

## PRESIDENTS REPORT 2020/2021

Dear Member,

The 2020 / 2021 financial year commenced with the clubhouse re-opening post the COVID-19 lockdown, albeit operating under social distancing restrictions for the better part of the year.

Whilst the restrictions significantly impacted our operations we were able to continue the progress of implementing Club's Strategic Plan.

It is an opportune time to review the Strategic Plan, as it was developed in May 2019 in an environment of improving financial performance that was led by the Club's General Manager Scott Armstrong.

The current vision is :

**“ We aspire to be the best golfing and social experience on the Central Coast for our members and community “**

The vision is underpinned by 3 strategic objectives that form our Mission on how we will achieve the vision.

The 3 strategic objectives and supporting short term objectives funded in FY2020/2021 are listed below:

**1. An efficiently managed business that has a sound financial foundation.**

- Cash handling machine for automated “float “ dispensing
- CRT machine for automated poker machine payouts

**2. A golf course that is rated in the top 100 public access courses in Australia , that is a fair test of golf but enjoyable experience for golfers of all abilities, coupled with an improved golf program.**

- 1<sup>st</sup> Tee project
- 1<sup>st</sup> hole drainage project
- Additional chemical spraying machine
- Additional transport vehicle

**3. A modern clubhouse that takes advantage of its unrivalled ocean views , with first class hospitality and a variety of entertainment.**

- Northern Terrace
- 2 new poker machines
- 2 new air conditioners

The strategic initiatives listed above and the efforts of our General Manager Scott Armstong and his great staff saw our:

- Operating revenue increase by \$671,000 to \$8.4 million
- EBIT increase by \$577,431 to \$1.34 million
- Cash flow from operating activities increase by \$1.7 million to \$2.88 million
- Investment in the capital projects to improve operational efficiency and members' experience, increase by \$705,000 to \$1.47 million
- Club bank balance increase by \$1.36 million to \$1.84 million.

The financial result has been favourably assisted by \$432,00 of government subsidies due to COVID-19 and a reduction in employee expenses of \$100,000. It is my belief that going forward, an operating surplus of \$800,000 with a similar revenue would be a reasonable expectation and one that should be used when considering any debt levels associated with any further Clubhouse development.

Scott Armstrong resigned in October 2021 and it would be remiss of me not to thank him on behalf of the Board and the members of Shelly Beach Golf Club for developing Aqua, from an outsourced kitchen to the fine restaurant it is today and transforming the Club's profitability, from a loss of \$200,000 in FY2017 to a profit of \$1.34 million in FY2021.

With the appointment of a new General Manager to replace Scott imminent, it is the Board's intention to review the strategic objectives that are required to support our current Vision and Mission Statement, inclusive of a Clubhouse development early 2022.

Malcolm Sheldon

President Shelly Beach Golf Club