

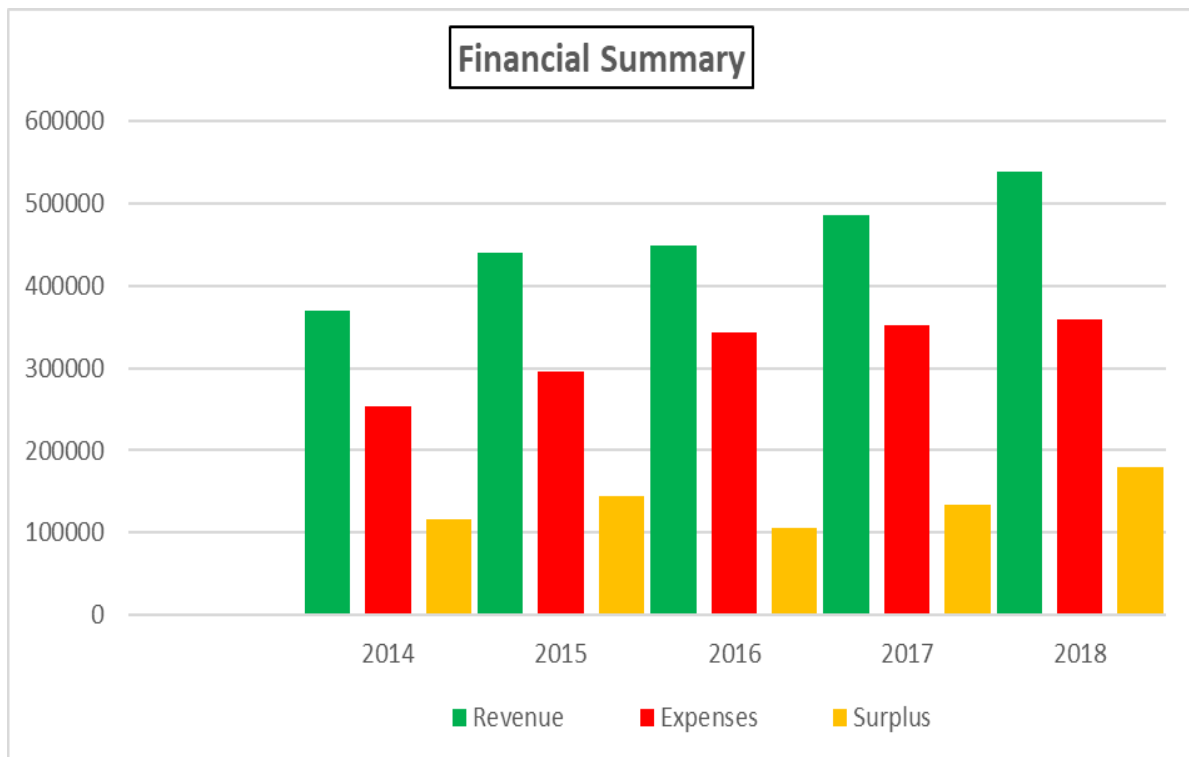
University of the Third Age Brisbane Inc.

Annual General Meeting 17 April 2019

Treasurer's Report

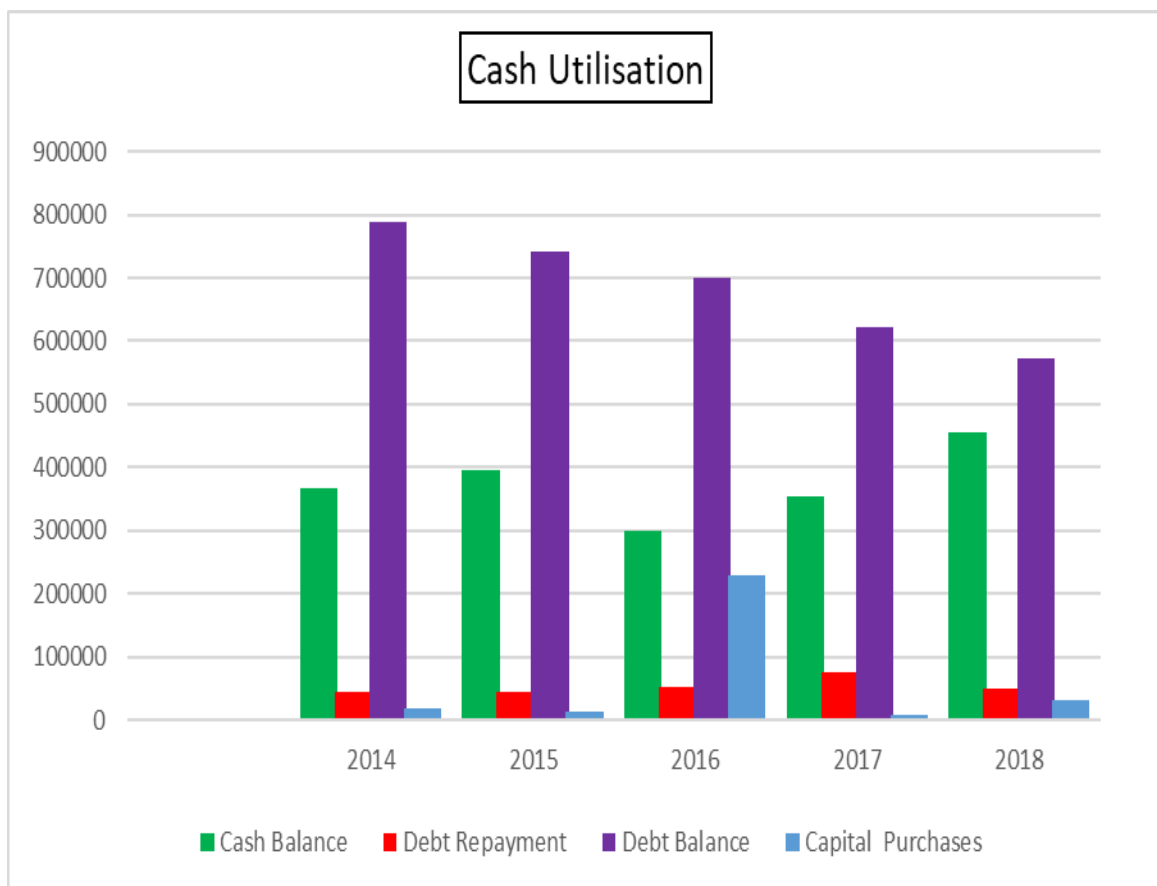
The audited financial statements of the Association for the year ended 31 December 2018 have been circulated.

From the following chart and figures summarising our financial performance over the past five years you can see that we have succeeded in managing the finances during a period of considerable growth in membership, the number of classes offered, and the related change in our property commitments, particularly the move to Adelaide Street in the 2016 financial year. At the same time we have maintained adequate reserves without increasing the cost of class or membership fees. Note : The Surplus in the chart is a cash surplus; it excludes non-cash items such as depreciation so it is higher than the Net Surplus reported in the accompanying audited figures.



	Revenue	Expenses	Surplus
2014	\$368,765	\$253,415	\$115,350
2015	\$440,454	\$296,484	\$143,970
2016	\$448,212	\$343,318	\$104,894
2017	\$486,005	\$352,130	\$133,875
2018	\$538,001	\$358,860	\$179,141

Over the period we have had to tailor a financial capacity to meet a number of objectives. The \$900,000 loan we took from the U3A Noteholders to purchase Creek St has a six monthly repayment schedule with the balance after ten years, \$419,500, repayable by March 2022, so we need to accumulate funds for this purpose. The move to Adelaide Street and refurbishment of Creek Street involved equipment and fitout costs in excess of \$200,000. If further expansion of capacity is required similar costs could be involved. In addition we need to retain \$56,000 to guarantee the rent for Adelaide Street and \$80,000 for working capital to cover the periods when our income declines during breaks. The challenge of increasing demand and efficient utilisation of our resources remains with us and occupies the minds of the Management Committee members. The chart and figures below show how cash generated by our operating surpluses has been saved and spent over the period.



	Cash Balance	Debt Repayment	Debt Balance	Capital Purchases
2014	\$367,204	\$45,000	\$787,500	\$17,509
2015	\$395,430	\$45,000	\$742,500	\$13,080
2016	\$298,707	\$52,750	\$698,750	\$230,023
2017	\$353,970	\$75,975	\$622,775	\$6,701
2018	\$455,504	\$49,700	\$573,075	\$30,149

As we reach the end of my five years as Treasurer I am happy to report that we have succeeded over the time in catering for more members attending more classes in more and better equipped classrooms. The net effect of managing the financial risks involved in the balance of short term sessional and annual revenue against long term debt and lease expenses is a very positive contribution to our community by helping its members to remain healthy and active for longer. All with no Government assistance! Every aspect of the Association's activities is managed by volunteers.

Our ten year budget, upon which we base the strategic planning of the Association, maintains a conservative framework sufficient to meet the liability we have to our Noteholders within the time frame established when the initial investments were made. At the end of the financial year the total remaining capital debt to Noteholders stood at \$573,075, a reduction of \$326,925 over the preceding six and a half years.

Once again I have to acknowledge that my task as treasurer has been lightened by the diligent volunteers using the excellent recording methods developed over years of experience and backed with utilitarian IT systems. I thank everybody involved in the day to day process which is finally distilled in the accompanying audited financial report. In closing I feel sure that my well qualified and experienced successor in the role, Lyndall Beattie, will enjoy the work as much as I have.

Greg Williamson
Honorary Treasurer
17 April 2019