

Treasurer's Report 2019

The final result for the year ended 31st December 2019 was a profit of \$38,803 compared to the prior year result of \$1,991. The 2019 result was higher due to increased bar trading, green and competition fees, subscriptions and donations that compensated for the higher course maintenance and wage expenses. This result continues to allow for a free cash flow and generate money to provide for capital works such as, course renovations (new flags, rakes, bunker re configurations, cart path upgrades), clubhouse upgrades (outdoor table settings, deep frying unit, and kiosk computers) along with funding allocation of \$50k for the upgrade of the green keepers/cart shed with work scheduled to commence in next few months.

Listed below are comments associated with the years trading:

Income: (comparison 2019 to 2018)

Bar Trading - profit of \$165k up by 23% - thanks to the volunteers who make this figure possible.

Green and Competition Fees - \$405k up by 8%

Membership subscriptions - \$231k up by 5.5%

Sponsorship and Donations - \$77.5k up by 23% due partly to donations received from both the ladies and veterans.

Government Grants - there were no government grants received in 2019.

The total income generated from normal trading was \$893K up 9% on 2018. Some of the significant factors pertaining to this result were the NSW Mid-Amateur staged in April 2019 which has seen a high percentage of return visits from many of the competitors and record green fees in October and November 2019 which in turn drives the bar sales.

Expenditure:

Wages (inclusive of all costs associated) - \$261.3K up 15% on 2018 is a combination of wage increases, setting up course for Mid-Amateur, contending with drought conditions and increased playing numbers.

Repairs & Maintenance - \$109K up by 30% on 2018 - a contributing factor was major repairs to tractor and Toro utility vehicle.

Insurance - \$34K down by 27% although we had the same cover as 2018 there was a dramatic decrease in insurance rates.

The total expenditure (excluding depreciation) was \$756k up 7% on 2018. The majority of expense accounts, excluding the above mentioned, have either stayed about the same or have been reduced with Rob Russell renegotiating all contracts that were up for renewal.

Balance Sheet:

The balance sheet is strong with the clubs only bank debt relating to borrowings for the leasing of course equipment which is funded out of the normal operating budget. Financial Assets exceed Financial Liabilities leaving a Total Equity (value) of \$1.31m. A cash amount of \$110K is now held in a futures fund which underwrites the Clubs financial security.

Budget 2020:

The 2020 budget forecasts a similar amount of cash generation as 2019. Funds have been allocated to course renovations (8th green and fairway), cart paths, course machinery and clubhouse equipment purchases to name a few. The greens shed has got the go ahead from the Crown Lands Department and Council with work expected to commence over the next few months. Keenan is in the process of leasing a Toro Sidewinder which will replace the lease that expired in November 2019.

General:

The Shoalhaven region has seen drought, fire, floods and now the coronavirus over the early part of 2020 which has and will continue to impact the club to some degree. These things are unknown quantities but will be monitored closely to minimise, as much as we can, the impact to the club and members.

I wish to thank the band of volunteers who process the daily takings, work behind the bar, participate in bush care and the members, ladies and veterans for their donations of time and money. Without these volunteers and donors the bottom line of the P&L would be significantly reduced.

Finally I would like to acknowledge everyone associated with the club, especially Rob Russell, Greg Collins, Keenan Hobbs, Jessica Cassidy (Accounting), and Mark Henning (Ex Treasurer) for the time, guidance and experience they have given, it has been invaluable during my first year as Treasurer.

Marilyn Schott
Treasurer