

## FGA Inc. Treasurers Report for Year Ending 30 June 2014

I present the Special Purpose Financial Statements for the year ended 30 June 2014 for your information.

This year has been a challenging year financially. There has been a significant increase in the cost of maintaining the course, income has not increased significantly and we have embarked on significant capital expenditure itemised in Note 2 to the Financial Statements. There was a deficit in cash from operations for the year of \$56,156. Capital expenditure however was \$266,951 on irrigation, \$57,506 on buildings and \$14,427 on plant and equipment for a total spend of \$338,883.

This year the loan from Forbes Shire Council of \$280,500 was drawn down to pay for the irrigation upgrade materials component. After year-end we entered into a chattel mortgage with Toro Finance, an associate company of the supplier of the upgrade materials, to make the final payment on the irrigation. We also borrowed \$22,500 from five members which together with storage fees paid by members in advance will help finance the new golf cart garage. We are investing now to improve the club facilities as well as reduce the cost of operating the course.

There was vigorous debate and input about increasing our various fees. We live in a market economy and services need to be funded, as well as be competitive. Although membership and green fees have been increased, indications are that member numbers and games played have been maintained.

Our mutually advantageous association with the Forbes Golfers and Sportsman's Hotel has however reduced our avenues to raise funds in recent years. Sponsorship and donations have been steady in recent years and have been pursued mainly to provide trophies for golf competitions. Should we look to sponsorship to contribute to other club finances or should we raise fees?

The Management Committee with input from other members are developing a capital expenditure plan for the Association. The plan addresses short comings in the infrastructure and plant required to maintain and improve the course. We will have to drive our financial situation both on the income and expenditure side to reduce debt, as well as operate the course to a satisfactory and improving standard. Our President has provided details of operational improvements that we are making. These operating improvements have been made possible partly as a result of our infrastructure spending.

A touchy subject, it is human nature to want to control our own kingdoms but if we are to survive as a viable club with the object of being able to provide an enjoyable golfing experience for all our members, we need a united organisation. We need to sing from the one song sheet and members who are interested need to contribute to that sheet. Members of the Management Committee are elected annually and I encourage those interested to nominate.

As an organisation we rely heavily on volunteers. Volunteers to maintain the course, lend plant and equipment, organise competitions, build infrastructure, and help with administration. We are lucky in the golfing community to have members with such a wide range of skills willing to lend a hand. Thank you to all members who have contributed to the running of our club, it could not function without your ongoing help.

J B Bruce  
Treasurer  
15 September 2014