

July 17, 2020

Re: Tyandaga Tennis Club
Financial Report- 2019

Submitted by Richard Battista, Treasurer

Attached is the financial operating (profit & loss) statement for 2019 including a comparison to 2018 results. This was prepared on a cash accounting basis (no costs are capitalized, and no expenses/revenues are deferred or accrued).

The Club realized an operating (cash) loss of \$990.62 in 2019 as compared to a gain of \$2,365.47 in 2018.

A summary, including explanations, of the major elements is provided below.

Operating Revenues:

Revenues from memberships, including leagues, in 2019 totalled \$23,910.55 and the Pro associated revenues for the club totalled \$1,725.00. As compared to 2018, membership revenues were lower by \$3,386.29 or 12.4%. Membership fees were unchanged in 2019.

The table below compares membership levels for the years 2016 to 2019.

2016 - 2019 Memberships By Member Type				
# of Registrants by Member Type				
	2016	2017	2018	2019
Adult	85	117	104	89
Child	24	24	4	2
Couples*	48	34	49	33
Family**	57 / 13	79 / 20	52 / 13	57 / 15
Junior	6	10	15	2
Parent	11	12	6	0
Student	3	2	0	2
Total	234	278	230	185

*figures indicate total # of individuals registered as "Couples"
**figures indicate total # of individuals & total # of families

The following table, sourced from the registration system, provides membership and league revenues for the years 2016 to 2019. It should be noted that the revenue numbers shown in these tables can differ from the revenues reflected in the operating statement. For example, the latter revenues are net of the transaction charges incurred when fees are paid by credit card and reflect any refunds.

Revenues				
By Member Type	2016	2017	2018	2019
Adult	\$10,302	\$14,230	\$15,075	\$12,900
Child	\$0	\$0	\$0	\$0
Couples*	\$5,720	\$3,870	\$6,480	\$4,455
Family**	\$3,315	\$4,560	\$3,900	\$4,500
Junior	\$300	\$530	\$975	\$130
Parent	\$0	\$0	\$0	\$0
Student	\$175	\$270	\$0	\$160
Total	\$19,812	\$23,460	\$ 26,430	\$ 22,145
League				
Mens Doubles	\$1,050	\$1,025	1000	1025
Mixed Doubles	\$550	\$700	725	600
Womens Doubles	\$625	\$950	850	800
Total	\$2,225	\$2,675	\$2,575	\$2,425
Grand Total	\$22,037	\$26,135	\$ 29,005	\$ 24,570

Total Expenses:

Expenses totaled \$26,626.17. This is approximately the same level of expenditure experienced in 2018.

Expense particulars are set out below.

Administration:

Administration expenses increased by \$434.98 or 16.8% as compared to 2018. This is largely due to an increase in club website associated costs.

Club Pro Compensation:

Club Pro compensation increased by \$236.50 or 2.7%.

Event Expenses:

Event Expenses show a decrease of \$619.31 or 20.3% largely due to less costly tournament and league year-end activities. League related activity expenses are offset by league revenues.

Insurance and OTA:

Insurance and Ontario Tennis Association (OTA) expenses increased by \$320.64 or 11.4% largely due to increased insurance premiums.

Maintenance (includes equipment):

Maintenance expenses (includes equipment replacement, general indoor/outdoor, court, building and grounds upkeep) totalled \$7,569.09, a \$830.27 or a 12.3% increase over 2018. Increased maintenance/repairs on the outdoor lights and water cooler purchase accounts for the increase. These were partially offset by lower clubhouse cleaning costs.

Utilities:

Utility costs decreased by \$1,209.28 or 45.6% as compared to 2018. In June 2018 the club determined that a phone land line was no longer needed and so terminated its contract with Bell resulting in a savings of \$943.76. Bell costs in 2018 included service to date costs as well as a termination fee. Hydro costs were also lower in 2018.

Operating Cash Balance:

As a result of the operating loss in 2019 of \$990.62 the closing cash balance (for the year ended Dec. 31, 2019) declined to \$5,363.63.

Investments:

Currently, the club holds 2 TD Canada Trust GICs with a face value of \$15,392.43.

GICs			
Amount	Maturity Date	Rate	Terms
\$10,227.68	Jan.24, 2021	1.95%	non-cashable
\$5,164.75	Feb. 12, 2021	1.80%	non-cashable
\$15,392.43			

It should be noted that a GIC, in the amount of \$5,000.00, was cashed in May in the expectation that club revenues would be limited because of the Covid-19 virus. The proceeds were deposited in the club's operating bank account.

Other:

In 2019, the club filed a tax return for 2018. The Revenue Canada assessment provided stated that based on our T2 returns no income tax is payable and there is no outstanding balance.

Update Regarding 2020:

It was expected that the public response to the Covid-19 virus would have a negative impact on our operations and financial health in 2020. However, as compared to the situation in April and early May, conditions have improved significantly. Under the province's stage 1 protocols and with the guidelines provided by the OTA and Tennis Canada the club was able to provide the City of Burlington with the appropriate rules and regulations to commence operations, with certain restrictions, in early June and in early July we moved to stage 2. To encourage registrations in a shortened season, the club lowered its fees for 2020 by 25% due to reduced services (no clubhouse) provided. Membership registrations now exceed 90% of 2019 levels and continue to grow.

Financially, our outlook for 2020 has improved. It is now expected that registration revenues will cover, or come close to covering our expenses, assuming continued reasonable cost control while providing the members of Tyandaga with a safe playing environment.

Respectfully submitted,

Richard Battista
Treasurer

2019 OPERATING STATEMENT

2019 Operating Statement				
	2019 Actual	2018 Actual	variance +/-	
			\$	%
Revenue				
<i>Membership Registration</i>	\$ 23,910.55	\$ 27,296.84	\$ (3,386.29)	-12.4%
<i>League</i>	\$ -	\$ -	\$ -	
<i>Social (Banquets,Tournaments)</i>	\$ -	\$ -	\$ -	
<i>Clinics (Pro) incl guest fees</i>	\$ 1,725.00	\$ 1,701.00	\$ 24.00	1.4%
Total Revenue	\$ 25,635.55	\$ 28,997.84	\$ (3,362.29)	-11.6%
Operating Expenses			\$ -	
Wages (Pro)	\$ 9,016.60	\$ 8,780.10	\$ 236.50	2.7%
Administration			\$ -	
<i>Postage/Envelopes/Office</i>	\$ 24.58	\$ 25.97	\$ (1.39)	-5.4%
<i>Bank Fees</i>	\$ 59.65	\$ 34.65	\$ 25.00	72.2%
<i>Postal Box Rental</i>	\$ 190.97	\$ 187.58	\$ 3.39	1.8%
<i>Ad (Reg)-Burl Post/Other</i>	\$ 446.35	\$ 435.05	\$ 11.30	\$ 0.03
<i>Club Website (Weebly,Servicead)</i>	\$ 416.30	\$ 81.22	\$ 335.08	412.6%
<i>Coffee/Snacks-Reg/AGM</i>	\$ -	\$ 38.15	\$ (38.15)	-100.0%
<i>Bus line Fee Bank</i>	\$ 300.00	\$ 300.00	\$ -	0.0%
<i>Online Transaction/Monthly Fees</i>	\$ 150.00	\$ 135.00	\$ 15.00	11.1%
<i>Annual Online Billing Fee/Licence (Jegysoft)</i>	\$ 1,440.75	\$ 1,356.00	\$ 84.75	6.3%
Total Administration	\$ 3,028.60	\$ 2,593.62	\$ 434.98	16.8%
Event Expenses			\$ -	
<i>Opening Day Expenses</i>			\$ -	
<i>Tennis Balls</i>	\$ 1,130.00	\$ 1,342.44	\$ (212.44)	-15.8%
<i>Reimburse Tennis Balls (OTA/Tourn)</i>	\$ 130.32	\$ -	\$ 130.32	
<i>Tournaments</i>		\$ 253.32	\$ (253.32)	
<i>Year End Pub Nite (M&W&Mxd)/BBQ</i>	\$ 1,167.51	\$ 1,451.38	\$ (283.87)	-19.6%
Total Event Expenses	\$ 2,427.83	\$ 3,047.14	\$ (619.31)	-20.3%
Insurance/OTA			\$ -	
<i>Insurance</i>	\$ 967.85	\$ 651.41	\$ 316.44	48.6%
<i>City Property Insurance</i>	\$ 109.41	\$ 105.21	\$ 4.20	
<i>OTA Fee</i>	\$ 2,063.00	\$ 2,063.00	\$ -	0.0%
Total Insurance/OTA	\$ 3,140.26	\$ 2,819.62	\$ 320.64	11.4%
Maintenance			\$ -	
Equipment			\$ -	
<i>Replace Net w strap</i>			\$ -	
<i>Stacking Chairs(10)</i>			\$ -	
<i>EZDri Rollers/Repair</i>			\$ -	
<i>BBQ & Propane & Water Cooler & Misc.</i>	\$ 576.28		\$ 576.28	
Sub Tot Equipment	\$ 576.28		\$ 576.28	
General Upkeep			\$ -	
<i>Courts</i>	\$ 1,412.50	\$ 1,299.50	\$ 113.00	8.7%
<i>Outdoor Lights</i>	\$ 1,029.43	\$ 327.55	\$ 701.88	214.3%
<i>Fence</i>			\$ -	
Building			\$ -	
<i>Bathroom Floors/Taps/Plumbing/Locks</i>	431.76	\$ 517.53	\$ (85.77)	-16.6%
Sub Tot General Upkeep	\$ 2,873.69	\$ 2,144.58	\$ 729.11	34.0%
Other			\$ -	
<i>Spring/Fall Clean Up (Waste Disp/supplies)</i>	\$ 217.17	\$ 277.47	\$ (60.30)	-21.7%
<i>Property Maintenance (Grounds)</i>	\$ 2,366.95	\$ 2,366.95	\$ -	0.0%
<i>Cleaner(Clubhouse)</i>	\$ 889.51	\$ 1,315.03	\$ (425.52)	-32.4%
<i>Recycle Blue Box/Garbage</i>	\$ 300.00	\$ 300.00	\$ -	0.0%
<i>Winterize Club(plumber)</i>	\$ 345.49	\$ 334.79	\$ 10.70	3.2%
Sub Tot Other	\$ 4,119.12	\$ 4,594.24	\$ (475.12)	-10.3%
			\$ -	
Total Maintenance	\$ 7,569.09	\$ 6,738.82	\$ 830.27	12.3%
Utilities			\$ -	
<i>Union Gas</i>	\$ 499.92	\$ 509.12	\$ (9.20)	-1.8%
<i>Burl Hydro</i>	\$ 943.87	\$ 1,200.19	\$ (256.32)	-21.4%
<i>Bell Canada</i>		\$ 943.76	\$ (943.76)	-100.0%
Total Utilities	\$ 1,443.79	\$ 2,653.07	\$ (1,209.28)	-45.6%
Total Expenses	\$ 26,626.17	\$ 26,632.37	\$ (6.20)	0.0%
Operating Income	\$ (990.62)	\$ 2,365.47	\$ (3,356.09)	-141.9%