

PRESIDENT'S REPORT FOR THE 2015/2016

I would like to begin by thanking our members for the support given to me and my Committee during the past 18 difficult months and also for that faith you put in our efforts to make this Club successful and financially viable. I must also add that for the first time since 2001, ALL Committee members are registered with the Gaming Commission as Associate Members of the VCGLR. Something of which I am very proud to have achieved.

I am pleased to report that the financial year ended positively. For the first time in years, the last two months of the 2015/16 showed real profits and all signs point to a continuation of that trend.

I must add that this turnaround was achieved through the hard work of our Manager, Andrea Tournier, the Committee and, mainly, as a result of the formal agreement we entered into with the Mercury Group, which is now working with the Finance Sub-committee of the PCA, in running our Club's finances.

This decision to invite the Mercury Group to assist us had to be made. We were faced with a choice of either asking Mercury to assist us or the inconceivable decision of going into receivership, and potentially losing the Club. We were faced with a monthly bank interest payments of over \$6500 on the \$900,000 loan and on the overdraft of \$87,000 in the Trading Account; we were also faced with the repayments of debts incurred to the ATO and the SRO as well as the arrears in payments, which we had to pay each quarter, to the Victorian Gaming Commission. With all these bills paid, today we now have an overdraft in our Trading Account of \$32,000 at the time of writing this report.

Mercury representatives, David Baldi, Mick Kelly and Travis Wallace, worked with us to put various strategies in place, including the restructure of our staffing operations, a review of our very generous sponsorships and a planned upgrade of our gaming machines.

We also changed our Accountants and Auditor as we were not happy with the quality of service we were receiving and the price they were charging the Club for their services.

It will not be a surprise to members that our main revenue comes from the Poker Machines. It was, therefore, important that, as funds became available, that the old machines and/or their software be upgraded in order to attract more patrons to our Club. Four new machines were introduced recently. This small change resulted in a big improvement in our Poker Machine profits.

As the building and the plant equipment ages, we have no option but to spend funds on ongoing repairs, maintenance and/or upgrade. A water leak which was undetected for a number of years in the Bar area, resulted in us having to replace the floor and the floor covering at a cost of \$22,000; heating equipment had to be repaired in the Sports Bar at a cost of \$9,000; repair of security lighting around the building and the sign lights on the front wall of the building all cost the Club thousands of dollars.

We were, however, able to save some PCA funds, thanks to my Committee members, who volunteered their weekends to paint and redecorate the main hall and the Ladies Toilets using paint donated to the Club by two of our generous members. Thanks also to the kind donation of \$2200 from a member, the carpark lines were painted by a professional contractor.

We were happy and relieved to see the end of the legal Court battles we had to endure with over 18 months. Members may be aware that the previous President/Manager was stripped of his PCA membership by an official Court Order and was forbidden to enter the White Eagle House premises without written permission from the Committee.

Members may also be aware, that at a Special General Meeting, members voted overwhelmingly to expel one of our members from the PCA. Consequently, as a result of both of these decisions, we are now able to concentrate all our efforts to make the White Eagle House great again without unwanted interference.

In January this year, we signed a contract with our new caterers, J&M Caterers, who are now running Johnny's & Marty's Bistro at the White Eagle House. The reports we are receiving from patrons about the new caterer are very positive. We look forward to a long and successful partnership with John and Martin.

Although we have been going through financial hardships during the year, we have maintained our commitment to support the various sporting clubs associated with the White Eagle House, especially the Breakwater Eagles whom we have generously support over many years. We have assured them that we will continue to sponsor and support them as an integral part of our Association.

During the year we ran many very successful functions:

- We held a food stall at the Pako Festa, where we raised \$2500
- Together with Diversitat, we hosted a Seniors Festival at the Club. We were hosts to over 300 people during that weekend
- We held a Rock 'n Roll Dance at which we had 150 guests
- 160 guests enjoyed our inaugural "Forever Young" Debutante Ball and
- Together with Johnny's & Marty's Bistro, we organised our Morning Melodies with a "Christmas in July" theme.

The White Eagle House has totally revamped its Website, which has current and historical information about the Club. You can also enjoy a gallery of photos of functions held at the Club. These photos will continue to remain on our Website as part of the history of the PCA and the White Eagle House.

We asked members to update their contact details this year and requested members to include their email addresses and mobile numbers. We did this for a good reason. Our membership is growing very quickly and to send out Newsletters and other important information to members by post is costly. Last July, our Secretary did a test run using the email addresses we recently received from members and sent out the May Newsletter via email. Unfortunately, we can't do this for all members as not everyone has an email. However, if even half can be sent out by email, this will be a big saving to the Club.

In June of this year, with permission of PCA members, we placed the SPK Hall (Polish Ex-Servicemen's Association) on auction. We set a reserve price of \$700,000. The bidding at the auction stopped at \$610,000. We decided to pass it in and requested the agent to negotiate with the final bidder. The next day, we were informed that it was sold for \$700,000!

Most of the funds from the sale have gone towards the repayment of the \$900,000 loan. This has substantially cut our monthly interest payments. The savings from the decrease in the interest we have been paying, together with the profits we are now achieving in our operations, we will be able to slowly begin to upgrade some of our facilities, like the toilets, for example, without having to use any borrowed money. Members can be assured that we will use this money very wisely.

In conclusion, I would like to take this opportunity to pay tribute to past and current members of SPK (Polish Ex-Servicemen's Association) for making the decision many years ago to sign over their Ryrie St property to the PCA. I would especially like to thank Mr Max Nadolski, the current President of SPK, for his commitment and hard work, not only a President of his Association, but also for the strong commitment he has had, for many years, to the PCA. In gratitude to the SPK, I and my Committee are planning to install a permanent tribute at the White Eagle House to the Geelong No. 12 SPK Branch and its past and present Presidents.

Grazyna Brzostowski

President

Polish Community Association in Geelong Inc.

6th November, 2016