



Amalgamation of the Country Club Vincentia (CCV) (formerly Vincentia Golf Club)
and the Country Club St Georges Basin (CCSGB)
Amalgamation Committee Report – 31st March 2018

Hi Folks

As many of you would recall, under the terms of the Memorandum of Understanding (MOU) signed by the two clubs in regard to the amalgamation, a committee was put in place for a period of twelve months, to ensure that the terms and spirit of the MOU were fulfilled. The committee was established in April 2017, and was comprised of six directors, three from each of the two amalgamating clubs. The committee members were John Dunn, David Capon, and Barry Edwards (CCSGB), and Noel Burke, Keith Pinkard, and Les Clayton (CCV). Shortly after the first meeting of the committee, in order to achieve a more effective working relationship, Peter Thorncroft (CCSGB CEO) and Ben Clegg (CCSGB) were co-opted onto the committee.

Now having come the end of the committee's responsibilities, it is appropriate to report to members on what has been going on.

In Summary, in addition to the normal day to day tasks required in running a club such as the CCV, numerous additional essential maintenance tasks (in-depth cleaning, upgrading the lighting, repairs to the under floor drainage, re surfacing the car park, etc) have been undertaken during the year, together with the introduction of a number of improvements both within the club house and on the course.

These include:

- **In the Club House**
 - The installation of new air conditioners in the club lounge area
 - The establishment of a data link between the two clubs, to facilitate the introduction of a new till system servicing both the Bar and the Pro Shop
 - The construction of a new cool room as well as the introduction of a new glycol gas system and updated beer taps arrangement, to improve the quality of the beer being served
 - A revamp of the poker machine room layout and the introduction of a poker machine "ticketing system" for the convenience of patrons
 - The reintroduction of Foxtel (**have you noticed the installation of a new 70" screen in the lounge for footy games viewing?**), weekly Bingo, and upgraded promotions & entertainment.

- **On the Course (including improvements to the way in which golf is managed within the club)**
 - Under the management of the Head Greenkeeper (CCSGB), the CCV greens have been restored and are now part of a regular ongoing maintenance plan
 - New sprinkler heads on greens surrounds were installed, enabling a more consistent and even distribution of our somewhat scarce water supplies
 - Introduction of the automated “Golf Magic” administration system, together with the requisite new computer hardware, enabling on-line booking, automated updating of handicaps on GolfLink, and automated instantaneous production of competition results
 - Upgrade to the Club’s fleet of golf carts.

General Club Management

All in all, the members have benefited from a more professional approach to the day to day management of the Club in general, and the clubhouse operations and course maintenance in particular. Additional benefits include:

- A reduction in annual subscriptions and day-to-day competition/visitors fees, and under this banner it should be noted that for one annual subscription, members now have access to two good golf courses, both club houses, entertainment, etc.
- The equalization of bar prices across the two venues - which in many instances led to a reduction in cost of drinks to members
- Access to the CCSGB’s marketing management, access to a new corporate web site, and upgraded members’ cards (together with their associated benefits/rewards)
- Access to a more regular “courtesy bus” system for the use of members and guests.

Financial Aspects

On the all-important financial front, it is encouraging to note that in the main areas of operation, income has increased, and the operations at the CCV have benefited significantly from the sharing of facilities/staffing and the enhanced purchasing power of the amalgamated clubs.

In summary, comparative INCOME figures for the period under review versus the same period prior to the amalgamation are:

April 2016 to March 2017		April 2017 to March 2018		Improvement	
				\$	%
Poker Machines					
Gross Clearances	\$1,554,068	\$1,646,696		\$92,628	5.96
Net	\$491,295	\$514,325		\$23,030	4.69
TAB	\$11,775	\$19,545		\$7,770	65.99
Keno	\$14,730	\$15,139		\$409	2.78
Bar	\$543,562	\$623,590		\$80,028	14.72
Golf Shop	\$80,325	\$120,634		\$40,309	50.18

However, it should be noted that the increased cost of funding the additional maintenance work and improvements, both in the club house and on the course, has also got to be taken into consideration. Consequently, the beneficial effect of the increased income on the CCV's "bottom line" during this period has been significantly reduced. Profit for the period to April 2018 before depreciation, interest and amortization (EBDITA) was \$113,228 versus \$118,096 for the same period last year, and Net Profit was -\$108,006 versus -\$121,104 again for the same period last year, an improvement of \$13,098 (10.28%).

Future Strategy in regard to the CCV

At this point in time, it should be emphasized that no decisions have been made regarding the future development of CCV. However, we are pleased to advise that as the Amalgamation Committee disbands on completion of its obligations, in the near future, the Board of the Country Club will establish a new committee comprised of a number of members of the Club's Board, to create a Strategic Plan for the future development of the CCV and we wish them well in their endeavors.

Kind regards

Noel Burke

On behalf of the Amalgamation Committee