



## Treasurer's Report on the 2023 LSCQS's Audited Financial Report

Dear Members

I am pleased to present the Treasurer's Report on the 2023 Audited Financial Report for the Little Ship Club. It has been a challenging year, and we have achieved a solid performance. The Little Ship Club's Audited 2023 Financial Report is available [here](#).

In both 2021 and 2022, we witnessed an excellent performance turnaround. However, in 2023, we observed a levelling off in our performance. This was expected as we had already addressed the low-hanging fruit.

In 2023, the Club achieved a surplus before depreciation of \$45,030. Depreciation increased by \$20,861 to \$54,499 in 2023, resulting in a deficit of (\$9,469) after depreciation. It is important to note that this deficit represents a paper loss, not an actual cash loss.

Comparatively, in 2022, the Club achieved a surplus of \$132,820, \$142,289 higher than the result in 2023. Several key factors contributed to this difference:

1. **A \$20,861 increase in depreciation** due to investments in the new Main and Destroyer Bar roofs.
2. **A \$28,559 increase in electricity expenses** due to a substantial increase in the market price of electricity.
3. **A \$4,156 increase in waste management fees.** We have made changes to save \$5,000/year going forward.
4. **A \$74,726 decrease in grant income** as we can only apply for some of the larger grants every two years.
5. **A \$11,183 decrease in gaming income** with gaming open less due to some staff not being skilled in gaming.

On a positive note, our bar and bistro outperformed the industry key performance indicators for resourcing costs, with actuals coming in at 27% for the bar (vs. a KPI of 30% of bar income) and 43% for the bistro (vs. a KPI of 45% of bistro income). Similarly, we were close to meeting the industry KPI for the cost of sales, with actuals at 36.5% for the bar (vs. a KPI of 35% of bar income) and 40% for the bistro (vs. a KPI of 42% of bistro income).

Apart from the abovementioned factors, our expenses remained largely consistent with those of 2022. We have seen a reduction in maintenance costs due to introducing a maintenance schedule a couple of years ago.

Looking ahead to 2023-2024, our focus is on increasing our surplus by growing total income. We have prepared an operational budget for this period and a draft social activities calendar.

It is important to highlight that the surplus before depreciation has been reinvested back into the Club. We have undertaken various improvements, including a new Destroyer Bar roof, bi-fold doors, refrigeration and equipment for the bistro, a mower, security cameras, and outdoor furniture.

One of our most pressing priorities is to invest in a new solar system. Our monthly electricity bills have increased on average by around \$4,700 per month, which is not sustainable. Unfortunately, we were unsuccessful in our grant application for solar, as we had received funding for the main roof within the last two years. Of the \$7,000 we will receive for the 2024 building levy, \$5,000 will be allocated to solar, but it will be insufficient to fund solar.

In light of this, some members have suggested we seek donations for the solar project. Our target is to raise at least \$10,000 from members, and we kindly request your support. The estimated cost of the solar system is approximately \$36,000. We will take out finance to fund the shortfall. If you can contribute, please email Peter Shepherd at [secretary@littleshipclub.com.au](mailto:secretary@littleshipclub.com.au).

We appreciate your continued support and commitment to the Little Ship Club.

Maria Anderson



LSC Commodore / Treasurer