

North Hobart Football Club

President's report 2018

Introduction

2018 has been a hugely significant year for the North Hobart Football Club.

It's been an historic year where we played again as North Hobart in our beautiful, traditional, red and blue jumper and a year of enormous progress both on and off the field.

During the year the whole North Hobart family worked magnificently together to resurrect our footy club from a dire financial situation and we've done so spectacularly.

However, this is most definitely **not** the time for thinking that we can rest on our laurels.

We must now work harder than ever to consolidate this result and make our future sustainable.

This involves our members continuing to be members in 2019 and in the years ahead and people continuing to help the club through the great volunteer work they do.

It also involves continuing to make the North Hobart Football Club a welcoming, inclusive, destination of choice for people.

Highlights

In 2018 we:

- Made a profit of \$136, 839.
- Have gone from an equity position of \$126, 073 in the red at the end of October 2017 to be back in the black by \$58, 133 at the end of October 2018.
- Paid all the club's creditors.
- Sustained the increased membership following the vote on the club's name – an increase of 350: going from 150 members to 500 members.
- Secured significant corporate partnerships and sponsorships.
- Secured \$300,000 in state government funding for new infrastructure on the Rydges Hotel Wing (new kiosk and coaches and media box) and are hopeful of securing another \$400,000 in Federal Government funding so all the work can be done at once.
- Gave many young members of our men's program a taste of senior footy which will hold them and the club in great stead for the future.
- Took enormous pride in the work ethic, spirit and resilience of everyone involved in our men's program.
- Recruited a number of key players that are going to strengthen the team in 2019 including former AFL players (and North Hobart players of course!) in Colin Garland and Sam Darley.
- Saw our magnificent ladies team make the grand final after finishing 5th on the ladder at the end of the home and away roster, a wonderful achievement that made everyone at the club enormously happy and proud.
- Delivered significant additional equipment for our gym as part of a major refurbishment program, funded mainly through the efforts of the players.

Men's Program

After losing a number of players and having only 12 players attend the first pre-season training for 2018 in November 2017, our men's program showed enormous courage, resilience and spirit in working very hard and sticking together during a tough year.

The way that everyone bounced into training on Monday nights, supported each other and soaked up information from the coaches was incredibly uplifting and heartwarming and a great credit to everyone.

I want to pay tribute to Senior Coach Richard Robinson for his leadership during the year. It was exemplary. The way that he taught our players and kept their spirits up during a difficult year was absolutely magnificent.

He was ably assisted by Jim Ranson and Ray Becker who coached the Development League team, and the senior assistant coaches in Aaron Vince, Colin Garland, Hugh Williams and Luke Curtain. I thank all of them and runner Todd Appleby for their great work during the year.

There were a number of junior players who came up and helped out our Development League team and club veterans who came out of retirement to help out too. Your efforts are very much appreciated by everyone at the club.

Our men's coaching team is the best in the state and I am delighted with the way they perform their roles and work together. Also, to have someone of Colin Garland's quality and recent AFL experience join us was an absolute godsend for the club and our young group.

I want to pay special tribute to our Captain Hugh Williams.

He is a magnificent leader with great values, great integrity and great resilience. He is loyal and committed and a wonderful servant of our club. We look forward to Hugh playing his 150th game early in 2019 and receiving a richly-deserved player life-membership.

To also have two experienced players re-join the club in Nathan McCulloch (who came home from Melbourne) and Brad Tilbury was hugely beneficial in terms of leadership at the club.

Nathan capped a great year by winning the Senior Best and Fairest award despite missing a number of games to injury.

During the year we had 17 players in AFL Tasmania development squads which reflects very well on our football program and the club.

Many congrats to Jake Steele, Mitch O'Neill, Baxter Norton and Will Peppin who were all part of the undefeated under 18 Tasmanian Division 2 team with Baxter and Mitch also playing for the combined Allies team and Mitch making the All-Australian under 18 team even though he has another year in the under 18s in 2019.

Congratulations as well to Hamish Allan, Will Peppin, Thomas Reeves, Oscar Walker, Tyler McGinniss, Harry Ireland, Josh Clifford, William Hodgman and Jake Steele for being part of the Under 17 state squad and Jake Steele, Sam Collins, Axel Moore, Jacques Barwick, Jye Menzie, Gus Norton and Patrick Walker for being part of the Under 16s state squad.

Congratulations as well to Sam Collins for being named the best Tasmanian at the Under 16 carnival and making the Under 16 All-Australian team. All our representative players did the club and the state proud.

Women's Program

Our Ladies team lit up the club during 2018 and took everyone at the club on a wonderful and exhilarating ride.

After finishing fifth on the ladder at the end of the home and away season, the ladies went on an extraordinary finals run, beating Lauderdale in the elimination final, Claremont in the first semi, and the highly-fancied South East Suns (who had beaten us convincingly in both roster games) in the preliminary final to set up a grand final showdown with Lindisfarne.

In all those finals wins we started the games as underdogs but completely outplayed our more fancied opponents.

We didn't get over the line first on grand final day, but it was a great achievement getting to the 'Big Dance' and a great experience for the team to play in a grand final at North Hobart.

Huge congratulations to our Ladies' Coach Greg Grubb, his assistants in Steve Bailey and Sam Grubb, women's football director and team manager Jasmine McLeod and all the players for their magnificent efforts during the year.

The club's faith in Greg was reflected in his reappointment and in him recently doing his Level 2 coaching course.

During the year we were offered a place in the TSLW in 2019. The board declined the offer to give us 2019 to plan our entry properly into the TSLW in 2020 and ensure we hit the ground running and are fully competitive.

I think this is a very smart move.

During the year Tahlia Bortignon was selected in the Tasmanian Under 18s and Eastern Allies teams which is a great achievement and many congratulations to her.

Congratulations also to Krystal Kelly, Amy Massie and Paige Flakemore for being selected to represent the SFL during the year.

We also received the great news late in the year that the first ever AFLW match for Tasmania's new AFLW team, the Tassie Kangaroos, would be played at North Hobart Oval on February 3, 2019 against Carlton. This will be a big day for the club and we are very much looking forward to putting on a great event.

Off-field overview

The club's finances improved dramatically since the new administration commenced on 1 November 2017.

The club was left in a precarious position being heavily in debt at the end of the 2017 year (October 31).

Due to increasing revenue and dramatically reducing costs in 2018 the club has recovered to finish the year well in the black.

We increased revenue through membership - which also included the Diehard Demons fund and First 18 initiative - and through corporate partnerships and sponsorships.

We also reduced costs dramatically through a number of measures including a significant reduction in wages to club staff.

Previously the club had been paying two employees (who both left in November 2017) around \$88,000 in wages that the club simply couldn't afford.

During the year we also developed plans for important infrastructure upgrades on the Rydges Hotel wing and successfully lobbied both major political parties for funding in the lead up to the state election in March 2018 with both parties committing \$300,000 as election commitments.

These upgrades will see a new kiosk and cool room replace the old kiosk (built in the early 1960s), a roof built over the wet area and a terraced standing area created in the space adjacent to the kiosk.

It will also see a new, modern AFL-compliant coaches and media box replace the current structure built in the early 1980s.

All being well and dependent on receipt of a Federal Government grant of \$400,000, the work is planned to be completed by the end of April 2019. We hope to know the outcome of our application to the Federal Government from mid-December 2018 onwards.

I want to pay tribute to everyone who rallied to help the club in its hour of need.

Thanks to you we have put the footy club on a very good footing.

To all our volunteers including our expert trainers and all our magnificent people that help out in so many ways, a huge thank you.

I also want to thank our great coterie group The Tridents for all their magnificent support during the year.

A big thanks as well to Leon Perry for his great generosity and support to the club in 2018.

We are also incredibly appreciative of the support of our partners Harvey Norman (Major Partner), Work and Training, Les Lees, Tasmanian Bakeries, Back in Motion Physiotherapists, The Waggon and Horses Hotel, LJ Hooker and the Hobart City Council.

I want to pay tribute to all our partners and thank them for their brilliant support.

To the Hobart City Council, the owner of our great ground, a big thanks for all your support and assistance during the year.

Council staff in Nick Heath, Glenn Doyle and Shannon Avery have been terrific to work with and the great relationship we have formed with the council means a lot to the club.

I want to thank my fellow directors, Peter Fisher, Jess Medhurst, Shelley Collins, Neville Howlett, Andrew Finch, Paul Gourlay and Jasmine McLeod for all their magnificent hard work and the collegiate way in which they operate.

It's been a tough but rewarding year and you should all take a bow.

A special thanks to the utterly magnificent role that our General Manager Paul Curtain has played during the year. Paul is one of the greatest-ever North Hobart people, from a great North Hobart family and his skills, knowledge, strategic smarts and sheer hard work played a significant role in turning the ship around.

His passion and love for the club is second-to-none and what he has done for the club will go down in the club annals as one of the truly great contributions.

To another club legend in Wayne Peacock a huge thanks and well done for staffing the club's office on a voluntary basis for three days a week to do many of the day-to-day tasks that ensure a footy club ticks over.

Vale Eric and Beryl Wiggins

No two people embodied the great values of our club more than Eric and Beryl Wiggins.

They loved North Hobart deeply and their selfless service to our club over many decades was magnificent.

Sadly, during the year, we lost them both but their contribution to our club will always be cherished and remembered. I am delighted that they both got to see the club play as North Hobart again as it meant so much to them.

They were beautiful, kind, caring people who embodied everything great about our club and were loved and respected by everyone at the club.

Conclusion

The future is looking good and the mighty North Hobart is once again on the rise.

In contrast to this time a year ago we currently have over 50 players in our men's program on the training track and over 20 in our women's program at pre-season training.

But it's not time for any complacency.

Now is the time for the North Hobart family to work harder than ever to consolidate the great gains we've made over the past year and make us the footy powerhouse of Tasmania again.

Craig Martin

President

North Hobart Football Club

12 December 2018.

Balance Sheet

NORTH HOBART FOOTBALL CLUB LIMITED As at 31 October 2018

	31 Oct 2018	31 Oct 2017
Assets		
Bank		
Bendigo Account	436,379	19,629
Westpac Account	51,243	44,943
Total Bank	487,622	64,572
Current Assets		
Suspense	(350)	-
Trade Debtors	19,946	13,635
Total Current Assets	19,596	13,635
Fixed Assets		
Less: Accumulated depreciation	(7,420)	-
Rydges Wing -Kiosk	7,420	-
Total Fixed Assets	-	-
Non-current Assets		
Stock on hand	6,024	4,856
Sundry Debtors	-	1,240
Total Non-current Assets	6,024	6,096
Total Assets	513,242	84,303
Liabilities		
Current Liabilities		
Accounts Payable	17,981	78,689
Contingent Liability	341,540	48,960
GST	45,587	4,691
Rounding	-	-
Total Current Liabilities	405,108	132,340
Non-Current Liabilities		
Deferred creditor - AFL Tas	-	47,121
Loan - LP	50,000	-
PAYG Payable	-	5,364
Sundry creditor	-	25,550
Total Non-Current Liabilities	50,000	78,035
Total Liabilities	455,108	210,375
Net Assets	58,134	(126,073)
Equity		
Contribution - NHFC	48,244	48,244
Current Year Earnings	136,839	(18,834)
Retained Earnings	(126,950)	(155,483)
Total Equity	58,134	(126,073)

Profit and Loss

NORTH HOBART FOOTBALL CLUB LIMITED For the 12 months ended 31 October 2018

	Oct-18	Oct-17
Income		
AFL Education & Dev Funding	-	22,913
AFL Tas Contribution	111,314	-
Auction revenue	-	8,782
Bar sales	63,237	-
Business networking group	-	9,600
Commission - Newco	298	1,569
Corporate Partnerships	50,494	27,737
Demons Academy + Multi Cultural Trip	-	10,143
Donation - Tridents	-	11,920
Functions & Fundraising	26,441	40,870
Government Grants	19,255	-
Interest Income	365	119
Match Day - Bar	32,657	39,585
Match Day - Gate	15,951	14,510
Match Day - Kiosk	68,198	13,182
Match Day - Raffles etc	5,043	7,084
Membership - First 18	9,695	-
Membership - General	16,788	17,446
NRL Income	-	62,473
Player sponsorship	12,580	-
Player Transfer Fees	16,500	225
Rebates - Corporate Partners	11,315	5,150
Revenue - Womans team	3,860	12,676
Rugby League - Corporate boxes	-	7,520
Rugby League - Sponsorship	-	17,700
Sales - Merchandise	4,285	8,881
SFL Income	4,195	80,313
Sponsorship	-	17,319
Sundry Income	6,395	1,427
TSL Operational Funding	-	68,750
Total Income	478,866	507,895
Less Cost of Sales		
Match Day - Raffles	(100)	500
Purchases - Merchandise	5,169	12,292
Purchases - Bar	58,904	43,227
Purchases - Functions/Events	21,499	18,515
Purchases - Kiosk	27,341	12,792
Closing stock	(6,024)	(1,478)
Total Cost of Sales	106,789	85,848
Gross Profit	372,077	422,047
Plus Other Income		

Profit and Loss

	Oct-18	Oct-17
Die Hard Demons (donations)	30,953	-
Total Other Income	30,953	-
Less Operating Expenses		
Academy expenses	-	109
Accounting & Legal Fees	666	839
Advertising	130	478
AFL Tas	-	10,000
Apparel Other	489	-
Audit of annual accounts	500	1,773
Bad Debts	3,856	-
Bank Charges	2,278	2,507
Cleaning	448	-
Coaches & Trainers (Pmts)	37,465	38,928
Competition Costs (TSL Levy)	-	4,138
Depreciation	17,987	-
Donations made by club	2,050	-
Electricity	4,781	5,125
Expenses - Womans Team	5,511	-
Footballs	860	-
Game Analysis	6,516	1,191
Game Day Filming	300	525
Gorringe Stand C/R Lease	9,040	29,896
Gym Equipment	1,435	-
Hospitality	1,300	2,369
Insurances	513	1,164
Interest	1,875	-
Internet, Website, Phone	1,679	2,768
Laundry	15	182
Merchandise	336	16,742
Motor Vehicles Expenses	73	1,816
Multi Cultural trip costs	-	16,198
NRL Expenses	-	62,924
Permits & Fees	641	1,121
Physio	10,590	-
Player Payments	55,625	59,266
Player Strip - Home	8,369	6,242
Player Transfers	2,977	6,864
Players Apparel	15,120	(350)
Postage & Stationery	495	1,684
Printing	350	8,375
Promotion & Marketing	10,220	2,331
Repairs & Maintenance	200	1,097
Salary & Superannuation GM + JDO	25,345	82,197
Security	1,395	-
SFL Expenses	10,209	43,551
Strapping & Medical Gear	3,787	6,170
Sundry Expenses	635	3,027

Profit and Loss

	Oct-18	Oct-17
Team Support	4,630	5,492
Training Courses	45	-
Travel Expenses	1,093	-
Trophies & Awards	892	811
Venue Hire - Grnd & Pre Season	13,472	13,333
Total Operating Expenses	266,191	440,881
Net Profit	136,839	(18,834)

North Hobart Football Club Ltd

Accounting Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 31st October 2018 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review

M C Watts CPA
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12/12/18