

Sanctuary Residents Association - 2023/24 Financial Report

Operating Statement, Financial Position and Budget

Operations

Operating income for the 2023/24 financial year excluding that from the wastewater levy was \$94,378 some \$2,535 above the budgeted level. Annual levy income was slightly higher as a result of a new section part-year. Sundry income at \$5,793 was higher than expected reflecting the interest yield from the deposit account.

Total Operating expenses were \$73,114, similar to the previous year and \$9,586 lower than budgeted. Sundry expenses were higher than planned mainly due to withholding tax on the interest earned. Power and internet/telephone expenditure was close to forecast. Expenditure on rubbish collection at \$23,896 was almost the same as in the 2022/23 year which is encouraging considering the large increase in cost incurred in that year. Insurance cost was close to the budgeted level with a further increase expected for the coming financial year. R&M expenditure was \$4,177 higher than anticipated mainly as a result of problems with the entry/exit gate system despite receiving \$12,443 from insurance claims. Roading expenditure was minimal with minor patching only being necessary. Less monies were needed to cover mowing costs in part due to the inability to cut grass during the wet start to the financial year, followed by the dry summer. Capex expenditure reflects the work undertaken to complete the shelter at the tennis court.

The end of year cash surplus for operations was \$13,637 which will be credited to Income for the 2024/25 year.

Wastewater

Income from the levy from those residents who are or will be connected to the communal wastewater system to cover the cost of the system's operations was \$6,600, plus \$1,729 carried forward from the previous year's surplus, totalling \$8,329. Expenditure on the system was low at \$3,049 providing a surplus of \$5,280 which will be carried forward to the coming year.

Financial Position

The end of year Financial Position is Cash Assets of \$167,407 including Accounts Payable of \$50 being an over-payment of 2023/24 year levy. Included in this number is \$148,993 being the Sinking Fund, of which \$125,000 is on a term deposit.

Budget for the 2024/25 year

The Budget assumes the 2024/25 annual levy to be \$1,000/lot for the current 83 lots in the Sanctuary. This is \$50/lot More than the 2023/24 year despite the large carry-over of \$13,637 from that year. Total operations income is predicted to be \$104,137 which includes sundry income of \$7,500 from interest from the funds on deposit. Operating expenditure for the 2024/25 financial year is expected to be considerably higher at \$97,950 allowing for the impact of inflation, more road sealing and increased maintenance costs from planting out part of the olive orchard and repair of the fish passage between the lakes. There is also a provision of \$5,000 for consultants to undertake inspection of the weirs as required under new legislation effective May 2024 and possible legal costs. Capex expenditure is budgeted to be \$5,000 to cover replacement of items.

The expected result for the year is a small surplus of \$1,187, and a financial position at year's end of cash assets of \$201,794.

A levy of only \$50/lot for the 22 lots connected to the communal wastewater is recommended. This is much lower than the 2023/24 year reflecting the large surplus of \$5,280 carried forward from higher that year. The wastewater system continues to meet local regulation requirements.

Sinking Fund

As stated in previous years, it is anticipated that resurfacing of the Sanctuary roads along with other significant infrastructure repair and upgrades will be necessary in the next few years. It is recommended a further \$400/Lot be set as a necessary contribution to the Sinking Fund bringing that fund to approximately \$182,000 during the coming year.

Recommendation

It is recommended:

- a the annual levy for the 2024/25 year for the Sanctuary be set at \$1,000 per Lot
- b the wastewater levy for the 2024/25 year be set at \$50 per Lot connected to the system
- c a contribution to the Sinking Fund be set at \$400 per Lot.



Vern Dark, SRA Treasurer

Sanctuary Residents Association				
Operating Statement, Financial Position for 2023/23 and Budget for 2024/25				
	23-24 Actual	23-24 Budget	Budget Variance	24-25 Budget
Operations				
Income				
Annual Levy	\$77,692	\$76,950	\$742	\$83,000
Sundry	\$5,793	\$4,000	\$1,793	\$7,500
SRA Levy Previous Year Surplus	\$10,893	\$10,893		\$13,637
	\$94,378	\$91,843	\$2,535	\$104,137
Expenses				
Sundry	\$5,857	\$3,500	-\$2,357	\$4,500
Power	\$3,839	\$4,000	\$161	\$4,250
Telephone	\$2,100	\$2,200	\$100	\$2,200
Rubbish	\$23,896	\$25,000	\$1,104	\$26,000
R&M General	\$14,177	\$10,000	-\$4,177	\$21,000
R&M Mowing	\$7,500	\$10,000	\$2,500	\$10,000
R&M Roads	\$1,910	\$15,000	\$13,090	\$10,000
Insurance	\$13,835	\$13,000	-\$835	\$15,000
Consultants	\$0	\$0		\$5,000
Accounting	\$0	\$0		\$0
Total	\$73,114	\$82,700	\$9,586	\$97,950
Capex	\$7,627	\$8,000	\$373	\$5,000
Operating Surplus/Deficit	\$13,637	\$1,143		\$1,187
Wastewater				
Wastewater Levy	\$6,600	\$6,600		\$1,100
Wastewater Surplus (previous year)	\$1,729	\$1,729		\$5,280
Waste Water Expenses	\$3,049	\$8,000	\$4,951	\$6,000
Cash Surplus/Deficit	\$5,280	\$329		\$380
Annual Levy \$/Lot (81 Lots)	\$950	\$950	(83 Lots)	\$1,000
Wastewater Levy \$/User Lot (22 Lots)	\$300	\$300		\$50
Sinking Fund Income (\$400/Lot)	\$32,712	\$32,400		\$33,200
Sinking Fund	\$148,993			\$182,193
Financial Position 31 March 2024				
Total Cash Assets	\$167,407			\$201,794