

220 - 232 Oxford Street Paddington NSW 2021

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GENERAL MANAGER'S REPORT JUNE - DECEMBER 2022

Dear Members,

Although we have been subjected to a plethora of adversities in the last few years; Covid 19, lockdowns, strained trade relations with China, disruptions to supply chains, a drastically tight labour market, unprecedented levels of inflation, cost of living crisis, upward movement of energy prices, the premium on trades people, construction of Allianz stadium, & the unseasonal weather, the Club has proven somewhat resilient to an extent. I commenced the Acting General Manager's position in June 2022 amid a period of tremendous upheaval & instability. The previous General Manager was on sick leave, the newly appointed Acting General Manager having resigned also. One had to hit the ground running. After navigating the Club through a period of 'flux' the Board of Directors appointed me to the position I now hold on December 15th, 2022.

Due to the age of the freehold assets & plant & equipment, several maintenance challenges were presented & lie ahead. We had the lift breakdown, storm damage effecting the roof with water entering the building causing significant damage, and a major gas leak from our aging air conditioning system. Work on the roof has commenced, when upon completion building contractors will make good the water damage sustained to various parts of the building. An independent assessor has been appointed by the Club's insurers to progress the air conditioning situation. It is hoped the issue will be resolved in the coming weeks. I know all to well it has been uncomfortable in the Club on occasions recently & I thank you for your patience & continued support.

Moving forward it is my number one priority to improve the Club's financial position. Eleven years of continued financial losses is not sustainable. Whilst this goal will not be achievable in the short term, a strategy has been developed & adopted by the Board of Management to steer us in the right direction. The Club's catering arrangements have been modified with a demonstrable drastic improvement to our food offering to members & guests. We have reintroduced quality live music in the Club on Fridays whilst continuing to provide high calibre entertainment in the Auditorium in many forms. The Club needs to re-establish itself

as the hub of Live Entertainment in the Eastern Suburbs. It is hoped that Live entertainment in the Club will extend to other nights in the future to further cement our position as a destination of choice in Paddington & surrounds.

Functions have exceeded expectations given the hesitancy of many wanting to venture out again where large numbers of people are present as a result of Covid 19.

It is noted that we need to communicate more effectively with our members. Steps are being taken to consolidate our data collection points & streamline our communication processes. There are many instances of data not being entered correctly initially, resulting in some members missing out on communications from the Club. Please be advised I am here to assist.

I would like to take this opportunity to thank the staff for their efforts to date. Furthermore, I wish to convey my appreciation to the Board of Directors for their support & vision to improve the future of the Club. I wish to forward my condolences to all the families of members who have passed in 2022. Finally, I would like to thank you, the members, for your continued patronage, & words of encouragement.

Stuart Cairns

General Manager

Paddington-Woollahra RSL