

Treasurer's Report

The 2022 calendar year brought a welcome result with no covid comp shutdowns, however wet weather and flood did of course have an impact towards the end of the year.

In terms of finances, the 2022 calendar year was for DTA a year of both growth and investment.

We will start with **the profit and loss statement**, as this shows all the funds in and out of the club over the calendar year.

We can see by looking at the data for the year before, the **total income** for DTA grew from \$228,553 in the 2021 year to \$290,342 in the 2022 year. An increase of \$61,789 or 27%.

Also worth noting is that this has been driven by increased revenue and revenue sources, not increased competition fees, which have not increased for some years now.

All revenue categories have seen year on year increases, with the exception of seniors winter comp (down around \$8k) and rep fees down slightly due to a larger than usual number of refunds of rep levies.

Juniors registrations up significantly, due to increased competition and sponsorship efforts (thanks especially to Heidi and Nic for their huge efforts around those items).

Canteen and merch sales also boosted by both juniors and the Junior state cup event held.

Interest has also increased due to rates increasing, seeing income earned on the future works savings account increasing.

Working through the **expenses**.

Advertising, bookkeeping (xero subscription) and committee/AGM expenses up a bit, but still really comparable year on year.

Bank charges up slightly due to EFTPOS coming on line fully which has helped drive income and ease of administration and security of club members and club money (less cash handling).

Canteen costs up slightly but very modest compared to increased canteen sales.

Club house expenses down year on year (large one off costs in 2021).

General comp expenses have increased significantly year on year from approx. \$40k to \$100k. Largely linked to increased comp sizes and activity (more singlets ect for juniors, prizes and so on, and other things like everything from balls, to whistles and other things). The increases here link somewhat to the increased revenues in comp fees and merch sales.

Insurance and fees are the affiliate fees paid to NSW Touch. These look to have increased but it is a timing issue. Last year I report the profit was overstated in reality, as the \$86k figure has two summer comps in it, as the 2021 was paid late, at the beginning of 2022.

Lighting and ground costs are comparable and rep team expenses down, by about the same amount referring expenses are up, but increased ref expenses links to greater comp size and increased ref participation, activity and so all, all which is a positive for the club and competitions.

The big expense item is the capital works, showing as nothing in 2021 and \$130,500 in 2022. These were two major items, being the golf cart purchase for \$10,500 and the DTA contribution to the lighting upgrade project for the remaining \$120k. DRC and the NSW Govt. grant is funding the rest of this project (\$400k approx. total?).

As we report on a cash basis, the loss for the year shows at \$111,411 but if you "normalise" the information (which means you factor out the capital works investments of \$130k) it means the club ran at a general operating surplus of approx. \$19k. which really is down somewhat on the prior year, "adjusted" figure which was \$44k.

Important to remember the club is not run to make a profit, but we need to run at a modest surplus like we are, to be viable and able to keep investing and remain resilient.

Important to also note, as the club grows and the cost structure grows, changes in different revenues or costs, can have a bigger impact and be harder or take longer to correct, so we just need to keep that in mind also when the committee look at making management decisions.

I think this probably indicates given the significant inflation and cost increases we are all aware off over the last year and into this year, we may likely need to consider some increase to general competition fees for upcoming seasons, in line with inflationary pressures (remember comp fees have not gone up for many years).

The **balance sheet** reflects the operating results, with the cash balances trending down over the year, given the investments made.

The club is still financial and viable with approx. \$215k in cash at the end of the December 22 year (right now cash is pretty well right on \$200k) and only a small amount of GST payable (since paid). You can also see the club made the final loan repayment to DRC for the original 10 year loan for the clubhouse construction, with this loan now paid out in full.

Joel Bones