**Treasurer’s Report on SIRA’s June 2017 Full Year accounts**

Dear Committee

Attached are Management Accounts for the association for the month of June 2017 and for the full financial year to 30 June 2017.

June has been another stable month for SIRA. Parity with budget has been maintained across virtually all income and expense categories and it is a similar story for the full year result. The organisation ended the year with an operating surplus of $10,780 for the 12 months. This exceeds the budget by $6,053 and it exceeds the 2016 result by almost $16,000. The biggest differences between the 2016 and 2017 result is that water sales were up in 2017 while various other costs were down.

All in all, a great result.

***Tab marked ‘June P&L with budget’***

This shows the full month result; a net loss of $14 on a turnover of $9,207. Glancing down the rows you’ll see that there are few significant deviations from budget.

***Tab marked ‘Full year P&L with budget’***

Water sales for the full year exceeded budget by $4,322 or 4.6%. Interestingly, water sales increased in the year to 30 June 2017 even though total rainfall also increased compared to the previous year. This could indicate changes in water buying practices, but its most likely due to the rainfall extremes in 2017. In 2016 there was a relatively flat pattern of rainfall from month to month, but in 2017 there were several very dry months followed by a deluge in February and March.

In the expense categories, less than budgeted was spent on advocacy (such as Church Point representations), bushcare, and emergency water line clearing and maintenance.

SIRA continues to allow $500 per month as a provision for the non-performance of the SIOCS loan. This totalled $6,000 for the year. This leaves $6,000 still sitting in the balance sheet as the book value of the loan. Its our intention to continue to write down the value in the 2018 year.

***Tab marked ‘Activity P&L’***

This tab shows the organisation result split up by activity.

***Tab marked ‘Balance sheet’***

SIRA enjoys a strong asset situation (net assets of $138,967). The association is solvent.

***Funding received***

In 2016 SIRA applied for a grant through the NSW Government’s Community Building Partnership Fund for the rebuilding of the Middle Elsie walking track. That application was successful and we last week received $16,500. The work needs to be carried out in the coming months. As for the Upper Elsie work, the key contractor to perform the rebuild is Total Earth Care.

***Forthcoming events***

I’m not aware of any post-balance date or future events that would substantially effect financial results.

***Ethical Investment***

Our primary banker is St George Bank and we hold around $90,000 of invested funds in St George interest bearing deposits. St George is wholly owned by Westpac. Although Westpac is not a key investor in the Adani coal project, it nevertheless invests heavily in the fossil fuel industry including gas projects. I propose that we continue to use St George as our provider of day to day banking services, but that we invest our funds in an ethical alternative. Australian Ethical Managed Funds (<https://www.australianethical.com.au/managed-funds/>) offer a diversified, competitive and secure managed fund that would be suitable. Unlike the major banks, Australian Ethical avoids investments in non-renewable fuels, weapons, tobacco, native forest logging, poker machines, and overseas projects with questionable human rights and environmental components.

Regards

Boyd Attewell