Mortgage Pty Ltd, established Shadow Office Solutions Pty Ltd employing over 80 staff in Manilla. Chairman of the Executive Council of Owners for North Point, Holmes Avenue Toukley, Committee member for the Executive Council of Owners for Holmesville, Main Road Toukley.



## Ken Baker

**Occupation (current):** Retired

**Occupation (previous):** Board Chairman and Managing Director Halley and Mellowes Group.

**Experience:** Fellow Institute of Public Accountants, Fellow Australian Institute of Company Directors, Vickers Xatal Company Accountant, 25 years Corporate Director experience, H&M Group General Manager Operations, previous Director Australian Coal Preparation Society, current Director Lasercraft Australia, previous Advisory Councilor Central Coast Business Chamber, previous Chairman Central Coast Manufacturing Connect.

