



Royal Papua Yacht Club

Champion Parade, Port Moresby

Telephone: (675) 321 1700 / 321 4356 Facsimile: (675) 321 4935

PO Box 140, Port Moresby, Papua New Guinea email: admin@rpyc.com.pg Web page: www.rpyc.com.pg

Commodores Six Month Report – June 2020

A warm welcome to our mid year meeting.

As you have been previously advised we had hoped to hold our deferred AGM at this meeting, however the 100 person gathering limit, is now reduced to 50, and our quorum is 100 so we are unable to hold at this time.

We do not take this situation lightly and note the following:

Our 2019 audited financial statements were published on our website along with my 2019 report. Copies of these are available here tonight for those that would like a hard copy. We also had elections due to be held. We had only one contested position with the remaining Executive Committee to be elected unopposed. We considered a number of options but our Rules of Association simply do not allow for anything other than physical meetings.

Tonight's meeting is about informing members on what's going on in this year and of course this year has seen the massive impact of the COVID pandemic, and for us particularly, the closure of our international borders, trading restrictions, and the impact on our members.

I start by congratulating the club management team, led by our GM Aaron, for their swift and adaptable handling of the crisis as it first unfolded and as it continues. The Club was immediately impacted, with the largest changes being the closure of this, the upstairs areas, and standing down 40% of our workforce at home.

We had hoped to see a gradual reduction in restrictions and had originally planned to reopen by 1 September – with the increasing case numbers in NCD – this is no longer an option.

So - what have been the impacts:

1. First and foremost was the safety of our members and staff. Standard operating practices were put in place and continue to be in place across some areas. Gatherings can not be over 50 people and social distancing and sanitising is expected from us all.
2. Yet again, we are only allowed to serve alcohol in a restaurant style environment – we are very lucky, compared to some other clubs, that our whole premises is regarded as a restaurant area. Gaming may only take place 5 days a week with use of alternate machines.
3. We wanted to protect our staff from the impact as much as possible. The executive Committee agreed to a fund to enable the payment of up to 30% of wages for staff that had been stood down. Sadly, with the current tightening of restrictions in NCD we have now had to make the decision to actually terminate our non-active staff – this is mainly our restaurant team, functions and some wait staff. Approximately 40 staff will be finished by the end of this month.
4. We have made some major changes with our management staff also, including the early termination of our Head Chef, reduced hours, reduced pay, taking of annual leave in country and cancellation of performance related salary payments.

5. We have tried to maintain basic services across all areas and in particular the marina has remained fully functional throughout. We recognize that members have paid their membership in full and their marina rentals, and that these services must continue to be provided.
6. We immediately reviewed all our existing contracts with service providers and initiated some major cuts.
7. We have already put in place shorter operating hours but right now we are subject to curfew hours again.
8. We have been hurt in other areas also – our retail rentals took a hit and our level of outstanding debtors is currently at its highest levels since the marina opened. Our team is managing this carefully, but we are mindful that our members have been significantly affected and many can't even make it to the club (or country).

It has not all been doom and gloom however, our new Café manager and Chef, Julia Wilkes started with us in July and launched a new menu at the café last week. Our marina maintenance team have been working on their projects continuously. And the newly formed 100 Year Celebration committee, chaired by Rachael Thomson, has begun significant work on planning for our 100 year anniversary in 2021.

Sporting activity has of course also been hit by the closures but participation in socially arranged events has remained very strong as our members continue to sail, fish, dive and paddle.

We have been very happy to see some boat owning members increase the level of maintenance on their boats. The flip side of this is of course that many boat owners are no longer in country and we are very mindful of boats being left with no attention. We are trying to stay in touch with these boat owners to ensure that they remain seaworthy – especially as we approach the wet season again.

We have also had some very unfortunate incidents occur during the last six months. As you are aware, we rent berths to the Water Police and they were very active earlier in the year busting the betelnut trade. We had to issue a letter advising that confiscated boats and product could not be brought back to the marina. And over the last fortnight the police have been investigating the alleged involvement of one of our visiting sailors and his yacht being involved in the major drug bust that occurred at Papa lealea. Whilst these issues are very unfortunate I am happy to report that club management dealt with these matters expediently and professionally.

Just last Friday a very upsetting physical altercation happened in the club. Again, swift action has been taken, plus we took the unprecedented step of informing the police due to the assault on a number of our guards. We recognize that we have an element of members who believe they are above the law - particularly when alcohol is involved – and we are trying to find ways to ensure we remain a safe and pleasant environment for all our members.

I take this opportunity to introduce our new Treasurer, Deon Botha following our former treasurer, Daphne stepping down. He will run through our results to date for 2020. The Club has actually recorded better than expected results but this is largely because we had already received our membership income for the year and the EC made the tough decision to not allow refunds for members departing. We do expect ongoing issues with marina payments and we are very concerned for next year – as members make the decision to renew or not.

I hand over to Deon – and we will take any questions you may have after his presentation.

Thank you.