

BHUBANESWAR CLUB

MANAGING COMMITTEE - 2015-16

Mr. Priyabrata Patnaik, IAS(Retd.)
President

Mr. Sudipta Das
Vice President

Mr. Dibyalok Patnaik
Honorary Secretary

Mr. Asit Pradhan
Joint Secretary

COMMITTEE MEMBERS

Mr. Srimoy Kar	Mr. R.K.Sharma, IAS
Mr. Debesh Das	Mr. Guru Charan Ray, IRTS
Mr. Pragati Kumar Mohanty	Mr. M. S. Padhi, IAS
Mr. Jyoti Bhusan Pany	Mr. Manoranjan Panigrahi, IRS
Mr. Jyotirmoy Mohanty	Mr. Siddhanta Das, IFS
Mrs. Reena Nayak	Mr. Satyajit Mohanty, IPS
Mr. Laxmidhar Pangari	Mr. Lalit Das, IPS
Mr. S.K.Mohanty	Mr. Satyabrata Bhoi, IPS
Mr. Nitin Manek	Mr. B.R. Mishra

BANKERS

UCO Bank, Suryanagar Branch
AXIS Bank Ltd., Bhubaneswar
Andhra Bank, OMC Branch

STATUTORY AUDITORS

M/s. H. Naik & Co.
Chartered Accountants

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BHUBANEWAR CLUB
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR 2015-16

Dear Member,

We are privileged to present Annual Report along with Audited Accounts for the year ended 31st March, 2016 to the Annual General Meeting of the Bhubaneswar Club. Our Club has been consistently growing in important spheres of activities. It is very satisfying to see the all round progress of the Club. We feel proud in conveying to our esteemed members that we have successfully completed another year as a well managed Club.

The highlights of this year:

1. Commencement of excavation and civil work at the new club complex.
2. Completion and inauguration of new restaurant on the third floor.
3. Renovation of the guest rooms.

Commencement of Excavation and Civil work at New Club Complex

As per plan, the construction of basement parking place has been started.. Anti-termite treatment and PCC work of entire construction area have been completed. RCC of wall footing work of front block has been completed. Erection of concrete pillars have been started. Out of total 75 pillars, 45 pillars footing have been constructed. It has been unanimously decided to expedite the construction work so as to complete the project within two years.

Inauguration & Performance of Teesri Manzil Restaurant and Dance Floor

On 4th July 2015, "***Teesri Manzil***" a new addition to our club facilities was inaugurated in a grand way . This new restaurant on the top most floor of our club has been aesthetically designed with well furnished interiors, sophisticated sound system, elaborated lighting and other effects. This restaurant also offers a dance floor and a spacious all-weather terrace . The restaurant was crowded throughout the year and is quite popular amongst the younger group. The bar is a combination of contemporary design and subtle lighting, a relaxing place to enjoy some elbow-bending in the company of friends and family. It is mention worthy that this restaurant has come through with the generous support of one of our committee members.

Club's Cuisine and Bar /Beverage Services

Like every year ,the Club members along with their families patronised both the Dinning Halls of the club. The members of the club also availed the lawns and other facilities for hosting receptions and gatherings.

Entertainment Programmes, Cultural Functions and Special Events

Like the past years, we have ensured that members are entertained with good musical programmes and functions on various occasions which were highly appreciated by all the participating members and their families.

The Annual General Meeting last year was very well attended followed by lunch. Like every year the spouses of members entertained themselves with Bumper Housie while the AGM was in progress. The Pre-Independence Day and Pre-Republic Day Nite's were well attended and celebrated with patriotic songs.

Children's' day was celebrated with lots of games and fun filled sport events. There was also Boogie Woogie night in which the children sang, danced and played their own musical instrument. This program is something that the kids look forward to. The kids also actively participated in the Pre-Christmas Night 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 to the live performance of DHWANI GROUP from KOLKATA .The New Year 2016 was ushered in, in a grand way followed by dinner.

This year Holi was celebrated with the trade mark Ice Dance Floor and rain dance which was a major hit with members dancing continuously for 4 hours to the foot tapping music of the DJ.

Like the past few years, Pre-Utkal Divas Celebration was held with the backdrop of a typical ethnic odia village. Many famous Odia singers presented songs including the songs of Late Akshaya Mohanty. Lot of members look forward to this night for the typical Odia food that is served this evening. This year too all members enjoyed the excellent Odia music and mouth watering Odia food.

Mutual Benefit Fund

Consequent to the demise of 7 participant members the respective nominees/spouses have been paid @ Rs.50,000/- each under the Mutual Benefit Fund Scheme during the year.

Members who left us for their heavenly abode during the Period

The Club condoled the sad demise of the following members in the intervening period under report.

Sl. No.	Date of Death	Membership No.	Member's Name
1.	27.04.2015	P1123	Late Priyambada Rath
2.	02.05.2015	P0150	Late Nanda Kishore Patnaik
3.	25.07.2015	P0719	Late Kalpataru Das
4.	14.09.2015	P1240	Late Sarada Kanta Mahapatra
5.	18.09.2015	L0198	Late Shyama Sundar Patri
6.	01.10.2015	P0124	Late Satya Narayan Mohapatra
7.	22.10.2015	P0196	Late K. Srinivasan
8.	25.10.2015	P0247	Late Dwijendra Nath Rath
9.	12.12.2015	P0425	Late Bam Bahadur Singh
10.	04.01.2016	P0163	Late C. R. Patnaik
11.	01.02.2016	P0917	Late Deepak Ku. Mishra
12.	04.02.2016	L0188	Late Bibhuti Bhushan Satpathi
13.	13.02.2016	P1993	Late Biraja Prasad
14.		P0106	Late Debendra Mishra

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.

Affiliation with Other Clubs

Our Club made reciprocal arrangements with the following additional Clubs taking the total number of affiliated to 182. During the year, The Bareilly Club, Union Club, Dhanbad, Club Paraiso, Raipur, MIA Centre for Sports & Recreation, Nagpur were affiliated.

Club Management – Meetings

During the period under report the Executive Committee had seven formal meetings held in addition to the Annual General Meeting held on 23rd Aug. 2015. All the functional matters of management were reviewed periodically. In addition, meetings

of sub-committees and special meets/informal meetings of EC members and Invitees were held for smooth functioning of the Club.

Membership Coverage

The membership of the Club as on 31st March 2016 stood at 2516 by registering an increase of 87 members over last year's position. The marked increase was under the category "Permanent". The details of aggregate Membership position are given below.

MEMBERSHIP POSITION OF THE CLUB

Type of Member	31.03.15	31.03.16	Increase / Decrease
Corporate Members	186	181	(-) 5
Life Members	353	367	(+)14
Permanent (Resident)	1473	1547	(+)74
Permanent (Outstation)	362	363	(+) 1
Honorary Members	38	38	-
Long Term Temporary / Temporary	10	11	(+) 1
Institutional	7	8	(+) 1
Tenurial	-	1	(+) 1
Total	2429	2516	(+) 87

323 no's corporate additional nominees (As on 31.03.2016)

16 no's **Institutional** additional nominees (As on 31.03.2016)

The total membership of the Club at 2516 excludes 323 no's additional nominees of corporate members and 16 no's 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	Perm.	Outs. Perm.	L.T.T	Tenuri al	Honor ary	Total
New Members Enrolled	2	1	14	93	-	3	1	-	114
Membership Terminated	6	-	5	29	12	1	-	-	53
Membership Restored	-	-	7	24	13	1	-	-	45
Members Resigned	1	-	-	2	-	2	-	-	5
Members Expired/ceased	-	-	2	12	-	-	-	-	14
Inter se conversion between	-	-	-	(-25)	(+25)	-	-	-	-

Permanent and Outstation Permanent Members									
Net Increase(+)	-	-	-	-	-	-	-	-	87
Net Decrease(-)	-	-	-	-	-	-	-	-	-
As on 31.03.2015	186	7	353	1473	362	10	-	38	2429
As on 31.03.2016	181	8	367	1547	363	11	1	38	2516

Statutory Audit Report & Audited Accounts for the FY 2015-16

The Audit Report together with Audited Accounts for the FY 2015-16 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 Profit & Loss Accounts is given in next page:

ABRIDGED BALANCE SHEET AS ON 31.03.2016 - (COMPARATIVE POSITION)

(Amounts in lakhs of Rupees)

FUNDS & LIABILITIES	31.3.2015 (Audited)	31.3.2016 (Audited)
1.General Fund	840.58	1085.44
2.Building Fund	1943.02	165.08
3.Staff Welfare Fund (after netting out payments to staff)	6.86	8.07
4. Current Liabilities	32.83	39.38
TOTAL FUNDS	2823.29	3297.97
PROPERTY & ASSETS		
1. Fixed Assets	484.97	551.41
2. Advances	146.75	202.40
3. Current assets	63.88	82.75
4. Security deposits	203.37	203.37
5. Cash & Bank Balances and Investments	1924.32	2258.04
TOTAL ASSETS	2823.29	3297.97

Financial turn over touched high at Rs 41.60 Crores as against Rs.36.54 Crores last year. The Cash & Bank Balances stood at Rs.22.58 Crores.

RECEIPTS AND PAYMENTS OF CAPITAL ACCOUNT - (COMPARATIVE POSITION)

(Amounts in lakhs of Rupees)

RECEIPTS/ INFLOW OF FUNDS	2014-15	2015-16
Entrance Fees	11.96	13.19
Building Fund (Development Fees)	213.53	222.06
Staff Welfare Fund	1.42	1.21
Current Liabilities	3.97	6.55
TOTAL RECEIPTS (A)	233.57	243.01

PAYMENTS/ OUTGO OF FUNDS		
Addition to Fixed Assets	(41.92)	66.44
Loan & Advances	128.40	55.65
Security Deposits	59.18	-
Current Assets	96.65	18.87
TOTAL PAYMENTS (B)	49.01	140.96
NET SURPLUS IN CAPITAL A/C. (A) – (B)	184.56	102.05
ADD- NET SURPLUS IN REVENUE A/C	74.84	231.67
NET CASH & BANK BALANCE INCREASE DURING THE YEAR	259.40	333.72

REVENUE SURPLUS ACCOUNTS

- Kitchen sales topped an all-time high at Rs.4.30 Crores, and registered an increase by Rs.58.50 lakhs over last year. Kitchen surplus after staff salary and expenses stood at Rs.105.01 lakhs. The rate of return stood at 24%.
- Bar sales have marginally increased to Rs.219.16 lakhs from Rs.178.89 lakhs. Bar surplus stood at Rs.51.26 lakhs.
- Guest Rooms surplus stood at Rs.44.35 lakhs.

DEFICIT NET REVENUE ACCOUNTS

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

REVENUE ACCOUNT (COMPARATIVE POSITION) (AMOUNTS IN LAKHS OF RUPEES)

FINANCIAL RESULTS	31.03.2015	31.03.2016	Increase / Decease
A) Surplus under Operational accounts (Bar, Kitchen, Guestroom etc.)	163.00	206.16	42.28
B) Receipts under Non Operating accounts	260.14	329.69	69.55
a) Total receipts	424.04	535.87	111.82
b) Expenditure under operating accounts (cards, billiards, Entertainment, Tennis etc.)	26.16	19.89	(6.27)
c) Expenditure under non-operating accounts (staff & establishment)	245.88	233.88	(12.00)
d) Total expenditure	272.04	253.77	(18.28)
e) Revenue surplus before depreciation	152.00	282.10	130.10
f) Depreciation	77.15	50.43	(26.72)
g) Net Surplus	74.84	231.67	156.82

SEGMENT-WISE ANALYSIS OF MAIN INCOME ACCOUNTS

(Amounts in lakhs of Rupees)

Financial Results	Year 2014-2015	Year 2015-2016	Increase
MAIN SURPLUS SEGMENTS			
Bar & Beverage Services/Sales	178.89	219.16	40.27
Bar surplus before salary & expenses	62.48	79.44	16.96
Bar rate of return before salary & expenses	35%	36%	1%
Bar surplus after salary & expenses	39.52	51.26	11.74
Bar rate of return on sales & services	22%	23%	1%
Kitchen Services/Sales	371.42	429.91	58.50
Kitchen purchases & expenses	245.01	261.74	16.72
Kitchen surplus after purchases / expenses but before staff salary	128.18 35% on sale	167.00 39% on sale	38.82
Kitchen salary & expenses	67.86 18% on sale	76.91 18% on sale	9.05
Kitchen surplus after salary	76.01	105.01	29.00
Kitchen Return on sales	20%	24%	4%
Guest Rooms collections	56.08	62.22	6.14
Guest Rooms salaries & expenses guest hospitality expenses	13.45	16.11	2.65
Guest Rooms surplus after salaries	42.63	44.35	1.72

& expenses			
Card Room collections	3.26	4.08	0.82
Less: Expenses & Salary	1.83	2.12	0.29
Surplus in Card Room	1.43	1.96	0.52
Gym surplus	4.31	3.58	0.73
DEFICIT OPERATIONAL ACCOUNTS			
BILLIARDS	3.08	3.59	0.51
ENTERTAINMENT PROGRAMMES A/C.	20.67	6.17	14.50
OTHER GAMES A/C.	.01	0.02	0.01
TENNIS A/C.	1.54	0.52	0.31
SWIMMING POOL A/C.	.83	3.45	1.91

1. Tax Demand Issues:

(1) Income Tax

No provision towards income tax has been made during the year as the Club is claiming exemption of income on the principle of "Mutuality". For the first time in the Financial Year 1996-97, the IT Department created a dispute by not accepting the principle of "Mutuality" which was adjudicated by the Income Tax Appellate Tribunal (ITAT) who favoured the view of the Club and accepted that the Club is governed by the principle of "Mutuality". The IT Department has filed appeal before the Hon'ble High Court of Orissa which is pending for adjudication.

Thereafter, the IT Department from the Assessment Years 1997-98 to 2008-09 created huge demands which were mostly deleted by the ITAT accepting the claim of "Mutuality". Presently, from the Assessment Years 2009-10 & 2013-14, IT Department has created total demand of Rs.97.87 lakhs against which appeals are pending before ITAT/CIT (A).

(2) Sales Tax/VAT

(A) SALES TAX:

Appeals 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 lacs 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 lacs.

(B) VAT:

Assessments 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 lacs now under dispute in appeal/SLP(C). After payment of Rs.88.89 lacs balance demand of Rs.400.28 lacs covered under stay by the orders of different forums such as Sales Tax authority, High Court and Supreme Court.

(3) Service Tax

The Club has filed a Writ before the Hon'ble Orissa High Court pursuant to a Notice of Service Tax Authority challenging its applicability and the same is pending adjudication.

Committee Members' Responsibility Statement

Pursuant to Section 134(3)(C) of the Companies Act, 2013, 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, 2013 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

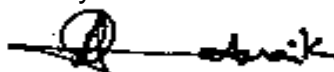
Messrs. H. Naik & Co. Chartered Accountants, the Statutory Auditors of the Club retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Acknowledgement

The Club management gratefully acknowledges 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: 14th July, 2016
Bhubaneswar

By Order of the Committee

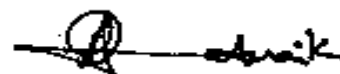


**(Dibyalok Patnaik)
Honorary Secretary**

LIST OF ENTERTAINMENT/CULTURAL FUNCTIONS

HELD BY THE CLUB DURING 2015-16

- 1 14/08/2015 - Pre-Independence Day
- 2 23/08/2015 - AGM & Club Election
- 3 25/10/2015 - Disco Dandiya
- 4 10/11/2015 - Pre-Diwali
- 5 14/11/2015 - Children's Sports
- 6 15/11/2015 - Boogie Woogie
- 7 24/12/2015 - Pre-Christmas Celebration
- 8 31/12/2015 - New Year Eve
- 9 25/01/2016 - Pre- Republic Day Celebration
- 10 24/03/2016 - Holi & Rain dance



**(Dibyalok Patnaik)
Honorary Secretary**