



In the heart of Gulf Harbour

Shangri La Gardens

SHANGRI-LA GARDENS RESIDENTS ASSOCIATION INC.

Financial Statements, Year End Summary 31 July 2016

Report for AGM 9th October 2016 (to be read in conjunction with attached Financial Statements)

Income: Total income for the year ending 31 July 2016 including resident's levies, miscellaneous income and interest on the Westpac Online Saver account was \$63,060. - against a budget of \$64,600. The difference is \$1540 - being income not received this financial year. This is mainly due to the end of the month in July falling on a weekend. 7 residents paid their July levy of \$100 in this weekend, but the money did not show up in our account until August 1st. The balance is made up levies due this financial year but paid in the previous year and a drop in interest rates effecting our interest earned on our savings account.

Debtors as at 31 July 2016: Residents Levies: \$1,200.00 per annum. There were 7 residents who paid their July 2016 levy in August 2016 – overdue for 1 day.

Expenses: Total expenditure for the period was \$42,147 - against a budget of \$58,400. This means that \$16,250 of expenses budgeted for was not used. Extraordinary Maintenance was the main expense under budget – by \$6342. We had budgeted an expense for fixing the tennis court. This expense has now been deferred until next year. Our budget of \$2000 legal fees was not used. Building maintenance - \$3785. not used. Maintenance for Grounds, Pool & Tennis Court each had \$1000 of budgeted expense not used.

The main expenses this year were: 1). Grounds Maintenance where we spent \$3000 completing the planting of the perimeter gardens. 2). \$3116 in Extraordinary Maintenance replacing the rotten posts in the playground. We also spent \$518 commissioning a report on the safety position of the playground.

Capital Expenditure: Nil

Operating Surplus: There was an operating profit for the year of \$20,910.71 - \$14,710 over budget.

Assets: Total equity, including operating surplus for this year is \$1,338,147 (includes communal buildings & grounds and combined savings and cheque account of \$79,553).

Audit of Accounts / Financial Statements: An independent audit of the Shangri-la Gardens Residents Association Incorporated Accounts and Financial Statements for period ending 31 July 2016 has been completed. No discrepancies were found and all was found to be in order.

2016/2017 Levy: The decision to maintain the current levy of \$1,200-00 per annum the next financial year has been made.

In this past year our expenses have been light, which has enabled us to make a healthy profit of \$20,910 and increase our savings account to \$79,553 as at 31st July 2016. This year going forward we will need to spend around \$30,000 on repairs and maintenance to the pool, which is very much needed. We have known over the last year that this maintenance is required and have budgeted for it. Even with paying for the pool repairs, we will be left with a healthy bank balance.

Going forward, the Committee will continue to review and monitor the financial position of the Residents Association keeping in mind any upcoming maintenance that may be required when determining whether the levies should be adjusted.

The areas that will need some attention sometime in the future are:

- Some improvements in the playground
- Replacing/Fixing the tennis court fence

Budget: The budget for 2016 / 2017 has been set. (See attached copy) Income is estimated to be \$64,600 with an operating deficit of approximately *\$15,200* expected.

Report compiled by: Tracy Shakes
Treasurer / Secretary