



NORTH STEYNE SURF LIFE SAVING CLUB

Budget F24 (Season 2023-2024)

October 2023

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Our Budget proposal is based on key **planning assumptions** post-COVID



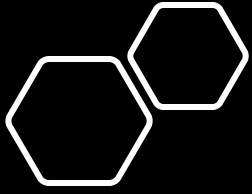
1. All core season activities commence on time (no major COVID impacts)
2. Total Membership is -3% growth (vs -5% in F23)
3. No increase in core membership fees, excepting Competition Fees to cover increases in carnival costs & entries
4. Major events (State Champs, NS Ocean Swim, NS Aus Day Carnival for R&R + Boats) go ahead as planned
5. No Government financial assistance secured, beyond annual patrol support
6. Inflation-driven utilities & COGS increases in key cost areas at 5%

Total Budgeted P&L View



	Q1	Q2	Q3	Q4	Sum	vs LY
SALES	11,500	32,700	27,400	17,500	89,100	-24%
COGS	6,436	22,795	15,958	9,736	54,925	-22%
GP on Sales	5,064	9,905	11,442	7,764	34,175	-29%
	44%	30%	42%	44%	38%	
OTHER INCOME	40,283	121,898	86,935	55,817	304,933	6%
TOTAL INCOME	45,347	131,803	98,377	63,581	339,108	1%
Section Expenses	32,525	54,263	51,720	59,715	198,223	21%
Overheads	37,627	43,120	22,320	22,320	125,387	12%
NET SURPLUS	-24,805	34,420	24,337	-18,454	15,498	-73%
CAPEX	58,900	56,500	5,500	1,650	122,550	172%

- Sales: down, following large benefits in F23 from SLSNSW Titles
- Other income up with grant income, donations, and interest rates
- Expenses up from inflation and depreciation due to large recent CAPEX spend; plus coaching fees and website.
- CAPEX includes all requested funding
- Overall result of **\$15k surplus** – of which \$10k is required to be allocated to the Future Fund in February



Budget 23-24

STRATEGIC PRIORITIES



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Key Club Financial Priorities



1. Maintain **excellent patrolling and education standards** in lifesaving
2. Drive **junior/youth development** as our pipeline of future beach patrols
3. Invest in assets, equipment and processes to make **volunteering easier**

1 Excellent Lifesaving Standards



Financially, this means prioritising Lifesaving-related activities above all others

#	Financial Action	Rationale
1	Council Patrol Incentive Scheme and SLS Governing Body funding is directed 100% into Patrolling, Education, and Lifesaving Competition	<ul style="list-style-type: none">➤ <i>Patrols and Education are our core business on the beach</i>➤ <i>Lifesaving-specific Competition is a key lever to drive best-practice (e.g. has yielded 4 of our last 6 club captains)</i>
2	Asset depreciation for Lifesaving & Education Equipment is set most aggressively	<i>Depreciating faster drives quicker asset turnover and ensures first-class equipment is always available for our core business</i>
3	NS covers all higher qualification costs in full	<i>There is no financial disincentive for a member to undertake further lifesaving training</i>
4	We spend-ahead on recognition and engagement with key lifesaving & education personnel (PCs, Trainers)	<i>Without volunteers for key roles, we cannot deliver a high-quality patrol service and member training to support that service</i>

2 Junior Development



Broad investment in Juniors & Youth, recognising the best future lifesavers are not always those who win Nipper competition events

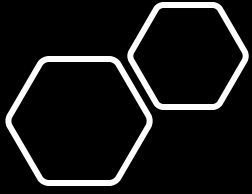
#	Financial Action	Rationale
5	Over-invest (run at a loss) Junior Activities and Youth sections	<ul style="list-style-type: none"> ➤ Juniors are our largest section by membership, but generate minimal income beyond Member Fees used to cover Club administration & overheads ➤ Therefore, other funds are directed to Juniors to support engaging activities
6	Asset funding is focused on sufficient quantity and safety of equipment, especially Nipper boards	<i>Maximise Nipper exposure to patrol-like activities such as board paddling and gaining comfort in the surf</i>
7	NS covers costs of Age Manager uniforms and Officials Courses	<i>Expansion of these roles are necessary to expand Nipper numbers and support our pipeline to SRC and Bronze</i>
8	Fund subsidiary activities to support Youth retention	<i>Examples: paid water safety opportunities, FA courses that can be used for part-time jobs, RSA courses for 18+</i>

3 Volunteer Simplification



Prioritise new asset expenditure behind equipment that reduces the burden on volunteers and sets us up for the future

#	Financial Action	Rationale
9	Invest in BBQ and Bar sales capability	<ul style="list-style-type: none">➤ <i>Volunteers running these areas often put in the most hours across a season.</i>➤ <i>We need to support these activities for our own long-term financial sustainability</i>
10	Re-tool storage areas in the Club	<ul style="list-style-type: none">➤ <i>Maximise storage opportunities</i>➤ <i>Ensure safe workspaces</i>
11	Replace manual work with automated systems and, where appropriate, outsourcing	<i>Ensure key volunteer and management time is not lost more than necessary to manual administrative tasks and adding complexity to NS processes outside our core priorities</i>



Budget 23-24

FUNDING APPROACH



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Planning Approach for 23-24

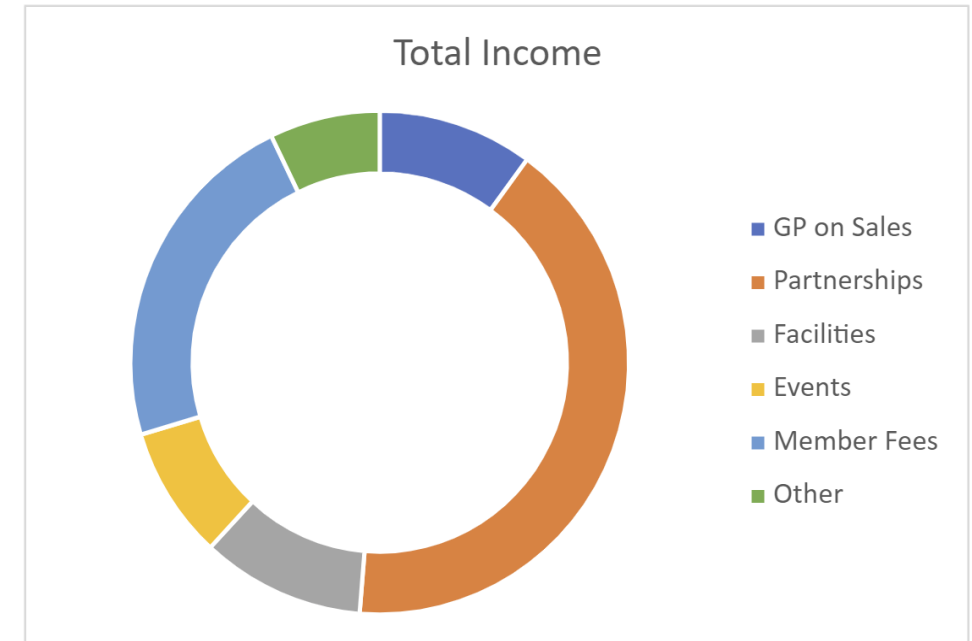


1. Significant headwinds with inflation and coaching wages. Our goal for F24 is to have a break-even budget in the P&L, after Future Fund contribution
2. Capex will exceed depreciation, due to a Capex underspend in F22 and F23 driving an anomalous cash surplus. With increased Capex in F24, this will return to long-term trend of slow growth
3. We have structural budget surpluses in:
 1. General Activities
4. Structural budget deficits in:
 1. Junior Activities and Youth
 2. Surf Sports (ex Lifesaving Comp)
5. And structural break-even frameworks in:
 1. Lifesaving & Education (inc Lifesaving Comp)
 2. Administration (inc marketing/partnerships and the building)

Total P&L View: Income

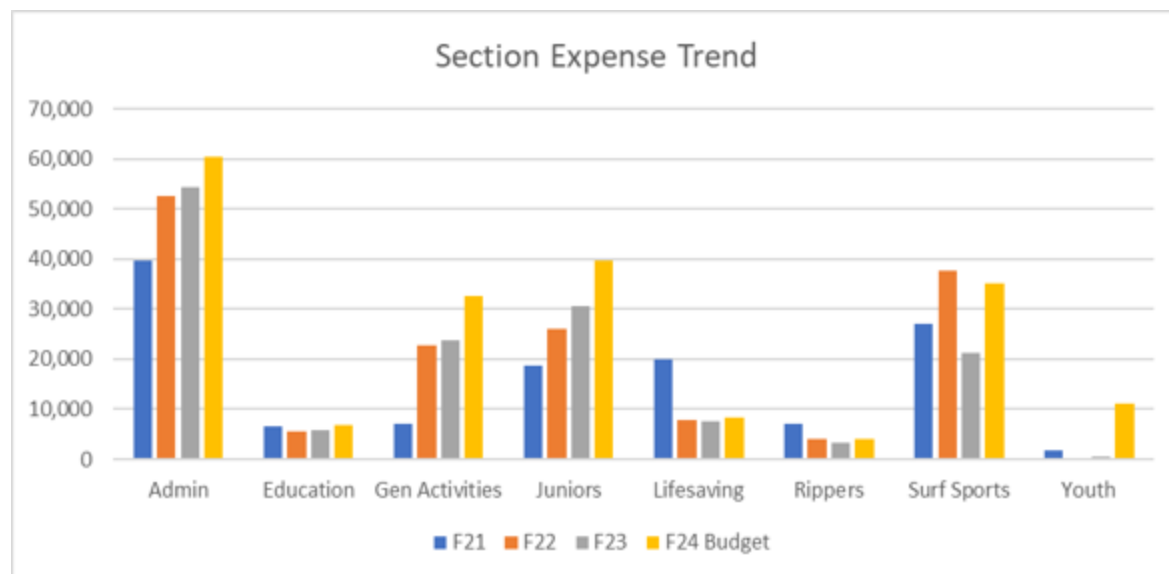


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	44%	30%	42%	44%	38%	
OTHER INCOME	40,283	121,898	86,935	55,817	304,933	6%
Partnerships	26,700	61,893	30,993	20,150	139,736	49%
Facilities	8,115	9,115	9,615	9,115	35,958	-12%
Events	0	500	9,500	18,800	28,800	-21%
Member Fees	4,568	49,490	15,228	6,852	76,139	-6%
Other	900	900	21,600	900	24,300	145%
TOTAL INCOME	45,347	131,803	98,377	63,581	339,108	1%



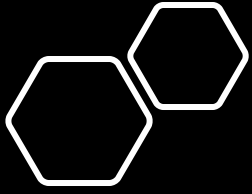
- Member Fees: decrease from Competition fees (Juniors sports camps)
- Marketing: increased Grants & Donations; still largest contributor to income
- Facilities: lapping unusually big year of hall hires in F23 due to re-painting
- Events: profits from Ocean Swim reduced as F23 used prior stock (abnormal profit)

Variable Expenses breakdown



Line Items	32,525	54,263	51,720	59,715	198,223
Member Expenses	4,320	11,857	15,339	20,767	52,283
Marketing Expenses	400	5,400	400	400	6,600
Event Expenses	150	350	800	10,900	12,200
Gear	11,560	15,950	9,125	8,550	45,185
Employment	16,095	20,706	26,056	19,098	81,955

- Increases in Administration primarily building maintenance-related inflation
- Increased participation in Juniors and Surf Sports participation causing more entry fees and equipment expenses
- General Activities running fundraiser and start of season major events, plus Ocean Swim expenses
- Youth expenses significantly expanded by initiation of Youth-specific coaching programme



Budget 23-24

CAPEX



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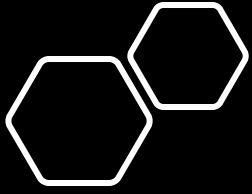
CAPEX: Planned Expenditure



Sum of Cost ex-GST	Q1	Q2	Q3	Q4	Grand Total
Board and Ski	500	4,000	4,500	1,650	10,650
Gymnasium	5,400				5,400
IT and Entertainment	10,000				10,000
Furniture & Fixtures	43,000	46,000			89,000
IRB		5,500			5,500
BBQ and Bar		1,000	1,000		2,000
Grand Total	58,900	56,500	5,500	1,650	122,550

PRIORITY ITEMS

1. Gym plan developed by Surfboat team continues: \$5k for equipment replacement
2. Nippers new cage: \$15k
3. Security Camera upgrade for Licence conditions: \$15k
4. Bar & dishwasher upgrade: \$4k
5. Kitchenette upgrade: \$15-20k



Budget 22-23

OPPS & RISKS



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OPPORTUNITIES to improve the budget



1. More Building development to utilise awarded grants (and then recognise the corresponding income) sitting with SLSNSW on our behalf
2. Price increases on BBQ and Bar given cost inflation
3. Nippers-related sponsorships
4. More Bronze courses = Education Fee income
5. Sale of existing written-down assets (especially Gym)
6. Cease Manly Vale storage hire (over \$3k)

RISKS to the budget & mitigations



RISK

1. Bad Weather & Surf = loss of BBQ sales & event income
2. Unexpected building or craft damage
3. Loss of Grant-related income

MITIGATION

1. Build alternate revenue streams & diversify Hall Hires. No Director currently manages the building.
2. Pay insurances on time; consider reducing excesses. Lease? Board & Ski charge shed hire fee
3. Contingency fee and cost reduction plan in place on Capex.