

Treasurers Report 17/6/19 GDTA trading as Gosford Tennis Club

Current Position

The current cash surplus position as at 14/6/19 is as follows:

Total Payable	\$29,686.00
GST Payable to 31/5/19 – in credit with ATO	\$0
PAYG Withholding to 31/5/19 – in credit with ATO	\$0
Superannuation payable to 31/5/19	\$1,789.18
Total Owing	\$31,475.18
Total Receivables	\$38,551.00
Total Cash at Bank (includes \$37,708.77 in Capital Works A/c)	\$46,685.43
Total To be received	\$85,236.43
Surplus for Solvency Purposes	\$53,761.25

The cash surplus has positively jumped this month mainly due to the grant received from Central Coast Council for \$22,692 to cover hosting costs of upcoming tournaments from June 2019 to January 2020. In saying this we have a TNSW annual affiliation fee of \$6,072 which will need to be paid this month and will slightly erode the underlying cash position. This grant will be transferred across to the Capital Works account.

For the month of May, the club made a significant profit of \$20,152 compared to the same period last year of a loss \$1,926, however if we were to take the grant off the May profit a loss of \$2,540 would have had been recorded. This is in line with my comments of last month and overall if you strip back sponsorship and grants/sponsorship for this financial year the overall business would be trading at a much small profit of \$3,535, which is still very positive given where we were 12 months ago. However, this also tells us that there are very small margins in the running the business and we have been blessed to have had overall dry weather during this time.

For the 11 months 1 July 2018 – 31 May 2019, the Club has made a profit of \$56,037 compared to the same period last financial year of a loss \$66,457. Based on projections current expected profit to 30/6/19 is estimated at \$64,252.06.

In terms of the year-end figures, I am forecasting a GP Margin of 80% up from 70% (2017/18), Café and Pro-Shop sales respectively up 16% and 73% (2017/18) and Competition income up 13%. Court-hire is of some concern down 47% and Tournaments down 35%, although I expect this to improve now that June's AMT fees are starting to come through.

	YTD Projected	YTD Actual
Income	\$470,011.00	\$412,608.46
CoS	\$140,272.88	\$83,579.78
GP	\$329,738.13	\$329,028.68
GP: Sales	70%	80%
Expenses	\$301,173.63	\$264,776.62
Profit/Loss	\$28,564.50	\$64,252.06

Updated Receivables and Payables are included with this report.

Points raised for **Payables** is as follows:

- Central Coast Council - \$2,311. Pay every quarter rather than monthly. This is due to be paid this month.
- Coastal Fencing & Steel - \$3,256 – This is to be paid for courts 7 & 8 dividing fence which when paid Mick Courtney will donate back the funds to Junior Development. This will be completed this month.
- Bite me Bakehouse of \$824 relates to baked product for the Rosewall Bowrey Cup
- Mitchell Classic Signs \$955 relates to honor boards
- \$1600 to Wyong TC for court hire. This has been delayed as we will be waiting on payment from Wyong TC due to JDS court hire. Note that the net amount will be approx. \$800 after Sunday's JDS is completed.

Receivables include:

- Alex Fielding owes \$1,707 which has now been paid. There was a delay as he was waiting for Active Kids payments.
- ANZ's \$5,500 which will increase to \$10,000 and become a current debtor with payment due by 30 September 2019, covering the Central Coast Open.

Funding for Infrastructure

Over the past 2 meetings, I outlined a list of major infrastructure projects that we will need to look to fund through our own allocation of capital works monthly sinking funds, grants, donations, and sponsorship. According to our business plan over the next 2 years I estimate a shortfall of \$675,000 to meet all our infrastructure improvements.

Chris and I will further update you on the meeting with Tennis NSW which was held 13/6 and relates to their current property audit of the site. However, I have attached for your records TNSW current audit of the site highlighting over the next 12 years, total costs relating to resurfacing, fencing, lighting, and maintenance of existing buildings (not new buildings) would cost \$2.954m. This would be broken down as follows:

- **Years 1-3** - \$780,000 / **Years 4-6** - \$568,000 / **Years 7-9** - \$709,000 / **Years 10-12** - \$897,750

It is TNSW view to reduce the size of the complex and convert the majority of tennis courts to synthetic grass, to ensure the sustainability of the facility without incurring large spending on upgrading courts. It is not a view I share personally given the impacts on tournaments, our growing membership base, direct population increases and other major infrastructure projects that are proposed for the area including the Squash Centre. Committee may have a different view, and this is critical before implementing our business and strategic documentation.

As a committee I had asked at our last meeting that we now need to start working on how we are going to raise the \$675,000 needed. Since this time Chris and I have met to work through a key stakeholder engagement document to target all Government level officials who need to hear our story. Raising loans from TNSW and others could assist us in reducing our infrastructure costs over a longer period of time. If you have any further idea's, please let me know.

Current grant update is as follows:

- **Central Coast Awarding Sponsorship (14/1-28/2).** We have successfully received our largest Council grants thus far of \$22,692.
- **Central Coast Community Support Grant Program (All year round)** – This has been submitted and we should have a decision by mid-June 2019. This is for the garbage bins.
- **My Community Grant** – NSW State Government grant used for property improvements. Grants are from \$20,000 to \$200,000 and involve an application by 15 May 2019, and a voting process between 15 July and 15 August. This grant will be for the LED lights.

For Noting

- **Audit** – We have had one quote from Horizon Accounting Solutions for \$3,080 including GST. I have asked through PKF Erina and David O'Brien a further quote which is yet to be to hand.
- **Stocktake** - As at 31 May 2019, stock on hand is \$7,638.
- **Kitchen Costs** – Del and Lynne to provide an update.

Outstanding Items for approval

Please advise if you have any items or activities you would like to fund over the next month for approval – such as advertising, maintenance, printing, etc.

