

Ballaarat Mechanics' Institute - 2018 Treasurer's Report

The audited financial statements of the Institute for the year ended 30th April 2018 report an operating surplus of \$5,375.

Please note that we have adopted a different format for the Statement of Comprehensive Income this year where depreciation is listed in the non-operating section of the report. As such, the operating result for last year in this report is shown as a surplus of \$24,976.

After grant income and depreciation expense there was a net deficit of \$64,132 for the year.

There are some items worth noting from the statements:

Income

- Casual room hire income fell by 17.5% to \$77,062. Some significant one-off bookings last year were not recurring.
- Fixed rental income was rose by 5.7% to \$64,331.
- Membership subscriptions income increased by 10.7%.
- Total operating income was \$216,790, a decrease of 2.4%

Expenses

- Staff remuneration and the building related items were again the major cost areas.
- Staff remuneration increased to \$103,518 (including movement in leave provisions)
- Insurance, gas & electricity and repairs & maintenance totalled \$41,245, compared to \$38,800 last year. A significant saving was made on energy costs though.
- Total operating expenses (excluding depreciation) increased by 7.2% to \$211,415.

A significant development during the past year was securing funding support through the City of Ballarat's Strategic Partnership Program. This has allowed us to appoint an Executive Manager but a key challenge for the Institute is to improve our financial performance over the next couple of years so that we can make this structure viable in the longer term.

I should also note that we will encounter further pressure on income this coming year, as

- the shop space at 115 Sturt St is being left vacant, pending a decision as to its long term use; and
- also the Royal South Street Eisteddfod calisthenics competition is not being held at Her Majesty's Theatre this year. Traditionally we generate a significant amount of room hire income from the calisthenics clubs that hire our rooms to practice.

In conclusion, I would like to thank the board, finance committee, Institute staff and volunteers for their efforts to improve the financial position of the Institute over the past year.

Grantley Hastings
Treasurer - 27 June 2018