



WEST WALLSEND
WORKERS CLUB LTD
ABN 84 001 052 651

2009
ANNUAL REPORT
AND
FINANCIAL STATEMENTS

WEST WALLSEND WORKERS CLUB LIMITED

ABN 84 001 052 651

PRESIDENT'S REPORT
WEST WALLSEND WORKERS CLUB 2008 - 2009

Dear fellow members it is once again my great pleasure to present my Presidents report for 2008 -2009.

The past year since my last report has been an extremely challenging one, with liquor and gaming legislation and regulations constantly changing and all clubs both large and small struggling to keep pace and comply.

Some smaller clubs are still trying to negotiate amalgamations with larger ones and some unfortunately being forced to close their doors due to falling revenues making them unviable, however thanks to your support our club continues to prosper and grow stronger with a healthy increase in membership almost every month.

The new extensions up stairs are at last complete and proving most popular with bookings for dinner functions in the restaurant area increasing every week, this is in no small way due to the excellence of the catering skills of the new proprietors of the restaurant Margaret and Phillip who together with their staff are providing a level of dining never before experienced in West Wallsend or our club.

Down stairs the "Alfresco Gaming" area at the front and the "Pit Paddock" at the back of the club where smoking is permitted continue to be very popular and are attracting good member patronage from smokers and non smokers alike.

Inside on the lower floor area we have experimented with lounge style chairs and occasional tables to try to give the club a more homely atmosphere, this has proven popular with some patrons and not so with others, we will continue to monitor this area and make adjustments to the layout in an endeavor to reach a compromise that will satisfy the needs of the majority of members who prefer to sit over in that western side of the lounge area.

From an external point of view the building has taken on a whole new and different appearance, the new neon sign at the front as I predicted in my last report has become an easily seen focal point in the area, the new rear extensions have given the club a modern and up to the minute appearance from all angles and the two busses carrying the clubs advertising are making the most of these new features.

In the car park new anti parking bollards have been installed outside the rear fire escape gate to keep this area clear in case of fire or to allow emergency services access if necessary day or night.

The area that has been of concern to me and the board has been the attitude of some members towards the courtesy bus; I feel I must remind regular users of the bus that it is not a taxi service and patrons using this conveyance are required to put in a gold coin donation for each journey to help offset running costs. A memo outlining conditions of travel on the bus has been prepared by the CEO and can be read at bar or on the notice board to avoid future confusion on this matter.

In conclusion I would like to thank the CEO David Jackson for his outstanding contribution to the on-going success our club is enjoying at this time and his diligent attention to the business affairs of the whole organisation which has us in the good position we find ourselves to-day.

I also thank my fellow board members and the entire staff for their ongoing efforts and personal support they have shown me during the past two years.

Robert. S. Roulston J.P.

President

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CHIEF EXECUTIVE'S REPORT
WEST WALLSEND WORKERS CLUB 2008 - 2009

Welcome to the Chief Executive Officers report for the financial year ending 30 June 2009.

Once again your club has continued to perform well in circumstances far from ideal. The global economic recession which has dominated this year's financial landscape has made it very difficult for all industries. All of the clubs suppliers and sub contractors have rationlised and extracted addition incomes where ever possible, this has led to higher costs for us. The board and I have responded to these challenges aggressively by offering our own form of stimulus package combining heavily subsidised meals, more raffle prizes whilst at the same time trying to contain the cost of drinks, all in an effort to keep members and guests patronising the club in difficult times. To all the members who have continued to support your club in these tough times, thank you. Although it has been a disappointing result for the year as a whole we still managed a cash profit of \$172410, after non cash deductions of \$273387 and a small write down in the value of the clubs share holdings (\$13881) a loss of \$114858 was realised.

This year has seen the completion of the extensions and renovations of the 1st floor along with two outdoor areas on the ground floor "Pit Paddock" to the north and the Alfresco Gaming area facing Carrington Street. The Sugarloaf Terrace is proving very popular with diners with magnificent views of the mountains and up-market furnishings. The outdoor gaming area is a huge hit with our members wishing to smoke and play the machines. This 13.5m² room has not been without its headaches and has cost the members more than it should. This area continues to come under scrutiny from various regulatory bodies.

Just prior to the completion of upstairs we welcomed Margaret and Phillip Strongman to operate the clubs eatery, *Brasserie 53*. Margaret and Phillip have been in the catering business for over 20 years and have brought with them the professionalism and experience that we required to really make sure our investment in a new restaurant was going to be a profitable one. I have not been disappointed most of the \$30000 increase in bar trading came in the last quarter and was predominantly due to upstairs bar restaurant trade.

Income levels from poker machines are still several years off returning to what they were pre smoking ban, yet that area has seen an increase of around \$80000, which represents about 6% growth this is a promising indicator for the future. Players were rewarded with payouts topping a whopping \$1.9million, an average of over \$5000 per day!

They next few years should see a stabilisation in both the Club industry and the economy this will allow us to consolidate before considering a complete refurbishment of the ground floor. With the planned housing surrounding West Wallsend we must make sure we are in a position to capitalise on the areas growth, If we don't offer the quality of facilities people expect then they will go somewhere else.

In conclusion I would like to thank the board of directors for their ongoing commitment to the club in particular to our president Bob Roulston whose dedication to the club and support for me is invaluable. A special thank you, to my wife Karen whose love and listening skills I have relied heavily upon. Thanks also to our hard working and diligent staff; your efforts have not gone unnoticed. To all our wonderful members who make this club the great club it is, I say thank you, with your help we will continue to be the social centre of the Sugarloaf valley.

D. W. Jackson
Chief Executive Officer