

## POSITION PAPER 3<sup>rd</sup> QUARTER 2018

The overall result for Q3 the period 1 July 2018 to 30 September 2018 was a loss of \$89,424, compared to a budgeted loss of \$79,189 and a loss last year of \$85,424.

The overall result YTD for the period 1 January 2018 to 30 September 2018 was a loss of \$154,408, compared to a budgeted profit of \$7,849 and profit last year of 56,824.

### Department items that impacted this result:

#### Bar Sales:

YTD sales are up against LY by \$67,169 or 8.9%. Labour cost are below budget YTD and we expect that this trend to continue through to the end of 2018.

#### Gaming:

Poker machines turnover is still trending up on last year's figures. Income YTD is up against LY by \$44,473 or 7.4%. This result YTD supports the investment in new gaming technology which according to Clubs NSW is key to retaining and attracting ongoing income.

#### Greens:

The results of this section of our operations has been impacted by a number of extraordinary items including;

- Reduced green fees and cart hire.
- Labour costs increased \$64,355 ytd with extra staff member and apprentices increasing wages from year to year.
- Overheads increased \$31,288 and includes increased fuel costs, depreciation and course and greens expenses

Management will continue to maintain a watch on expenditure for the remainder of the year.

#### Catering:

Catering sales have not met budget forecast, and this has resulted in negative contribution. Management continues to maintain a strong focus on this sector of our operations.

#### Administration:

Costs have increased in 2018 due to some of the following factors.

- several duties previously being performed by volunteers now performed in house.
- LSL payout.
- Advertising (\$15,291)
- Entertainment (\$9,725)
- Marketing (\$5,057)
- Rates (\$3,090)
- Sponsorship (8,549)

#### Capital Expenditure:

There has been a freeze put on all non-essential capital spending until year end. The following items have been purchased for \$213k in the first nine months of this year, due to the need to replace ageing equipment and to ensure when we have enticed people back to our club, they have a positive experience and want to return.

**Dragon Cash Panda**  
**Dragon Cash Golden**  
**Gaming CRT**  
**TITO Upgrade**  
**Kitchen Hot Water**  
**Stick Blender**  
**Deep Fryer**  
**Electric Greens Roller**  
**TAB Furniture**  
**Vending Machine**  
**Electronic sign in**  
**Carpet Tiles Downstairs**  
**Laminate flooring**  
**Coin Counter**  
**TCL smart TV's x 2**  
**Signage (Fairway)**  
**Kitchen Fence**  
**Tab Display Screens**  
**Dishwasher**  
**Greens Mower**  
**Workman**  
**Lancer Beer System**  
**Course Trailer**  
**BBQ**

**Free Cash (Traditional):**

**YTD 2018 Financial year:**

September 2018: 344K

June 2018: 506k

(Q3 Capital Expenditure: 70k & Q3 loss 90k)