

CLUB CEO REPORT 2011

Dear Members

It is an honor to make my first full report as CEO of this fine club.

I would like to start this report by thanking the staff for their hard work throughout the year, I would also like to thank President Max Parker and the Board of Directors for their unwavering support.

Thank you also to Fernando and his staff of Gracie's Catering in the restaurant for their hard work in supplying our members and guests with quality meals throughout the year.

I would also like to thank Carlos and his staff for keeping the club sparkling clean everyday

The club has had a significant turn around in our financial result this year, but unfortunately it has not been enough to get us into the black. Although the bottom line result is a loss of \$305,825 this figure does not represent the true improvement.

Last year the club suffered a loss of \$229,707 but this figure was assisted greatly by the sale of club assets to the value of \$220,000 so the true loss last year was \$429,707. This year although the bottom line figure is \$305,825 the main difference can be seen in both the Operating Profit and the EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization.) with the operating profit showing an increase of \$178,126 and the EBITDA showing an increase of \$185,098.37, although these figures are not reaching the heights they should be, it is very pleasing to see the club turn around in such a dramatic fashion.

Although we have now steadied the ship, it is still an ongoing battle to maintain our profit levels, with all our costs rising it is very easy for us to put the bar prices up, but we only do this when the brewers raise their prices, we have no means of combating the huge increase of our electricity, gas, and other supplies that we need.

This year we have seen many great shows in our auditorium and I would like to thank those who have supported them, with special mention to the monthly Variety Luncheon which has surged in number going from 30 people when I first arrived to a massive 180 to 190 every month, we will continue to run shows of high standard into 2012 and beyond..

The promotions we have run this year have also been a success, with the P&O Cruise being the most popular.

I would also like to thank all the sub clubs, for continuing to support our club.

I look forward to a very positive and successful year ahead

Peter J Price CEO

