

Annual General Meeting

12 April 2017

University of the Third Age Brisbane Inc.

Treasurers Report

The audited financial statements of the association for the year ended 31 December 2016 have been circulated.

The overall aim of the financial management of the association is to support the objective of providing a stimulating educational and social experience to older members of our community in an easily accessible, quality central location; thus making a very substantial contribution to society by helping its members to remain healthy and active for longer.

The challenge flowing from this aim is that a substantial proportion of our expenses, the purchase, leasing and maintenance of property is essentially long term while our revenue is very short term. To manage this dichotomy we need to maintain adequate reserves and plan well ahead.

From the following simplified summary of our financial performance over the past four years you can see that we have succeeded in managing the finances during a period of considerable change in our property commitments and at the same time maintaining adequate reserves. This is particularly the case for the 2016 year when we have increased our property commitments considerably. Further details of property expenditure for the year are provided later in this report.

	2016	2015	2014	2013
	\$000	\$000	\$000	\$000
Total Revenue	448	440	369	331
Total Cash Expenses	<u>339</u>	<u>296</u>	<u>253</u>	<u>194</u>
Operating Cash Surplus	109	144	116	137
less				
Debt Reduction	52	45	45	45
Capital Expenditure	215	13	17	53
Transfer to Cash Reserves	<u>-154</u>	<u>86</u>	<u>54</u>	<u>39</u>
Cash Reserves	299	453	367	313
Other Equity	306	118	108	91
Total Equity	<u>605</u>	<u>571</u>	<u>475</u>	<u>404</u>

Over the last years there has been a significant increase in activity, marked by increasing revenue and associated expenses. This increase has resulted from the Association's willingness to accept and meet the challenge of increasing demand, initially expanding beyond Creek Street to Queen Street. The challenge of increasing demand remains with us and we continued to address this with our latest move to Adelaide Street offering scope for expanded class offerings in an extremely convenient location of high quality.

The move to Adelaide Street involved both a significant lease commitment and a large capital expenditure. The total cost of the fitout was \$275,000; of this the landlord met \$170,000 leaving our contribution at \$105,000. In addition we spent \$110,000 on furniture, and audio visual equipment for Adelaide Street and the small refurbishment of Creek Street. While this had an impact on our cash reserves the whole exercise was completed within the financial budget we had set for the projects.

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 \$689,750, a reduction of \$210,250 over the preceding four 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. For an all-volunteer association the quality of financial recording is outstanding and the occurrence of any error extremely rare. I thank everybody involved in the day to day process which is finally distilled in the accompanying audited financial report.

Greg Williamson
Honorary Treasurer
12 April 2017

The audited financial report for the year ended 31 December 2016 is available here:
[Audited Financial Report](#)