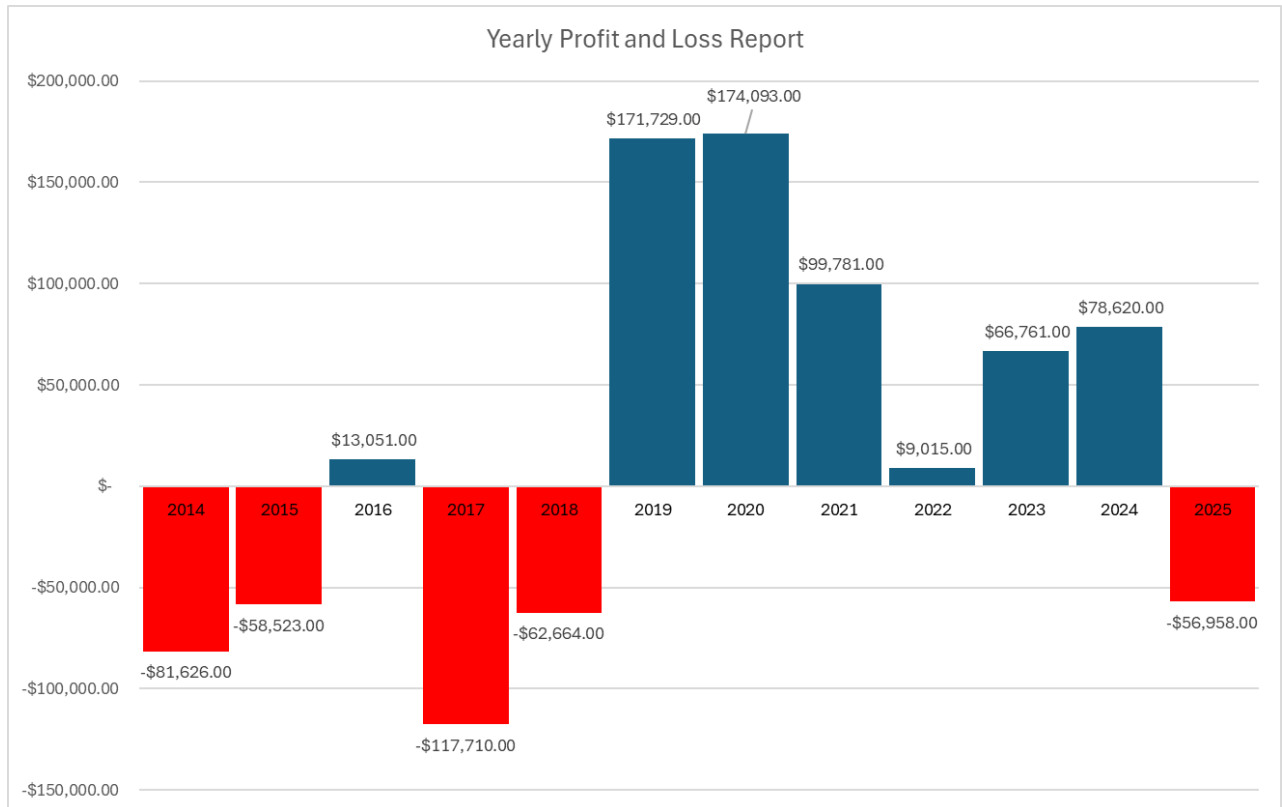


Financial Report – AGM 2025



The monthly Profit and Loss over the last financial year



Let's talk money.

Yes, we've posted a loss this financial year — and while that's never ideal, it wasn't unexpected. A combination of **strategic investments**, **unexpected challenges**, and **external pressures** contributed to the deficit. But it's important to note: **we're not in crisis — we're in transition.**

Breaking Down the Deficit

Here's what the numbers are telling us:

- **Bar income** dropped by **\$55,000**
- **Kitchen income** dropped by **\$50,000**
- **Wages** increased by **\$26,000**

The major hit came in **June 2024**, when the Club closed for three weeks for essential floor repairs — costing us **\$62,000 in one month alone**. That closure meant no income during a crucial period and put pressure on the rest of the year to catch up.

Add to that a tough run over the summer:

🎄 **Christmas period** saw two chefs off sick — just when we needed them most.

We paid for sick leave, annual leave, and a relief chef, which strained the kitchen's already thin margins and impacted our ability to tap into the summer crowds.

Kitchen Strategy: Price Rebalancing

Our new head chef has stepped up, giving us a detailed cost analysis of every menu item. This transparency allowed us to **adjust pricing** based on:

- Ingredient cost
- Prep time
- Portion size
- Market comparisons

Even after the price tweaks, we're still the **best-value venue in town**. The new pricing structure should start improving margins from **July onward** — a much-needed boost, especially through these quieter winter months.

Bar Pricing & Happy Hour Comeback

We'd hoped that keeping bar prices low would encourage patronage, but the reality is: **it didn't**.

So, we'll be adjusting bar prices soon to reflect rising costs — but we're bringing back **Happy Hour** to soften the blow and attract people during quieter times. It's a smarter approach to boosting both revenue and atmosphere.

Passive Income from Cabins

Some good news: all three of our new cabins are now fully tenanted! This initiative is expected to generate **\$65,000 per year** in passive income — a reliable revenue stream that will help strengthen our bottom line.

A Note on Depreciation

Our reported loss includes **\$93,390.63 in depreciation** — an accounting figure, not actual cash going out the door.

If you exclude depreciation, our operations **effectively made \$35,000**. So while the books show a loss, our day-to-day running position isn't as grim as it may seem.

Where We Stand

- We **still have healthy savings** in the bank
- Our strategic investments are starting to pay off
- We're focused on **balancing cost-cutting with smart revenue growth**

We're optimistic about returning to profit in the coming year — and your continued support is the key to that.

How You Can Help

Come down, bring your friends, have a meal, enjoy the music, join an adjunct. Every pint poured and every meal shared helps keep this Club alive and thriving.

Together, we've weathered much worse. With a bit of patience and a lot of community spirit, we're on track for a stronger year ahead.

Ngā mihi