

Canteen Treasurers Report (year to 31 October 2014)

The canteen continues to be in a strong financial position.

The canteen generated an unaudited profit of \$29,016 (88% higher than previous year) with canteen sales of \$232,326 (4% higher than previous year), supplier payments of \$122,238 (3% lower than previous year) and expenditure of \$82,050 (1% lower than previous year). Sales include canteen sales and money received from the school for the supply of canteen food at functions.

Expenditure included \$3,053 on a new compressor and cool room door. This was fully expensed this year.

The canteen transferred \$20,000 to the P&C during the year (\$10,000 of which was from surplus funds at the end of the previous year).

The canteen has agreed to transfer a further \$15,000 to the P&C after completion of the audit of this year's accounts (expected to be in December 2014).

The canteen had \$59,384.66 in its two bank accounts at 31 October 2014 (\$8,373 in the cheque account and \$51,011 in the deposit account). After allowing for pending payments and income, the canteen has funds of a little over \$50,000. As the canteen retains a minimum balance of \$35,000, a transfer to the P&C of \$15,000 has been proposed.

There have been some signs of improvement in the banking of cash in the second half of the year following the audit report, but there is further work required, and the accounting for petty cash needs to be improved.

Based on the current performance, the canteen is expected to generate funds of approximately \$25,000 p.a.

Although the canteen has very strong support from its volunteers, there have been periods this year when support has been lower than required. Additional paid staff may be required if this problem continues, at an estimated cost of approximately \$5,000 p.a.

The long service leave liability is currently estimated at \$8,700. The Canteen Treasurer, P&C and auditor should consider whether to include this as a liability in the Canteen accounts. This would reduce the Proprietor's funds from \$60,817 to \$52,117, or \$37,117 following the \$15,000 planned transfer to the P&C.

Paul Nuttall

23 November 2014