

Treasurers Report 18/5/20 GDTA trading as Gosford Tennis Club

Current Cash Position

The current cash surplus position as at **16/5/20** is as follows:

Total Payable	\$18,219.99
GST Payable – to be paid by 28/5/20	\$2,453.00
PAYG Withholding (due 28/4/20)	\$0.00
Superannuation (paid 21/4/20)	\$0.00
Committed payments for major improvements agreed & unpaid	\$36,042.00
Total Owing	\$56,714.99
Total Receivables	\$2,846.35
COVID-19 Job keeper payments owed	\$12,000.00
Total Cash at Bank - Operating	\$6,222.32
Total Cash at Bank – Capital Works	\$60,837.64
Total Cash at Bank – Junior Development	\$5,232.13
Total To be received	\$87,138.44
Surplus for Solvency Purposes	\$30,423.45

Summary

We are now into our third month of trading under the COVID-19 restrictions and whilst it has been a difficult time for many people, all 3 forms of Government assistance (outlined in my interim report of 20 April) have been a windfall for the club. In addition, we have a strong solvency position also due to the recent receipt of insurance claims that have now been processed.

This has allowed the club to undertake some major improvement projects including replacing the fencing on Court 12, installing LED lighting for courts 5-9 in June/July, moving and increasing honor boards into the main club room, opening up the office window, and placing retail signage in and around the retail area. In addition, we have increased the scope of masterplan works to finalize a survey plan and expand our architects' scope to include the lower complex.

From an operations viewpoint, this has been the most pleasing and surprising financially. We have seen since re-opening on 7 April, average court-hire bookings at 92 hires per week, and the UTR singles hit out has added a further 64 matches. We continue not to take fees from coaching, and I understand Jono and Alex are doing 40 hourly one-on-one lessons a week.

COVID – 19 Payments

We have outstanding funds owed under the Job Keeper program totaling \$12,000. This should be paid on a fortnightly basis and evidenced via employee payroll payments. There has been a glitch in the system, and this is being fixed by our accountant, so we should see this come through over the coming fortnight.

All remaining Government benefits have been paid.

Accounts Payable

The Xero reporting provided, and the number given in the above summary differ due to some payments not applicable, particularly those in the older category, and our new insurance renewed policy recorded as a lump sum. The remaining balance of fencing is due within 30 days, and TNSW have agreed to a monthly repayment schedule to paydown the TA bill over the next 4-5 months.

Profit & Loss Position

I have attached April 2020 reporting and a YTD report for your reference. Both P&L's do look ugly when you first look at these and will make these points to provide some comfort:

- COVID-19 Job Keeper payments have yet to be included, and we should see this flow in May's accounts. This will be for a figure of \$18,000 - \$24,000. The NSW business grant has been included.
- Wages have increased to \$6,000 per fortnight to comply with Job Keeper hence the large increase in wages over the month.
- Maintenance for April includes the full costing of the Court 12 repair at \$9,500
- The full costing of insurance for the next 12 months has been reported, though we pay premiums on a monthly basis.
- We have capital assets expensed of \$5,225, that relates to the 10% deposit paid for the LED lighting.
- May accounts will also show insurance recoveries of \$38,700.

Given the above I would think that we broke even for April. With May to show a strong revenue month including a one-off insurance payment, I am forecasting that for this financial year, the club will make a small profit before capital costs are taken out.

We will also start to see in June, membership income for the 20/21 year with small increases coming through - \$50 Adult, \$25 Seniors, \$20 Junior non-hot shot players, \$15 Social and Family Membership packaged at a Family of 4 with a 25% discount. I would also think we need to have the coaches re-start some court-hire costs during peak periods as COVID restrictions ease.

Grants & Rebates

As reported in my previous update of 20 April we currently have the following grants submitted:

- NSW Community Infrastructure Grant – submitted 17 April for \$125,000 to support new LED lighting
- NSW Government Community Building Partnerships grant – to be submitted by 12 June to support the replacement of the retaining wall on courts 10&11. Quotes are currently being sought and we now have 1 quote to replace the southern wall at a cost of \$131,000.

We have been unsuccessful with the following grants:

- Energy Efficient Grant – NSW Government \$12,500 grant for LED lighting which opened from 1 April 2020.
- Energy efficient rebate for Commercial refrigerators. This is to be claimed following the purchase of our refrigerator/freezer late last year for the Kitchen.

Thanks

Tony Haworth
Treasurer

Attachments:

- *April 2020 trading results*
- *P&L 1 July 2019 to 30 April 2020*
- *Current Trade Debtors & Payables – note payables have some older payments that are already paid. Debtors do not include daily sales.*