

PORTLAND GOLF CLUB LIMITED

Lithgow City Council

Scanned

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Fix

Roger Bailey

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26th September 2012

CEO Lithgow City Council

We, the Board of Director of the Portland Golf Club would like to inform the Lithgow City Council of our limiting financial position. The Club is asset rich (100 acres of prime land, clubhouse and equipment, total value \$1.2M minimum) has no debts, but is cash poor.

As you are aware, we are attempting to develop and sell six housing blocks facing onto Bell Street Portland. Due to poor financial turnover and approval time, we no longer have the money to finance the required infrastructure (Water, Sewerage and Electricity supply).

We have had several interested buyers but are unable to exchange contracts without the infrastructure in place.

To ensure that the Club continues to trade we have reduced all paid positions except two part time bar staff. All other work is done on a voluntary basis.

Estimates for water/ sewerage are approximately \$50,000. Estimate for supply of electricity is approximately \$100,000.

It is proposed to develop the blocks sequentially with a portion of each sale being used to finance the following block.

The Directors would like to request a loan of \$150,000 to develop these blocks. The loan would be repaid as each block is sold with an agreed time limit for final repayment.

It is suggested that the council become a part of the development to ensure that rate payer's money is used responsibly.

The Directors further ask that Council continues with the promised "Work in Kind" approved earlier this year.

We hope that this request is viewed in a favourable light.

For and on behalf of the Board of Directors

Portland Golf Club

Bob Roberts..........Vice President.