

Treasurer's Report on SIRA's October 2018 Management accounts

Dear Committee

Attached are Management Accounts for the month of October, as well as for the four-month period July to October representing the first four months of the 2019 financial year.

October was a stable and successful month.

For water sales, October was the first month in some time that our actual sales did not exceed budget. We have become accustomed to above average sales for at least a year due to the prevailing climate, but October water sales have settled to earlier levels.

We are on target to meet the full year budget.

Tab marked 'Oct P&L with budget'

This shows the full month result; a net gain of \$873 on a turnover of \$9,232.

The budget for October was for a gain of \$1,006. Most items show little variance from budget.

Tab marked 'YTD P&L with budget'

This shows the full four-month result and compares it to the budget for the same period. SIRA is tracking ahead of budget by \$1,618.

Water sales, though levelling off, are still 15% up on budget YTD.

There are some expense categories in which SIRA is spending less than anticipated, such as for line clearing (which may be due to low rainfall), and insurance. This is offset by some heavier spending in other categories such as Website maintenance and Membership management software.

The cumulative result for the four months is a net gain of \$9,339 on a turnover of \$49,967.

Tab marked 'YTD P&L with last year' (YTD is year-to-date)

This compares the July to October 2018 result with July to October 2017. It is showing a similar result but there is now some divergence between last year's water sales and the lower level this year.

Tab marked 'Activity P&L'

This tab shows the organisation result split up by the activities of Community Hall, Emergency Water and Membership.

Tab marked 'Balance sheet'

SIRA enjoys a strong asset situation (net assets of \$175,573). The association is solvent. The biggest asset is its cash reserves. Most reserves are earmarked for water infrastructure renewal should that be required.

Post-balance and Forthcoming events

In November, we began transferring some funds over to an investment account with Australian Ethical Investments. The reason is that the committee has expressed a wish that invested funds be placed with an organisation with higher ethical and environmental standards than the big banks. Australian Ethical has also achieved very good investment returns in the past, and it has positive industry reviews. SIRA has invested \$5,000 so far, and that is expected to grow.

Regards

Boyd Attewell