

CENTRAL LEAGUES CLUB LIMITED

ACN 000 964 849

Dear Member,

NOTICE is hereby given of the 65th Annual General Meeting of the members of **Central Charlestown Leagues Club Limited**. The details of this meeting are as follows:

Date:	Saturday 25 th November 2023
Time:	9am
Place:	BB Bistro, Central Leagues Club, 8 Bula Street, Charlestown NSW 2290

AGENDA

The business of the meeting will be as follows:

1. Acknowledgement of Country
2. Minute Silence
3. Apologies.
4. To confirm the minutes of the previous Annual General Meeting.
5. To receive and consider the financial report, and auditors' report on the financial report for the last financial year, and any other reports of the Board or of individual officers of the Club. Copies of these reports are available on request at the Club.
6. To conduct the election of the Board and to declare the results of the election to the Board.
7. To consider and if thought fit pass the Ordinary Resolution set out in this Notice.
8. Questions on notice
9. General Business
10. Meeting close

Note: Members who may have any queries in relation to the report are requested to submit their questions in writing to Bevan Paul (Chief Executive Officer) by **5:00pm 17th of November 2023**. This will allow sufficient time for information to be gathered or research undertaken. If questions are not submitted in this manner, the Club may not be able to provide a complete answer at the Annual General Meeting. Questions on notice will be answered in the order received. Questions without notice may be responded to in writing at a later date.

PROCEDURAL MATTERS FOR RESOLUTIONS AT ANNUAL GENERAL MEETING

1. **Ordinary Resolution** – To be passed, the Ordinary Resolution must receive votes from not less than a majority (50% + 1) of those members who, being eligible to do so, vote in person on the Ordinary Resolution at the meeting.
2. **Special Resolution** – To be passed, the Special Resolution must receive votes in its favour from not less than three-quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.

3. **Life membership Resolution** – To be passed, a resolution for Life membership must receive votes in its favour from not less than three-quarters (75%) of those members who, being eligible to do so, vote in person on the Resolution at the meeting.
 4. **Voting on Resolutions** – Life members, Foundation members, original members and Ordinary members are eligible to vote on the resolutions.
 5. **Under the Registered Clubs Act:**
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.
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ORDINARY RESOLUTION

That:

- (a) That the members hereby approve expenditure by the Club until the next Annual General Meeting of the Club for the following:
 - (i) The reasonable costs of Directors or Club sub-committee members attending seminars, lectures and other educational activities as determined by the Board from time to time including mandatory training for directors required by the Registered Clubs Act and Regulations.
 - (ii) The reasonable costs (including travel and accommodation expenses) of directors attending meetings, conferences and trade shows conducted by ClubsNSW, the Club Managers Association and such other conferences and trade shows as determined by the Board from time to time.
 - (iii) The reasonable cost of a meal and beverage for each director immediately before or immediately after, a Board or Committee Meeting on the day of that meeting, when that meeting corresponds with a normal mealtime, or when conducting raffles or promotions approved by the Board.
 - (iv) Reasonable expenditure by the Club to give thanks to directors of the Club and their spouses/partners.
 - (v) The reasonable expenses incurred by directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board on production of documentary evidence of such expenditure.
 - (vi) The reasonable cost of directors attending any other registered club for the purpose of viewing and assessing its facilities as determined by the Board as being necessary for the benefit of the Club.
 - (vii) The reasonable cost of directors (and their spouses/partners if required) attending any club, community, or charity function as the representatives of the Club and authorised by the Board to do so.
 - (viii) The reasonable cost of Club uniforms being provided to directors as required.
 - (b) The members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are directors (and their spouses/partners in certain circumstances) of the Club.
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Notes to Members on Ordinary Resolution

1. The Ordinary Resolution is to have the members in general meeting approve expenditure by the Club on directors (and their spouses/partners in certain circumstances) in respect of the matters set out in the Ordinary Resolution.
2. Included in the Ordinary Resolution is the cost of directors attending seminars, lectures, trade displays and other similar events to be kept abreast of current trends and developments which may have a significant bearing on the Club.

Timeline:

8/11/23	Candidates & Nominees posted to noticeboard.
16/11/23	Voting at Central Leagues Club 3pm-6pm
17/11/23	Voting at Central Leagues Club 3pm-6pm
17/11/23	Question submissions for AGM close at 5pm
18/11/23	Voting at Central Leagues Club 10am – 2pm
25/11/23	AGM Central Leagues Club Bistro 9am

ANNUAL REPORT

The FY23 Annual Report and minutes from the previous meeting can be downloaded via the below link to our website. www.centralleagues.com.au/agm-2023.

Central Leagues Club have confirmed with Clubs NSW that as per Section 249J of the Corporations Act 2001 paragraph 110D (Technology neutral sending of documents) that we have satisfied our constitutional obligations by making the Annual Report available on our website.

110D Technology neutral sending of documents

- (1) d) subsection (2) *is satisfied - by sending the recipient sufficient information in electronic form, by means of electronic communication, to allow the recipient to access the document electronically; or*
e) *if subsection (2) is satisfied – and the document is covered by subsection (3) – by making the document readily available on a website.*

You can also collect a hard copy of the Annual Report from our Reception Desk.

Dated: 26/9/23

By direction of the Board

Bevan Paul – Chief Executive Officer

PRESIDENT'S REPORT 2023

John Rayner – President Central Leagues Club

It is my unfortunate duty to report that efforts of business recovery in the wake of covid lockdowns were unsuccessful and the Club is reporting a loss in 2023. This loss is similar to that reported last year but has been exacerbated by a reduction in the value of the Clubs investment properties due to a downturn in the property market following a lift the previous year.

When the impact of revaluation impact of properties is removed the underlying performance of the business is as follows

2022 - \$559,988

2023 - \$555,063

The Board became concerned with the Club's performance in late 2022 as initiatives to improve revenue increased costs but did not translate to sales. A new direction was needed and following the departure of the CEO at the time, the Board commenced the recruitment of an experienced, qualified and credentialed CEO.

Central Leagues Club was fortunate to have secured the services of Bevan Paul, whose previous role was the CEO of top NSW Club Parramatta Leagues, the owner of the Parramatta Eels NRL franchise. During his time there Bevan delivered several projects and reforms and the consolidated company including the Parramatta Eels has a much-improved platform for ongoing growth.

From commencement, and with the full support of the Board, Bevan wasted no time and swung into action implementing improvements and savings intended to reset the underlying cost of running the business. Bevan has remained front and center of managing change and continues to engage with members to respond to feedback and concerns.

This appointment commenced in mid-June and was therefore too late to impact the 2023 result however the Board and the CEO have already developed a new direction for the Club, and I am confident that the Club will be reporting a very different set of results in a years' time.

I would like to extend my appreciation for my fellow directors and their commitment to improving Central Leagues. I also acknowledge our staff for their reliability and efforts in an occasionally challenging environment, and I particularly thank the members of the Club for their loyalty and patronage.

CEO's REPORT 2023

Bevan Paul – Chief Executive Officer Central Leagues Club

Thank you to all those members who have introduced themselves to me and who have passed on their appreciation for my efforts. It's because of members like this, that have the Clubs' best interests at heart, that make this role rewarding. Regrettably I started work at a time when the Club needs to implement change and to implement it quickly and I thank the members for their patience and understanding in accepting the changes made for the good of the Club.

Upon commencement I identified several areas that needed attention

- Operations – the return on investment for several Club operations was less than one meaning that the Club was spending a greater amount than it was receiving in return.
- Employee training, coaching and development needed attention and investment.
- Certain supplier arrangements were sub-optimal for the Club.
- Dated plant and equipment contribute to both higher power costs and business continuity risk. Mechanical plant in the Clubhouse is generally between 25 and 35yrs old and typically has a useful life of between 10-15years.
- Facilities in general need upgrading to remain competitive.

During and post-covid lockdowns and restrictions, the Club incurred debt to continue trading however a better use of this facility is on the Clubhouse and capital improvements rather than funding operating expenses from an unsustainable business model.

Annual financial report comments

- Cashflow statement shows that whilst revenue increased by \$1,943,271, cash outflows from operations increased by \$2,376,001 (hence the need to change the business model) and proceeds from borrowings increased to \$1,766,373
- Revaluation of investment properties impact of -\$182,600 (this was the biggest contributor to increased administrative expenses.
- On the income statement, it appears that costs were not aligned to revenue.
- Any objective reading of the report shows that significant changes are needed.

My intent, and I need to acknowledge the Boards support, was to get changes needed over with as quickly as possible to create a new and more sustainable business model from which the Club could grow. Regular patrons of the Club will have noticed the initial changes made however these were more of a refresh than the degree of changes needed to transform Central back into a leader in the district. With the sale of the properties, the Club will be able to use its banking facilities to fund more significant improvements and I look forward to reporting a better result in a years time.