

## **Treasurer's Report on SIRA's January 2017 accounts**

Dear Committee

Attached are Management Accounts for the association for the month of January 2017 and for the seven months of the current financial year up to 31 January 2017.

January has been another good month for SIRA; income exceeded budget, and expenses were significantly in line with expectations.

### ***Tab marked 'P&L with YTD'***

This shows the full month result; a net gain of \$2,882 on a turnover of \$11,549. This is added to the previous month's carry forward result to give a year-to-date surplus of \$8,336.

### ***Tabs marked 'Jan P&L with budget' and 'YTD P&L with budget'***

The budget comparison highlights the impact that high water demand can have on the results. Water sales were 35% higher than budget for the month. This translated to \$2,734 in sales over expectation.

January was a very dry month, the driest in over a year. It will be interesting to see February water sales because February was the wettest month since June 2016.

Looking at the seven months to the end of January, this year has had 14% less rain than last year. This would explain the increase in water sales; 3% increase as measured in kL, and 25% as measured in dollars. The dollar increase is greater because we also raised the per kL charge from \$4 to \$5 on 1 July 2016.

Other items did not significantly depart from budget.

SIRA continues to allow \$500 per month as a provision for the non-performance of the SIOCS loan.

Overall, SIRA is tracking ahead of budget by \$3,596 at the end of January, although we need to be cautious thinking that that will carry through to year end. There's still lots of variables and unknowns for the next 5 months.

### ***Tab marked 'P&L by Activity'***

This tab shows the organisation result split up by activity. It shows that SIRA is still quite dependent on its water activity to make the other activities viable.

### ***Tab marked 'Balance sheet'***

SIRA enjoys a strong asset situation (net assets of \$136,523). The association is solvent.

### ***Forthcoming events***

I'm not aware of any future events that would substantially differ from the budget for the remainder of the financial year.

### ***Update on Elsie Steps***

Paul Blackband oversaw the planting of 200 native plants in the Upper Elsie Street area. Volunteers organised by the Kindy carried out the work. The only task remaining is for the plants to be watered until they are settled enough to survive without further care.

Perhaps by the next SIRA meeting we can consider the Upper Elsie grant to the Kindy as 'acquitted'.

**Governance issue of payments to Committee members**

This is a topic that has been discussed at previous Governance subcommittee meetings, but we can further that discussion as a full committee or by convening a new Governance meeting.

In regard to the issue of payments for the Automated Water Booking System software, I do think that the existing rules and practices allow the committee to make an assessment of whether the system is appropriate for purpose and represents good value, and it can, if it chooses, engage committee members and their associated companies on a paid basis. There are lots of precedents for this.

Any contracts and any payments must in all cases be open and transparent. In the past, probably due to a lack of accounting and reporting skills, there has been a lack of transparency, but the new accounting system and procedures, in place since 1 July 2015, has addressed that.

Regards

Boyd Attewell