

BHUBANESWAR CLUB

MANAGING COMMITTEE - 2018-19

Mr. Priyabrata Patnaik, IAS (Retd.)
President

Mr. Sudipta Das
Vice President

Mr. Ashok Chinchela
Honorary Secretary

Mr. Asit Pradhan
Joint Secretary

Mr. Dibyalok Patnaik
Nominated Vice President

COMMITTEE MEMBERS

Mr. Arun Kumar Verma

Mr. Jyotirmoy Mohanty

Mr. Kaushik Mohapatra

Mr. Sanjib Kumar Bala

Mr. Partha Sarathi Panigrahi

Dr. Aditya Tripathy

Mr. M. S. Padhi, IAS,

Mr. Bishnupada Sethi, IAS,

Mr. Satyajit Mohanty, IPS,

Mr. Lalit Das, IPS,

Mr. Satyajit Naik, IPS,

Mr. Manoranjan Panigrahi, IRS

Mr. Asit Kumar Mohapatra, IRS

Mr. Deepak Kumar Mohanty, IFS

Mr. Sangram Keshari Mohapatra, OAS(S)

Mr. Subrat Kumar Panda, OAS(S)

Mrs. Jasmine Patnaik, OAS(SB)

Special Invitee

1. Mr. S. K. Mohanty
2. Mr. L. D. Pangari
3. Mr. Anil Kumar Mohanty

BANKERS

UCO Bank, Surya Nagar

AXIS Bank Ltd., Bhubaneswar

Andhra Bank, OMC Branch

HDFC Bank, Kalpana Square, Bhubaneswar

KOTAK Mahindra Bank Ltd., Bhubaneswar

STATUTORY AUDITORS

M/s. H. Naik & Co.

Chartered Accountants

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BHUBANEWAR CLUB

(A Company Registered under Section 25 of the Companies Act, 1956)

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR 2018-19

Dear Member,

We are privileged to present the Annual Report along with Audited Accounts for the year ended 31st March, 2019 to the Annual General Body of the members of the Bhubaneswar Club.

The Highlights of this year:

Construction of the existing Club (New Block).

We have completed civil construction work for G+2 storied building as a New Block in our Club Complex. It is planned to open the new Indian Dining Hall by August,2019 in the new block. Further the First Floor of the New Block would have a Kitchen for Chinese and a Banquet Hall and on the second floor we will have 12 new Guest Rooms.

Construction of New Club Complex

The civil construction work of the new Club Complex at Ghatikia, Bhubaneswar has been completed. During this year a Medical Conference was held at the New Premises. The New Premises needs to be completed which needs further funds of nearly Rs.28.00 Crores to make it totally functional. There is a proposal to complete the basement and the Ground floor for use of Weddings and Reception for our members.

Creation of a Party Room (1st Floor)

The Mini Party Room which is next to the Chinese Restaurant is a facility to organise all family/group events for Members with a capacity of accommodating approximately 20 nos of guests.

Club's Cuisine and Bar /Beverage Services

All three restaurants Indian, Chinese and Teesri Manzil were well patronised by the Club members. Teesri Manzil in particular was booked by many members for private parties. However due to Cyclone FANI this restaurant was damaged and has not been in use. It is now proposed to dismantle the same and may be replaced with a RCC structure.

Entertainment Programmes, Cultural Functions and Special Events

Like the past years the club has ensured that members are entertained with good programmes on various occasions and Club functions were appreciated by all the participating members and their families.

The Annual General Meeting last year was very well attended. The Pre-Independence Day and Pre-Republic Day Nite's were also well attended and celebrated with patriotic songs.

Childrens' day was celebrated with lots of games and fun filled sport events. There was also Boogie Woogie nite in which the children sang, danced and played their own musical instruments. This program is something that the kids look forward to. The kids also actively participated in the Pre-Christmas Nite and enjoyed the presence of Santa Claus. The members children like every year were given Christmas gifts by the Club.

The New Year Eve function is one event which all members look forward to. This year was no exception and the members danced to their hearts content with the live performance by singers & a DJ from Kolkata. The New Year Eve 2019 was ushered in a grand way followed by dinner.

Holi was celebrated like every year with the rain dance floor and with variety of snacks, beverages and Biryani. The members enjoyed dancing to catchy numbers played by a DJ.

Pre-Utkal Divas Celebration was held with the backdrop of a typical ethnic village. Many famous Odia singers presented songs. This year traditional dance forms of Odisha performed by renowned artists and groups. Lot of members look forward to this nite for the traditional Odia food that is served this evening. This year too all members enjoyed the excellent Odia music, dance and mouth watering Odia food.

Mutual Benefit Fund

Consequent on the demise of 17 participant members the respective nominees/spouses have been given compensation as per the Mutual Benefit Fund Scheme for such members who had opted for coverage during the year.

Members who left us for their heavenly abode during the Period

The Club extended condolences at the sad demise of the following members.

Name of the deceased Member

Sl. No.	Members Name	Membership No.	Date of Death
1	Pramod Kumar Mohanty	P1150	05.04.2018
2	Krushna Prasad Sethy	P0630	06.04.2018
3	Shri Dandanirodha Mishra	P0581	24.04.2018
4	Hemant Kumar Bhandari	L0003	29.06.2018
5	Jayanta Kumar Rath	P1642	01.08.2018
6	Sourav Sureka	P2229	08.08.2018
7	Trailokya Nath Mohapatra	P0242	28.08.2018
8	Pradipta Kumar Mohanty	P0318	14.09.2018
9	Nihar Satpathy	P2020	16.09.2018
10	Sanjit Kumar Samal	OP0174	16.09.2018
11	V.K. Narula	L0157	17.09.2018
12	Dr. Sabyasachi Mahapatra	OL0044	23.09.2018
13	Balbir Singh	L0182	01.12.2018
14	P.S. Jhala	OP0039	21.12.2018
15	Ajay Patnaik	OP0547	09.02.2019
16	Brundaban Rath	P0562	11.03.2019
17	Subash Chandra Baral	P1649	17.03.2019

Personal Accident Insurance Cover for eligible members and staff

Arrangements were made during the year to provide group personal accident insurance cover to eligible members and staff of the Club up to Rupees Two lakhs each through the National Insurance Co. Ltd.

Staff & Human Resources Development and Staff Welfare

The Committee places on record their appreciation and the efforts put in by the employees of the Club at all levels. During the year, the salaries of the staff have been substantially revised.

Statutory Declaration

The Club has no employee of the category as specified under Section 217(2A) of the Companies Act, 1956.

Club Management – Meetings of the E.C.

During the period under report the Executive Committee had five formal meetings held in addition to the Annual General Meeting held on 26th August, 2018. All the functional matters of management were reviewed periodically. In addition, meetings of sub-committees and special meetings/informal meetings of EC members and Invitees were held for smooth functioning of the Club.

MEMBERSHIP POSITION OF THE CLUB

Type of Member	31.03.18	31.03.19	Increase / Decrease
Corporate Members	171	157*	(-)14
Life Members	355	354	(-)01
Outstation Life	45	44	(-)01
Permanent (Resident)	1606	1574	(-)32
Permanent (Outstation)	402	379	(-)23
Honorary Members	38	39	(+)01
Long Term Temporary / Temporary	13	10	(-)03
Institutional	8	6**	(-)02
Tenorial	4	5	(+)01
Total	2642	2568	(-)74

*287 additional Corporate nominees (As on 31.03.2019)

**16 additional Institute nominees (As on 31.03.2019)

The total membership of the Club at 2568 excludes 287 nos additional nominees of corporate members and 16 nos additional nominees of Institutional members. It may be seen from the above that enrolment of Corporate and Life Members has remained sluggish and the club has adopted a policy to restrict new memberships. The details of Membership during the year are as under:

Type of Members	Corp.	Inst.	Life	Outs. Life	Perm.	Outs. Perm.	L.T.T	Tenurial	Honorary	Total
New Members Enrolled	2	-	15	-	40	-	2	1	1	61
Membership Terminated	22	2	15	2	58	32	3			134
Membership Restored	7	-	2	2	8	5				24
Members Resigned	1	-	-	-	2	3	2			8
Members Expired/ceased	-	-	3	1	10	3				17
Inter se conversion between Permanent and Outstation Permanent Members					-10	+10	-			-
Net Increase(+)								1	1	+2
Net Decrease(-)	14	2	1	1	32	23	3	-	-	-76
As on 31.03.2017	171	8	355	45	1606	402	13	4	38	2642
As on 31.03.2018	157	6	354	44	1574	379	10	5	39	2568

Statutory Audit Report & Audited Accounts for the Financial Year 2018-19

The Audit Report together with Audited Accounts for the financial year 2018-19 duly certified by M/S H.Naik & Co., Chartered Accountants, has been displayed on the Club's Notice Board for information of the members in terms of Article No. 65 of the Articles of Association of the Club. The Audit Report with Accounts is annexed. An abridged version of the Balance Sheet and Revenue Accounts is given in next page:

ABRIDGED BALANCE SHEET AS ON 31.03.2019 - (COMPARATIVE POSITION)

(Amounts in lakhs of Rupees)

FUNDS & LIABILITIES	31.3.2018 (Audited)	31.3.2019 (Audited)
1.General Fund	1016.49	1032.78
2.Building Fund	2523.81	2704.48
3.Staff Welfare Fund (after netting out payments to staff)	10.86	11.88
4. Current Liabilities	366.16	178.13
TOTAL FUNDS	3917.31	3927.27
PROPERTY & ASSETS		
1. Fixed Assets	2183.28	2404.43
2. Advances	58.07	73.65

3. Current assets	281.90	144.17
4. Security deposits	178.56	171.07
5. Cash & Bank Balances and Investments	1215.50	1133.95
TOTAL ASSETS	3917.31	3927.27

Financial turn over at Rs.8.41 Crores as against Rs.9.52 Crores last year. The Cash & Bank Balances stood at Rs.11.34 Crores.

RECEIPTS AND PAYMENTS OF CAPITAL ACCOUNT - (COMPARATIVE POSITION)
(Amounts in lakhs of Rupees)

RECEIPTS/ INFLOW OF FUNDS	2017-18	2018-19
Entrance Fees	8.01	10.70
Building Fund (Development Fees)	143.96	180.67
Staff Welfare Fund	1.54	1.02
Current Liabilities	205.63	(-) 188.03
TOTAL RECEIPTS (A)	359.14	4.36
PAYMENTS/ OUTGO OF FUNDS		
Addition to Fixed Assets	951.99	221.15
General Fund (prior year adjustment)	186.58	-
Loan & Advances	35.74	15.58
Security Deposits	(-) 54.81	(-) 7.50
Current Assets	12.72	(-) 137.73
TOTAL PAYMENTS (B)	1132.22	91.51
NET SURPLUS IN CAPITAL A/C. (A) – (B)	(-) 773.08	(-) 87.15
ADD- NET SURPLUS IN REVENUE A/C	55.89	5.60
NET CASH & BANK BALANCE DECREASE DURING THE YEAR	(-) 717.19	(-) 81.55

REVENUE SURPLUS ACCOUNTS

Kitchen sales topped at Rs.3.16 Crores, and decrease by Rs.102.21 lakhs over last year. Kitchen surplus after staff salary and expenses stood at Rs.90.91 lakhs. The rate of return stood at 29%.

Bar sales have marginally increased to Rs.266.31 lakhs from Rs.249.37 lakhs. Bar surplus stood at Rs.67.82 lakhs.
Guest Rooms surplus stood at Rs.31.37 lakhs.

DEFICIT NET REVENUE ACCOUNTS

The Deficit Revenue Account comprises Billiards, Tennis, Entertainment Programmes A/c, Gym, Swimming Pool and Other Games A/c.

This year also we have been able to present a good number of Entertainment programmes.

SEGMENT-WISE ANALYSIS OF MAIN INCOME ACCOUNTS

(Amounts in lakhs of Rupees)

Financial Results	Year 2017-18	Year 2018-19	Increase Decrease
MAIN SURPLUS SEGMENTS			
Bar & Beverage Services/Sales	249.37	266.31	16.94
Bar surplus before salary & expenses	104.80	114.46	9.66
Bar rate of return before salary & expenses	42%	43%	1%
Bar surplus after salary & expenses	71.00	67.82	(-)3.18
Bar rate of return on sales & services	28%	25%	(-)3%
Kitchen Services/Sales	417.88	315.67	(-) 102.21
Kitchen purchases & expenses	223.56	196.46	(-)27.09
Kitchen surplus after purchases / expenses but before staff salary	194.16 46% on sales	119.20 38% on sales	(-)74.95 (-)8%
Kitchen salary & expenses	31.83 15% on purchase	28.29 15% on purchase	(-)3.54
Kitchen surplus after salary	162.33	90.91	(-)71.41
Kitchen Return on sales	39%	29%	(-)10%
			1.07
Guest Rooms collections	56.71	57.77	
Guest Rooms salaries & expenses guest hospitality expenses	24.56	26.41	1.85
Guest Rooms surplus after salaries & expenses	32.15	31.37	(-)0.78
Card Room collections	6.00	4.46	(-)1.54
Less: Expenses & Salary	2.72	2.89	(-)0.17
Surplus in Card Room	3.27	1.57	(-)1.71
DEFICIT OPERATIONAL ACCOUNTS			
BILLIARDS	4.49	5.18	.69
ENTERTAINMENT PROGRAMMES A/C.	17.82	8.36	(-)9.46
OTHER GAMES A/C.	0.01	0.01	-
SWIMMING POOL A/C	1.09	1.64	.55
TENNIS A/C.	4.30	4.96	.66
GYM	-0.42	2.78	2.36

1. Tax Demand Issues:

(1) Income Tax

The Club has made provision towards Income Tax for the Financial Year 2018-19 amounting to Rs.3.12 lakh only.

(2) (a) Sales Tax(Contingent Liability)

Appeal for the years 2000-01 to 2004-05 have been re-adjudicated by the 1st appellate authority giving partial relief sustaining total demand of Rs.246.92 lakh against which the club has preferred appeals before the Sales Tax Tribunal which are pending for adjudication. The above demands are covered under stay after payment of Rs.62 lakh. As the Club is contesting the

Department's assessment, no provision has been made in the accounts for the above disputed tax liability.

(b) VAT: (Contingent Liability)

Assessment for period 01.04.2005 to 31.12.2005 and for the years 2008-09 to 2012-13 created a total demand of Rs.489.26 lakh now under dispute in appeal/SLP (C). After payment of Rs.88.98 lakh balance demand of Rs.400.28 lakh covered under stay by the orders of different forums such as Sales Tax Authority, High Court and Supreme Court. As the Club is not accepting Department's plea of taxability, no provision has been made in the accounts for the above disputed tax liability.

(3) GST

The Club has been registered under GST Act, 2017 and complying with the provisions of the said Act.

Committee Members' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Committee Members confirm that the Annual Accounts have been prepared in accordance with the applicable accounting standards. The management has selected such policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the club at the end of the financial year and profit/loss of the club for that period. Sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Club and for preventing and detecting fraud and other irregularities. The annual accounts have been prepared on a going concern basis.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgoings

The Club, being a mutual concern involved with social, cultural and sports activities of members, has not consumed energy of any significant level and no additional investment was made for reduction of energy conservation. Reasonable economy measures were taken for energy saving/conservation. No comment is made on technology absorption considering the nature of activities of the Club. There has been no foreign exchange earning or outgo during the year.

Statutory Auditors

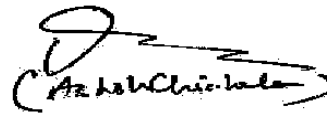
M/s. H. Naik & Co. Chartered Accountants, the Statutory Auditors of the Club retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Acknowledgement

The Club management gratefully acknowledge the kind assistance and co-operation extended to the Club by the Government of Odisha, Banks, Auditors, Sponsors, affiliated clubs, other corporate bodies and organisations as well as the Members of the Club as well as the staff in the smooth functioning of the Club.

Dated : 30th June,2019.
Bhubaneswar

By Order of the Committee



(Ashok Chinchela)
Honorary Secretary