

NOTICE OF 2019 ANNUAL GENERAL MEETING

Notice is hereby given of the Annual General Meeting of TORONTO DISTRICT WORKERS CLUB LIMITED which is to be held at the Club in the Auditorium on **Monday 14th October 2019 commencing at 4.00 pm.**

BUSINESS

1. Confirmation of minutes of Annual General Meeting held Monday 26th November 2018.
 2. To receive and consider for adoption the Directors Reports and Directors Declaration for the year ended 30 June 2019.
 3. To receive and consider for adoption the Financial Report, Officers Reports and the Auditors Report for the year ended 30 June 2019.
 4. To receive the result of the Biennial Election of the Board of Directors.
 5. To consider and vote on the following Ordinary Resolutions including Life Membership set out below.
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SPECIAL NOTES:

Questions on the Directors Report and Declaration, and Financial Report, are requested in writing, to the Chief Executive Officer, Toronto District Workers Club Ltd, 9 James Street Toronto, NSW 2283, to be received no later than Monday 7th October 2019 so that questions may be researched and answered promptly.

ORDINARY RESOLUTION 1

That pursuant to the provisions of the Registered Clubs Act:

- (a) That members hereby approve the payment of the following Presidents Honorarium in respect of service to the club until the following Annual General Meeting.
 - (i) The President receive an Honorarium of fifty dollars (\$50) per week.
- (b) The Members acknowledge that the benefit in paragraph (a) is not available to members generally but only for the member (President) noted.

Notes to Members Ordinary Resolution 1

1. Ordinary Resolution 1 seeks members approval for Honorariums being paid to the President.
 2. To be passed, Ordinary Resolution 1 must receive a simple majority vote from those members present at the meeting and are eligible to vote.
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ORDINARY RESOLUTION 2

That pursuant to the provisions of the Registered Clubs Act:

- (a) That members hereby approve and agree to expenditure by the Club in a sum not exceeding \$10,000 (ten thousand dollars) until the next Annual General Meeting of the Club for the following activities of the Directors:
 - (i) Reasonable costs for the Board of Directors and their spouses / partners for an *annual* function for the purpose of recognising their contribution.
 - (ii) Reasonable costs of an electronic device (laptop, tablet or similar device) and internet access being made available to Directors in respect to their function as a Director of the Club.
 - (iii) That the Board of Directors be entitled to a meal in conjunction with a *regular Board Meeting* or a *Special Board Meeting*.
 - (iv) That the Board of Directors receive a uniform for use when representing the Club.

- (b) The Members acknowledge that the benefits in paragraph (a) are not available to members generally but only for those members (Directors and in respect to (a) (i) Directors spouses / partners) noted.

Notes to Members Ordinary Resolution 2

1. Ordinary Resolution 2 seeks members approval for a number of expenses which *may* be incurred, and a number of benefits being provided to Directors (and in respect to (a) (i) their spouses / partners).
 2. To be passed Ordinary Resolution 2 must receive a simple majority vote from those members present at the meeting and eligible to vote.
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ORDINARY RESOLUTION 3

That pursuant to the provisions of the Registered Clubs Act:

- (a) That members hereby approve and agree to expenditure by the Club in a sum not exceeding \$15,000 (fifteen thousand dollars) until the next Annual General Meeting of the Club for the following activities of the Directors:
- (i) Reasonable cost for Directors to attend intra or interstate conferences, business studies, and meetings for the purpose of gaining knowledge to assist the future planning of the Club.
- (b) The Members acknowledge that the benefits in paragraph (a) are not available to members generally but only for those members (Directors) noted.

Notes to Members Ordinary Resolution 3

1. Ordinary Resolution 3 seeks members approval for expenses which may be incurred with respect of professional development of Directors of the Club.
 2. To be passed Ordinary Resolution 3 must receive a simple majority vote from those members present at the meeting and eligible to vote.
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ORDINARY RESOLUTION 4

Pursuant to the provisions of the club's constitution:

Board Recommendation – That Allan Easter be granted Life Membership.

Notes to Ordinary Resolution 4

1. Ordinary Resolution 4 seeks members approval to grant life membership to Allan Easter. Allan has served as a Board member 2003 to 2005 and 2007 to 2019. Allan is a past Treasurer, member of the Disciplinary Committee and Golf Club Steering Committee.
 2. To be passed Ordinary Resolution 4 must receive a simple majority vote from those members present at the meeting and eligible to vote.
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Members are reminded that under changes made to the Corporations Act if they would like a copy of the Financial Report to be sent to them either in the post or by email, they must request it in writing to the Club's Office.

The Clubs Annual Report for the Year Ending 30 June 2019 can be viewed at www.torontoworkers.com.au from 16th September 2019.

Mark Singleton JP
Chief Executive Officer

President's Report

JEFF HOGAN



Dear Members,

The combined business has again produced pleasing annual results which serve to maintain the established track record of sound financial performances over the past number of years.

The year under review produced a combined operating profit of \$1.5M which reinforces collectively the Board and Management teams competent and professional direction relating to operations, development and policy. Our Restaurant and Café areas in particular continue to be strong performers, due in great part to the ongoing work ethic of our dedicated staff who must be congratulated.

The “Elements” development will be a key factor in our business model going forward. I welcome our new residents to this exciting location. The Stage 1 Occupancy Certificate was received on 29th May with the first residents having moved into their new homes from 4th June. Stage 2 (sold out) is due for completion in mid-November. Once complete the builders will be progressing on to Stage 3 in the first half of 2020.

As mentioned on numerous occasions the strategic concentration to create diversified revenue streams is vital to a sustainable future. “Elements” is of course *part* of this strategy.

Toronto Country Club returned an expected negative financial result. The works program over the past 12 months significantly impacts on the bottom line and this is forecast to continue until the Golf Club's Board Sub-Committee have fully implemented the planned strategies required to create a different business model to that of traditional golf clubs; many of which are under financial stress. These changes include the Clubhouse extensions and Driving Range. Additionally, upgrading of the antiquated irrigation system will deliver immediate course improvements and then flow into increased usage which is the obvious step to improving the financial result.

Although the loss of our neighboring golf club at Morisset was indeed unfortunate and sad news, that closure has no doubt already benefitted Toronto Country Club with an uplift in player numbers, members and social. We warmly welcome all our new members.

The year ahead will see the Board remain constantly and firmly entrenched in planning mode. “Elements” Retirement Village remains a major priority. But this is no time to rest on our laurels.

From the initial frustrations and difficulties first encountered through the preliminary planning process we now clearly understand the time and resources required to deliver such major projects. Whilst we currently have a very successful business model in terms of the commercial operations and facilities, the ever-changing nature of the hospitality industry also tells us that what is adequate for the present will not meet the demands of the future. With that in mind we are determined to remain at the forefront of clubs and hospitality providers who not only satisfy but exceed the expectations of their customers for the present and for the future.

To our CEO Mark Singleton, his management team and staff, congratulations on another successful year.

To my fellow Board of Directors your dedication to our members is acknowledged.

Most importantly to you our members, may I express my sincere thanks for your continued support.

Best Regards
Jeff Hogan
Club President

CEO's Report

MARK SINGLETON



Members, I am delighted to present to you another very successful Annual Report for the operational year ending 30 June, 2019.

Such a pleasing result confirms that the Club has continued to perform very well in these somewhat uncertain times. Our Club has, for a number of consecutive years, defied industry trends by recording much better than the typical results displayed across the licensed club industry.

The Workers Club recorded an operating profit of \$1,650,790 (2018: \$1,546,706) derived from total revenues of \$13,756,766 (2018: \$12,826,266). This is very satisfying with all divisions again performed well. Indulge Café and Indulge Dining continues to stand out and retain strong growth. This supports the Board of Directors continued focus on providing great food and wonderful customer experiences and I am personally guilty of proudly boasting how fantastic our food choices are. Moving forward, the Board are currently evaluating concept plans around expanding the food operations. The intention is to match the growing needs of consumers whose demands and expectations in these times are much higher than we have previously experienced.

The Golf Club had a difficult year in recording a loss of (\$162,242). Part of this negative result was in the loss of several greens in January. This obviously caused a decline in course revenue and was exacerbated by the high rectification expenses required to reinstate those greens. The greens have now recovered with revenue back on target. The Board remains committed to expanding the appeal of the Golf Club and to pushing forward with investment in additional facilities. I refer to the approved driving range and clubhouse extensions, as well as a complete upgrade to the course irrigation system.

EBITDA is an important financial bench marking instrument used in measuring a Club's performance. Our EBITDA of 20.1% maintains the position of Toronto Workers Club up among the industry's highest achieving performers, a position we have attained for several years.

The club, cognizant of its commitment to the Community, recorded and lodged donations including Club Grants, amounting to \$613,000 for the year 2018/19. As an organization we don't only strive to deliver great customer experiences, but also to demonstrate good community and corporate citizenship.

"Elements" Retirement Village stage 1 is now fully occupied and stage 2 (sold out) is due for completion in mid-November 2019. We are very pleased with the progress of this project and the ultimate finished product. We originally set out to over-deliver and to make Elements a standout in retirement living. We firmly believe we have achieved that goal. The construction program is ongoing and will continue through to stage 6 which is to be completed by the end of 2022.

Members, you have a professional and experienced Board of Directors namely: Ted Gilmour, Tim O'Reilly, Allan Easter, Frank Haley, Richard Rundle and Steven Woodbridge, a group confidently led by President Jeff Hogan. Collectively they demonstrate a tremendous commitment to members. This Board and the management team, evidenced by the financial performance, work cohesively to make sustainable business decisions. Clubs in general face challenging times. The key to consistent strong performance is in continually evaluating the business and its core values whilst concurrently researching, identifying and investing in opportunities.

To my dedicated and loyal team, "Thank You" for your efforts throughout the year. Please be reassured that I am extremely proud to lead such a wonderful team.

Members, I sincerely Thank You for your continued unswerving support of both our clubs and I look confidently forward to another successful year ahead.

Mark Singleton JP
Chief Executive Officer