



Incorporated as Charlestown Bowling Club Limited



# **ANNUAL REPORT**

## **2023 - 2024**

## OFFICE BEARERS 2023-2024

### CHAIRMAN

J. Davis

### DIRECTORS

G. Adams

M. Rigby

J. Garry

D. King

I. Percival

G. Fielding

R. Collinson

### AUDITORS

Pitcher Partners

### CHIEF EXECUTIVE OFFICER

Michael Gray

### LIFE MEMBERS CHARLESTOWN BOWLING CLUB

Since the formation of Charlestown Bowling Club 76 years ago a number of members through their devotion and distinguished service to their Club, have been elected to the coveted office of Life members.

*J. Paterson	*J. Norris	*A. G. Avery	*C. Booth	M. Rigby
*J. T. Joyce	*N. Oswald	*S. Hayes	*D. B. Bailey	
*L. Searle	*D. Campbell	*J. Newton	*B. Owen	
*K. McCabe	*S. Fraser Snr	*R. T. Hoy	P. Harrold	
*C. A. Clarke	*R. T. Owens	W. P. Fogarty	*J. Hugo	
I. Gardner	B. Carling	J. Clement	J. Sanderson	

\*Deceased

### LIFE MEMBERS CHARLESTOWN WOMEN'S BOWLING CLUB

M. Norris*	L. Higgins*	S. Johnson*	R. Ravell*	E. Owen	O. Browne*	R. Oaten*
J. Parkinson*	J. Booth*	D. Waller	B. Reynolds*	B. Garnham	E. Hoy	M. Keating*
M. Green*	P. Lamb	J. Garry				* Deceased

# CHARLESTOWN BOWLING CLUB LIMITED

## CHAIRMANS REPORT 2023-2024

On behalf of the Board of Directors of Club Charlestown/Lambton, I am pleased to present my report for 2023-2024.

The management team and the Board have continued to focus on the future direction and planning for our great clubs. We continue to remain focused on improving club facilities and strive to be the clubs of choice in both Charlestown and Lambton.

The Club Charlestown function rooms and courtyard continue to be well patronised with many choosing to have special events in these rooms and areas. This year saw the introduction of Cece's in the courtyard. This cafe style facility offers food and drinks including breakfast and coffees until 2pm daily. Whilst this is still in its early days, it is pleasing to see that it is being well patronised and feedback to date has been quite promising.

It has been exciting to see that many of the club improvements which were welcomed over the last financial year, are proving to be very successful and we have particularly seen many other clubs choosing to visit Charlestown to use the covered green facilities on a regular basis. Certainly, the events and competitions held over the past year have provided us with great feedback that this improvement is welcomed by all.

We again continued with our local sponsorships of local sporting and social clubs and it has been pleasing to welcome many of these to our club for their celebrations and events.

Our Lambton Club has also enjoyed encouraging results and increased membership and continued with music on the green and open mike nights which have proved popular with the community. This year also saw the wonderful introduction of Books at the Bowlo initiated by our board member George Adams. George has done an amazing job sourcing authors and topics for a monthly chat which has certainly proved popular with overwhelming attendance at these events. Well done George for this initiative.

We will continue to focus on our strategic plans and in the next year we will welcome changes around the bowling end which will include a side entry door, new staff room and upgraded bowl facility areas.

Overall, we are proud of the achievements this year and look forward to continuing with our strategic focus, welcoming ideas and suggestions from our members to assist us to build on and enhance the clubs' facilities and vision.

### Bowls:

We have had another great year of bowling! Congratulations to all our bowlers - to be successful it takes strong leadership, bowlers working together, the commitment of our match committee, team captains, selectors and our amazing umpires! Thankyou everyone for your outstanding contribution to bowls. This year again saw some great achievements from both the ladies and men's competitions and we look forward to a great pennant year, with many more personal achievements. A big thankyou to Daniel Hill (Bowls Manager), his team, greens staff and the bowling committees who have done such a great job running the bowls for the Club. (Please refer to Bowls Manager report for more detail)

### Our People:

On behalf of the Board, I would like to personally thank our management team, supervisors and all staff for their commitment and hard work to ensure the club runs smoothly and is welcoming for all our members and their guests. We certainly are lucky to have some of the best staff in the business. A huge

# CHARLESTOWN BOWLING CLUB LIMITED

thank you again to Michael Gray (CEO) for his exceptional leadership and vision! To our executive chef, Greg Hawke and his team, we thank you for all your hard work and efforts in providing a friendly and welcoming dining experience for our patrons.

## Sympathy:

The Board of Directors extends our sympathy to the family and friends of members who passed away over the past year. To those who are currently unwell, we wish good health and a speedy recovery.

## Closing:

Thank you to all the Board members for your continued support and commitment that has seen both Clubs continue to move in positive directions. The Board is lucky to be supported by wonderful people including many volunteers, members and their guests. A big thankyou to you all for helping to make our clubs a wonderful place, where good friends meet!

As this will be my last year as Chairman of Club Charlestown, I wish to express that it has been a privilege to work alongside so many amazing people and to be part of this growing Club family. I have been a proud member of the club since 1980 and have been so fortunate to be part its growth and improvement over my almost 20 years on the Board (9 years as Chairman). I want to thank the club and its members for their support and I wish the Board and the Club all the best for the future!

I wish everyone good health, happiness and best of luck always. Thankyou!

**Jeff Davis**  
**Chairman**



# CHARLESTOWN BOWLING CLUB LIMITED

## DIRECTOR OF FINANCE'S REPORT 2023-24

On behalf of the Board of Directors, CEO and Management Team it is pleasing to report on the Audited Financial Statements of Club Charlestown and Club Lambton for the financial year ending 30<sup>th</sup> June 2024.

The combined results for both venues for the financial year was a net profit of \$130,248. (Charlestown achieved a profit of \$237,719 and Lambton a loss of \$106,786) This compares to an overall profit of \$535,599 for the last financial year. (Charlestown \$633,349 profit and Lambton a \$98,431 loss). It is interesting to note that the Lambton loss closely equates to the unexpected admin expense of \$96,000 representing Crown Land Lease Payments.

Despite positive outcomes in all key trading areas, lower margins and increasing operating expenses negatively impacted on the overall amount of profit realised for the year compared to the previous year.

For the combined locations:

- Bar sales increased from \$2,522,776 to \$3,005,867, a 19% increase
- Bistro sales increased from \$2,073,183 to \$2,437,436 a 17.5% increase
- Gaming machine revenue increased from \$6,050,912 to \$6,702,089 a 11% increase

As mentioned, expenses also increased for the year. Overall Operating Expenses increased from \$6,224,766 to \$7,302,244 or 17%. While every effort is made to contain expenses, increases were experienced in several key areas. Examples of expenses incurred at Charlestown include:

- Insurances \$386,849 to \$459,041 an 18% increase
- Payroll tax \$152,247 to \$225,545 a 48% increase
- Interest \$102,668 to \$230,072 an increase of \$127,404
- Member's amenities held steady at \$2,547,178 to \$2,597,400
- Clubhouse expenses held steady at \$1,449,709 to \$1,484,100
- Administration held steady at \$2,227,879 to \$2,278,300

Lambton's Operating Expenses also reported an increase from \$1,136,760 to \$1,341,826

The Club continues to trade well and remains in a sound financial position. With Total Assets of \$24,889,263 and Total Liabilities of \$5,619,849 the Total Equity is \$19,269,414. Current liabilities are reported as \$4,669,681 of which \$2,504,899 represents the balance on the current bank loan. The board has been committed to the objective of ongoing improvement in member amenities and the pleasing trading figures continue to justify this approach.

The Club is well placed to meet all commitments including the servicing of our loan obligations. Whilst keeping costs low is very challenging in the current economic climate; by providing superior bowling facilities, focusing on community engagement and presenting a first-class amenity, we will ensure increased patronage by members and guests. It is also pleasing to note that monthly trading performance continues to grow to new levels.

The Board of Directors remain committed to meet the financial requirements of the organisation by ensuring good governance and financial sustainability. My personal thanks are extended to CEO Michael Gray and the hardworking management team. Thanks also to Jeff Davis and fellow Directors for their valued ongoing commitment to the financial success of the organisation.

**George Adams, Director Finance**

# CHARLESTOWN BOWLING CLUB LIMITED

## CHIEF EXECUTIVE OFFICER'S REPORT 2023-2024

This financial year has seen the Club continue its growth and to trade strongly. George Adams, the Clubs Finance Director in his report, has given a breakdown of the increases to our revenue and profitability, so I will not duplicate his report in that regard.

The last 12 months has seen the commencement of some of the Clubs strategic plan with the Bowls workshop area upgrade currently underway. Plans for the main bar upgrade are just about to enter the contract stage. The Club is also looking to upgrade carpets and furniture this year which will keep the Club fresh and new looking. Whilst the Club still presents well, it is 15 years old and some infrastructure require upgrade.

Our second venue Club Lambton continues to grow and whilst the increase to the Crown lands lease affected profitability, it is growing and I am confident will return a profit this financial year. The many community events we host there, such as Music on the Green and Inflatables on the Green, remain popular and are an effective way of engaging with the local Lambton community. It is our aim to continue to grow the Club and to become a popular venue for families, functions, and events where people can come and spend a relaxing day.

To complement the upgrades happening to the Club this year, the clubs strategic plan for the site includes the feasibility of building an accommodation hotel on site. The hotel would include a function facility, 80-100 rooms, a rooftop bar and entertainment area. This project would take the venue to an overall entertainment hospitality venue which surpass any in the area.

As always, I would like to thank all the staff and management team. The Club could not function to level it does without their hard work and commitment. We have some of the best staff in the industry and their positive, innovative approach to challenges, deserves enormous praise.

As the Club continues to grow it is important to remember that this could not be achieved without the support of the Board. The Board remains focussed on improving the Club facilities for all and I thank Jeff Davis and his Board of Directors for their continued support.

To all our members and visitors, thank you for coming to the Club and being a part of our growth. As I have said before our members define the Club, they create the culture and atmosphere which makes the Club a great place to attend.

Regards

**Michael Gray**  
**Chief Executive Officer**



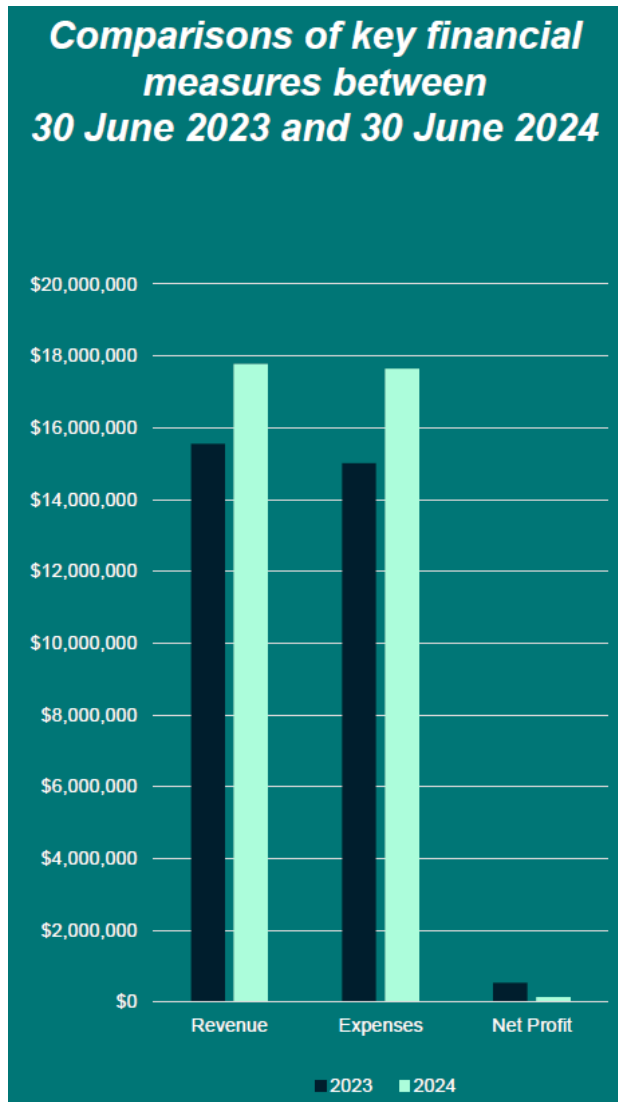
**During the last financial year Club Charlestown supported the following  
Charities and Community Groups**

Alpha Toastmasters	The Heartland Foundation Limited
Southern Beaches Rugby Club	Variety - The Children's Charity
Hunter Breast Cancer Foundation	Lions Club of Charlestown
Westpac Rescue Helicopter Housie	Glendale Early Education Centre Inc
Central Newcastle RLFC	The Northern Federation of Justices of the Peace
Charlestown Junior Cricket Club	Lake Macquarie Zone Little Athletics
Charlestown Junior FC (Zone League Seniors)	Zonta Club Newcastle Hunter
Club Charlestown Cricket Club (Bin Chickens)	MB Classic Car Club Inc
Dudley Magpies RLFC	Rotary Club Charlestown
We Care Connect	Lambton Jaffas Junior Football Club Inc.
Prostate Survival Alliance Inc	Club Charlestown District Cricket Club
Lakers Basketball Club	Newcastle District Cricket Association
Little Wings Limited	Charlestown Azzurri FC
Survivor's R Us Incorporated	Central Newcastle Water Polo Inc
Police Citizens Youth Club NSW	Redhead Cricket Club
Kahibah FC	Newcastle Rugby Union Referees Association

**Charlestown Bowling Club Limited**  
**5 Lincoln Street, CHARLESTOWN NSW 2290**  
**Phone: 4943 3766**  
**ABN: 38 609 055 115**  
**ACN: 101 425 307**

# Financial Overview

Prepared by Pitcher Partners 2024



	2023 \$	2024 \$	Movement \$	Movement %
<b>Revenue</b>	<b>\$15,553,508</b>	<b>\$17,774,486</b>	<b>\$2,220,978</b>	<b>14.3%</b>

Revenue has improved by 14.3% compared to the prior year. Increases have been noted in food and beverage sales of \$877K, raffles and bingo revenue of \$686K and gaming revenue of \$651K.

<b>Expenses</b>	<b>\$15,017,909</b>	<b>\$17,644,238</b>	<b>\$2,626,329</b>	<b>17.5%</b>
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Expenses have increased and were 17.5% above the prior year. Increases were mainly noted in bowls cost of \$210k, member amenities expenses of \$590K (online raffles prizes \$477K with corresponding increases in revenue), employee benefits expenses of \$537K and admin expenses of \$322K. Cost of goods sold increased by \$368k and gaming expenses by \$952K in line with higher revenue.

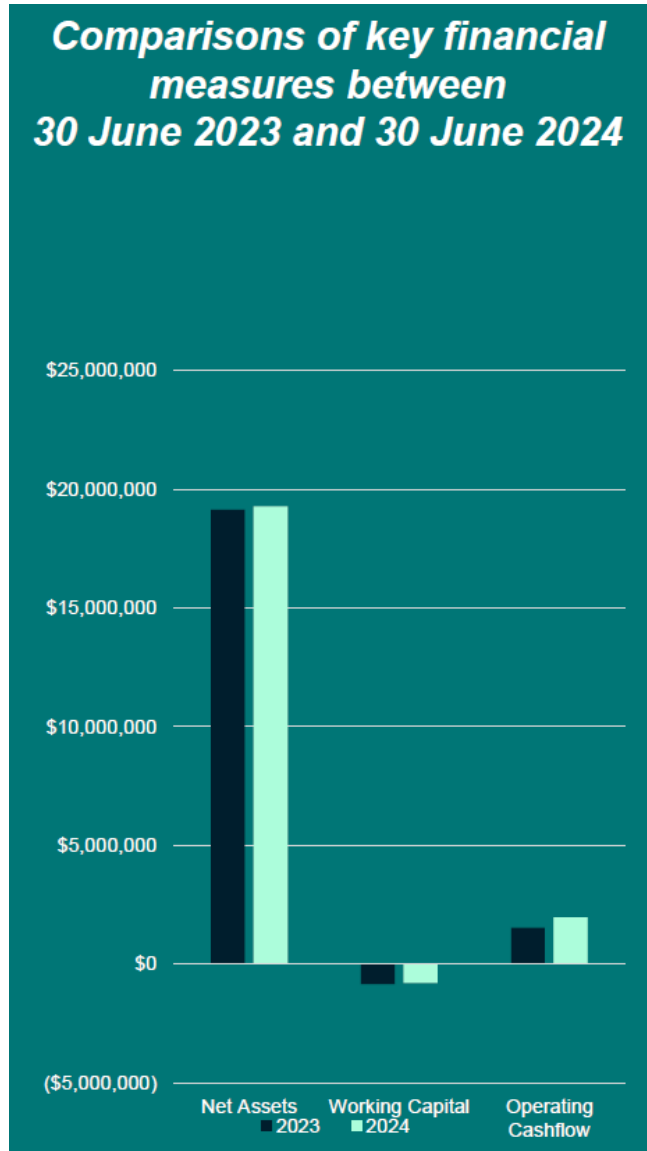
<b>Net Profit / (Loss)</b>	<b>\$535,599</b>	<b>\$130,248</b>	<b>(\$405,351)</b>	<b>(75.7%)</b>
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The net profit declined and was 75.7% below the prior year. The decrease in reported net profit is a result of increased expenditure particularly in administration, bowls and finance costs which were not absorbed by the higher revenue.



# Financial Overview

Prepared by Pitcher Partners 2024



	2023 \$	2024 \$	Movement \$	Movement %
<b>Net Assets</b>	<b>\$19,139,166</b>	<b>\$19,269,414</b>	<b>\$130,248</b>	<b>0.7%</b>

The net assets of the Club have increased reflecting the net profit realised for the year.

<b>Working Capital</b>	<b>(\$844,381)</b>	<b>(\$776,708)</b>	<b>\$67,673</b>	<b>8.0%</b>
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The net current asset / liability position has improved and was 8.0% above the prior year due to a reduction in trade and other payables of \$153K and slight increased in cash held.

<b>Operating Cashflow</b>	<b>\$1,529,011</b>	<b>\$1,962,134</b>	<b>\$433,123</b>	<b>28.3%</b>
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Operating cashflow of the Club improved and was 28.3% above the prior year. (noting lower profitability) the increases is partially explained by higher trade payables this year. The positive operating cashflow reflects the underlying profit achieved net of non cash depreciation and amortisation.