

Finance Report 2019 /20 to WSLSC AGM May 2020

The Whangamata surf club (WSLSC) financial situation remains solid as outlined in the financial statements which accompany this report. They are YTD 30 April 2020 and signed accounts as at 30 June 2019. During the Year to 30 June 2019 the club generated revenue of \$431,000 and expenses of \$429,000. This resulted in a profit after accounting for noncash depreciation of \$2,000. At the end of the year there was cash in the bank of \$333,000 and approx. \$950,000 of assets. The 2019 review resulted in a qualified opinion due to the risks associated with the club handling cash donations. This is typical of charities of our nature, and as long as we continue to be diligent with managing our cash handling procedures, this risk can continue to be managed.

WSLSC is currently well placed to cope with any short-term pressure Covid 19 may place on the club in the upcoming months, having a cash reserve and solid asset base.

WSLSC now has over \$350,000 in the bank and fixed assets close to \$1,000,000. The Board has maintained a policy of strong financial governance and fiscal prudence for several years now and have maintained a cash reserve to meet 12 months of operating costs .We have also invested carefully over the past few years to keep our fleet of assets up to date and fit for purpose, so this has put us in good stead to manage the next phase of uncertainty. We will be preparing the budget for the 2021 year in due course and this will be available for review in July 2020.

The club has claimed the Covid 19 wage subsidy from the government for the club's salaries and we have received \$7,000 which has eased the financial pressure in the short term on our wage bill. We have also reviewed all the expenses within the club and eliminated any costs we can. We have lost a small number of income streams coming up to the year end in June 2020 including the donation from the Beach Hop and revenue from hiring the surf club and accommodation. This will have a small impact on the profitability of the club in the 2020 accounts to 30 June 2020 but we envisage still generating an operating profit before

depreciation, with a small loss after depreciation.

We as a board will be working hard to protect our income streams and manage costs prudently, and will explore other ways to generate the income we need to run the club to meet all our obligations. We are incredibly thankful to our sponsors and donors to this club and appreciate in the current uncertain economic times these income streams may be constrained somewhat. We will continue to work closely with supporters of the club to help ensure our service to the public on the beach we love continues uninterrupted.

On a more positive note we have seen a marked increase in our membership numbers this year and have just reached a fabulous milestone of 500 members, up from 415 last year. This has been due significantly to an increase in associate members and the club house and bar being open consistently over the summer months. Our members are crucial to our continued ability to deliver our services and we thank everyone for their support. We have also completed the 3-year pilot program employing our paid lifeguards directly which has been very successful. A review of that pilot is underway at the moment to ascertain what that service will look like moving forward.

We thank you for the continued support to WSLC and look forward to seeing you all on the beach this summer

Thanks