

Safety Beach Sailing Club Inc.

Treasurer's report for the year ended 30th June 2019

This year has been a challenge for me as treasurer for as you know I inherited a situation that was far from ideal.

Since my report on the accounts to June 2018 and the problems outlined in that report, a great deal of time has been spent doing things that should have been done in the previous year that were not done. Such matters as invoicing users of our club premises, preparing quarterly BAS Statements that were not done, challenging and having removed ATO fines for non-lodgements and ATO computer generated interest charges and more.

Suffice to say I think the legacies of the past are now behind us and we have moved on to current challenges.

In respect of the current year, the financial statements are attached which show the club to be in a healthy position having made a surplus of \$54,848 (\$52,999 2018). The cash on hand at 30th June 2019 of \$139,966 compares favourably with the funds on hand at 30th June 2018 of \$75,400.

During the course of the year it was decided to write off the value shown in the accounts for our club premises (\$298,988). This was done in view of the fact that the government in its wisdom some years ago took over all assets on the foreshore and this asset no longer belongs to the Safety Beach Sailing Club.

There are plans as you know to revitalise our premises to make the club more comfortable for the members and more presentable to outsiders who wish to hire the premises for functions, weddings etc. This should enable us to earn more income in the future from outsider hiring charges. All this refurbishment will substantially drain our existing cash reserves however I have spoken with the bank to explore financing arrangements, should they become necessary, and they were very happy to learn of what we are doing and have indicated they will be very supportive should we need financial assistance in carrying out our plans.

The cost of the club refurbishment to date is shown in the Balance Sheet as "Leasehold Improvements – at Cost". This cost will continue to increase until the work is completed and the cost will then be written off over the term of our lease with the Mornington Peninsula Shire.

I am pleased to advise that I have been successful in having obtained a change in the electricity tariff (unfortunately it took 7 months until near the end of April) which will result in savings of around \$1,000 per month. We have been paying too much for many years.

Quotes have been obtained and a Grant applied for to assist with the purchase of Solar Panels. It is my hope that we can install these panels early in the next financial year which should result in further savings. The plan is to have the Solar Panel System all paid off within three years after which time our electricity costs should be nil, a saving of well in excess of \$20,000 pa compared to the past.

From the accounts you can see that we paid a further \$20,000 off the Martha Cove Loan for the berth we own which leaves only one further payment of \$10,000 to be made.

I wish to compliment the efforts of all those members who have assisted in the running of the club through this challenging year. In the position of Treasurer you see every dollar that comes into and goes out of the organisation and as a result you see very clearly the efforts that have been put in by the many volunteer members.

I am sure others will want to say more on this aspect of our club operations, I just wish to thank you all for your co-operation throughout the year.

Graeme Ainslie

Treasurer

4th July 2019