

Presidents Report 2019

Presented by Deryk Nielsen

Good afternoon and welcome to our 2019 Annual General Meeting, Thank you for your attendance

Before starting my Presidents report and overview of the previous financial year and the club's position and future, I would like to reflect a little on the history of our club

The club has a history dating back to the 1920'S and we were recognised as IGFA members in 1947.

It is fact that our club is one of only 5 original founding clubs in what is now known as the New Zealand Sports Fishing Council.

While the club has run previously under various names before reaching our current title of Tauranga Sport Fishing Club, the purpose and values of our club have not changed.

The club was founded principally on the objectives of;

- Maintaining and furthering the interests of sport and recreational fishing
- Protect and preserve gamefish and their food supply
- Organize and conduct tournaments for the club and members
- Award certificates and trophies
- To develop the welfare of the club for its members

There are other additional principal objectives but those that I have said serve to cover the overall objectives and values.

I think there is little doubt that the past and current committee members and staff have done well in advancing and in many cases achieving these objectives.

We have not lost sight that our club has been, and continues to be, built around the sport and enjoyment of fishing.

This is the cornerstone of the club. We also recognise our social responsibilities for all our members.

Now to my Presidents report.

Given the diversity of my report I am going to start by acknowledging serving members, loyal staff and sponsors, then trading conditions, financial results, challenges and future objectives.

First, I would like to acknowledge the contributions of

- Our Patron – Jill Gray
- Jill has epitomised this club's character.
- She has over many years dedicated much time and spirit to make this club special for all of its members.
- She has shown Absolute Dedication to supporting our club.
- Jill relinquishes the position of our Patron this year, she already holds both a debentured life membership, and an honorary life membership and has held every position possible in the club, including committee membership Club Vice President, President, and since 2012, as Patron
- Ian Thomas will speak further about Jill later in the meeting and we will honour her appropriately at that time. I personally would like to thank her for her support and

encouragement, and most of all her friendship. She will no doubt still be around for many years and I still expect to see her parked on her stool at the weigh station.

- Now to our Immediate Past President – Tony Dolman. Tony has given many years of service to our club and has been a significant sponsor over many years.
- Tony has mentored and advised me and others over the course of this last year.
- He's even been known to occasionally give me a good telling off - possibly I needed it?

- Now to our Current committee members and retiring committee members.
 - Lee Lawson, Ken Wilson, Stephen Treloar. All of whom are all staying on for another year, and potentially longer.
 - We thank you for your past and continuing contributions.
 - Retiring committee members are Greg Lee, Danny Sunkel, Adam Milnes and Eric Tait.
 - Greg and Danny are both standing down after one year's committee service due to their business commitments.
 - This is understandable and we do appreciate the time they have been able to devote to our club.
 - Their support and guidance roles have been valued by me
 - Adam Milnes, Adam over the years and more recently as Club Captain has been heavily involved in making our fishing tournaments some of the best in the country – we thank you Adam for your contributions.
 - Now to our Vice President Eric Tait
 - As you will all know Eric has been a long-time supporter and sponsor of our club as well as serving on the committee and as vice president.
 - We have been very fortunate to have Eric on board and while he is no longer standing for our committee Eric gives me his absolute assurance, he will be there to help wherever he can.

TO OUR SPONSORS PAST AND CURRENT.

These are the companies and people who have financially supported our club and helped provide the facilities we enjoy today.

We have certainly had great relationships and enjoyed strong ties with our sponsors over the years.

The fact is – without our sponsors the club would not have been able to carry out upgrades, necessary maintenance, run significant fishing tournaments and met its financial obligations during the year.

Despite our growing membership numbers, successful fishing tournaments and income from club generated sales, the club would not survive without our sponsors.

Our committee and staff are committed to ensuring sponsors receive the very best possible value and coverage we can provide in return for their sponsorship.

We ask all members to please consider and support our sponsors whenever possible.

Again, we have a great line up of sponsors for this year and we look forward to building a relationship together and having a lot of fun at the same time.

As a side issue – if you have considered or know of someone who would like to discuss potential sponsorship please speak with me or our club manager.

Moving on to financial matters

Apart from sponsorship the club principally generates income from the following sources,

Membership – in the form of annual membership fees.

Fishing tournaments - entry fees and trading receipts.

Our annual Grid Auction

Gaming machines

Bar sales – beverage sales

And

The Restaurant and catering.

Worthy of noting is that any clubs liquor licence has specific requirements around providing suitable food.

I believe you will know and agree that it is fact, and well publicized, that many clubs are suffering from lower sales, generating less income.

Part of this decline is due to lower beverage sales particularly with the tougher drink drive laws and lowering of blood alcohol levels, I am not saying this is wrong, I reiterate that it is a fact that we must live with

We are not immune to this trend and we have and continue to suffer from both declining bar sales and restaurant / kitchen sales.

Both income streams have over recent years and still continue to show declining income trends.

These are our 2 areas of biggest concern.

They are the primary reason for the club's financial loss for our 2018 financial year and again for our 2019 financial year.

You should rightfully ask why and how these losses have occurred.

We lost our external catering company nearly some 2 years ago.

They said they couldn't make it work, as did their predecessors.

At the time We couldn't find a suitable replacement.

The decision was made to bring this in house - and staff and manage it through the club, internally.

We have done that now for nearly 2 years and despite our very best attempt this simply hasn't worked.

The restaurant not working well has also reflected in our lower beverage sales, which has compounded our financial loss

The position is, that for the past 2 years, the club has run at a financial loss and is continuing to do so. We have not sat on our hands and done nothing.

History will demonstrate that the club has suffered financial losses in previous years for one reason or another, so this is not a first-time event, we have faced financial issues before.

This leads me on to talking about the Advisory Panel appointment.

Over recent years the various committees have considered having a board or panel of members separate to our committee to manage and or provide their advice and experience on specific matters.

We instigated initial discussions and just over 2 months ago the committee meet with 2 past Presidents, Kevin Stevens and Ian Thomas and 2 long term club members and sponsors, Bill Cavanagh and Tony Kinzett.

All are well versed in different aspects of corporate and private business, and business, club and company governance.

The committee endorsed the appointment of these people to be appointed as the Advisory Panel.

There are written terms of engagement, including timeframes, which have been agreed between the committee and the Advisory. These have been signed off by all concerned.

Since the appointment the Advisory have made recommendations including a non-negotiable request that it be agreed that the restaurant - kitchen / catering be outsourced and be advertised for expressions of interest.

I am pleased to say this has been done and we, with advisory members, are already meeting with several interested parties.

In addition, Ian Thomas, an Advisory Panel member and to be endorsed today as our new Patron, is working day to day with both myself and the club management team.

I mention this to give you an example of how effective and focused this additional support has already proven.

The Advisory Panel are reviewing the entire operation of the club with initial focus on the club's financial position.

They have made some financial recommendations; I will speak more on that shortly.

Already their suggestions and recommendations include items such as membership surveys – local members versus out of town members

Club affiliations – with a very strong belief that there be no change to The New Zealand Sports Fishing Council affiliation at this stage, though we must continue to seek reciprocal arrangements with other like-minded clubs and organisations

Our constitution – The Advisory have suggested our constitution be reviewed, updated and refreshed. They have offered to work with the committee to present an updated version through this coming year for members to consider and vote on at the next AGM.

This is something we have talked about for three years or more and this still needs to be done.

Advisory Panel management and oversight on all financial matters

Advisory oversight on the club operational matters – such as trading hours, and we jointly signal that there may well be some changes to these in the near future

The Advisory Panel have recommended they complete a full review of the clubs operating structure and divisions, then provide an overview and their recommendations.

As President I believe this is not before time, very much needed and we have agreed to this.

Now to a specific financial matter, that will be addressed under general business.

The club during profitable good times set aside funds to be invested and this is protected in the club's constitution. These funds, a sum equivalent to one years working capital at the time, were set aside to cover a need in difficult times.

We are facing difficult financial times now.

The Advisory Panel and committee have considered the clubs financial position and will submit a motion under general business to break the Investment held with ASB to repay all outstanding debit and provide capital as we work through the financial and operational matters to bring the club back to break even then profitability.

What does this mean.

It means the Advisory Panel without personal obligation or liability have been appointed to manage and oversee the financial and operational running of the club

The Club under my guidance as the President will still be run by the management committee that you as members voted for and that committee will form specific sub committees and appoint chairs of those committees. Others from the general membership will also be invited on to these subcommittees,

This will bring focus, experience, skill and youthful enthusiasm to each part of our clubs' operation.

The Advisory Panel will work with all elected members and individual committees to provide guidance and advice.

For the size of our club I see this as a natural progression and a great step forward.

What I do want to emphasize, and the Advisory Panel, other than Ian Thomas in his position as Patron, have rightfully pointed out - they are not on the committee or the face of the club

They respectfully do not want to engage with members over club issues, these still need to be directed to us.

Any issues or comments members have should be addressed to either myself or a committee member, or our club manager.

Before moving on to receiving the financial statements I want to summarize my report

The club continues to attract and maintain strong sponsor loyalty and support

We are fortunate to again this year attract excellent candidates to stand for the committee and others who have offered subcommittee support

Our club membership continues to grow. Statistics support this.

The club has run many successful fishing tournaments this year as well as other significant events.

We know the issues and we are addressing them

Clearly the Club is facing financial difficulties

I and the committee acknowledge this and are working with urgency to address these, with a clear plan

The appointment of the Advisory Panel is a significant step forward, and recognises that we are not just a club, we are a significant business as well. We require good business acumen in our governance model.

Criticism and looking to apportion blame are not forward thinking or positive steps.

Now is the time that we need to take positive action and take this club forward with a new model of governance. This is a courageous move that will set us apart from other clubs, and portrays this club as having a forward thinking leadership model.

I conclude my report and move that it be accepted into the record of this meeting.

We would now like to present the clubs financial statements for the 2018/19 financial year and invite Richard Dey from our auditors William Buck to make comment, and to take any questions on our audited accounts for 2019. Further questions on specific items should then be addressed back to the chair and they will be answered by the most appropriate person to do so.

2019 President Report