

Te Puāwaitanga : 10yr Financial Forecast

Operational Budget, including income and expenditure as at Mar 2022.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Venue Fees										
Member Club : Social / Meeting Spaces	\$ 29,520	\$ 29,520	\$ 29,520	\$ 30,996	\$ 32,546	\$ 34,173	\$ 35,882	\$ 37,676	\$ 39,560	\$ 41,538
Member Club : Sport / Recreation Spaces	\$ 46,080	\$ 46,080	\$ 46,080	\$ 48,384	\$ 50,803	\$ 53,343	\$ 56,011	\$ 58,811	\$ 61,752	\$ 64,839
Member Club : Administration / Storage Spaces	\$ 15,840	\$ 15,840	\$ 15,840	\$ 16,632	\$ 17,464	\$ 18,337	\$ 19,254	\$ 20,216	\$ 21,227	\$ 22,288
Community Group Hire	\$ 20,000	\$ 20,000	\$ 20,000	\$ 21,000	\$ 22,050	\$ 23,153	\$ 23,153	\$ 24,310	\$ 25,526	\$ 26,802
Commercial / Business Group Hire	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,750	\$ 16,538	\$ 17,364	\$ 17,364	\$ 18,233	\$ 19,144	\$ 20,101
Cleaning Charges	\$ 8,574	\$ 9,025	\$ 9,500	\$ 9,975	\$ 10,474	\$ 10,997	\$ 11,547	\$ 12,125	\$ 12,731	\$ 13,367
AV / Technology Hire	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788	\$ 6,078	\$ 6,381	\$ 6,700	\$ 7,036	\$ 7,387	\$ 7,757
Membership Fees										
Hub Affiliation fee	\$ 19,600	\$ 19,600	\$ 20,000	\$ 21,700	\$ 23,375	\$ 24,875	\$ 26,375	\$ 27,875	\$ 29,375	\$ 30,875
Community Funding (OPEX)										
Community Trusts (Local & National)	\$ 30,000	\$ 35,000	\$ 40,000	\$ 45,000	\$ 50,000	\$ 55,000	\$ 60,000	\$ 65,000	\$ 70,000	\$ 70,000
Shared Services resource direct funding	\$ -	\$ -	\$ -	\$ 12,500	\$ 13,125	\$ 13,781	\$ 14,470	\$ 15,194	\$ 15,954	\$ 16,751
FNDC OPEX / Subsidy Grant	\$ 50,000	\$ 50,000	\$ 50,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Programmes & Services										
School Holiday Programme	\$ -	\$ 2,500	\$ 2,500	\$ 3,500	\$ 3,500	\$ 4,500	\$ 4,500	\$ 5,500	\$ 5,500	\$ 5,500
Childcare / OSCAR Programme	\$ -	\$ 24,000	\$ 25,200	\$ 26,460	\$ 27,783	\$ 29,172	\$ 30,631	\$ 32,162	\$ 33,770	\$ 35,459
Bar, Kitchen & Catering										
Bar Operations Net Profit	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Kitchen / Cafe Operations Net Profit	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Kitchen / Catering hire fees	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Other										
Sponsorship / Donations	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Total income	\$ 254,614	\$ 286,815	\$ 299,153	\$ 337,685	\$ 359,734	\$ 376,077	\$ 405,387	\$ 429,112	\$ 447,050	\$ 459,203
Expenditure										
Staff Wages (includes Kiwiaser)										
General Manager	\$ 48,750	\$ 65,000	\$ 68,250	\$ 71,663	\$ 75,246	\$ 79,008	\$ 82,958	\$ 85,000	\$ 85,000	\$ 85,000
Community Engagement Officer	\$ -	\$ -	\$ -	\$ 25,000	\$ 27,500	\$ 30,250	\$ 33,275	\$ 36,603	\$ 40,263	\$ 44,289
Programme Managers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shared Services Manager / Contractor	\$ -	\$ -	\$ -	\$ 25,000	\$ 26,250	\$ 27,563	\$ 28,941	\$ 30,388	\$ 31,907	\$ 33,502
OSCAR Staff	\$ -	\$ 14,400	\$ 15,120	\$ 15,876	\$ 16,670	\$ 17,503	\$ 18,378	\$ 19,297	\$ 20,262	\$ 21,275
Cleaner Wages	\$ 10,560	\$ 11,088	\$ 11,642	\$ 12,225	\$ 12,836	\$ 13,478	\$ 14,151	\$ 14,859	\$ 15,602	\$ 16,382
ACC Levy	\$ 500	\$ 750	\$ 750	\$ 1,250	\$ 1,313	\$ 1,378	\$ 1,447	\$ 1,519	\$ 1,595	\$ 1,675
Utilities										
Gas	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736	\$ 1,823	\$ 1,914	\$ 2,010	\$ 2,111	\$ 2,216	\$ 2,327
Electricity	\$ 8,500	\$ 8,925	\$ 9,371	\$ 9,840	\$ 10,332	\$ 10,848	\$ 11,391	\$ 11,960	\$ 12,558	\$ 13,186
Telephone & Internet	\$ 3,000	\$ 3,150	\$ 3,308	\$ 3,480	\$ 3,660	\$ 3,840	\$ 4,020	\$ 4,200	\$ 4,380	\$ 4,560
Waste Disposal / Collection	\$ 2,000	\$ 2,100	\$ 2,205	\$ 2,315	\$ 2,431	\$ 2,553	\$ 2,680	\$ 2,814	\$ 2,955	\$ 3,103
SKY TV	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736	\$ 1,823	\$ 1,914	\$ 2,010	\$ 2,111	\$ 2,216	\$ 2,327
Rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Usage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repairs & Maintenance										
Cleaning Materials	\$ 2,400	\$ 2,520	\$ 2,646	\$ 2,778	\$ 2,917	\$ 3,063	\$ 3,216	\$ 3,377	\$ 3,546	\$ 3,723
General R&M	\$ 2,500	\$ 2,500	\$ 4,000	\$ 4,000	\$ 5,500	\$ 5,500	\$ 7,000	\$ 7,000	\$ 8,500	\$ 8,500
Alarm Monitoring	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736	\$ 1,823	\$ 1,914	\$ 2,010	\$ 2,111	\$ 2,216	\$ 2,327
Pest Management / Prevention	\$ 2,500	\$ 2,625	\$ 2,756	\$ 2,894	\$ 3,039	\$ 3,191	\$ 3,350	\$ 3,518	\$ 3,694	\$ 3,878
Building, Fire & AC Inspections	\$ 2,600	\$ 2,730	\$ 2,867	\$ 3,010	\$ 3,160	\$ 3,318	\$ 3,484	\$ 3,658	\$ 3,841	\$ 4,033
FNDC Ground Lease										
FNDC Ground Lease fee	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Insurance										
Building, plus Hub owned chattels	\$ 30,000	\$ 31,500	\$ 33,075	\$ 34,729	\$ 36,465	\$ 38,288	\$ 40,203	\$ 42,213	\$ 44,324	\$ 46,540
Office Administration										
Bank Account Fee's	\$ 150	\$ 158	\$ 165	\$ 174	\$ 182	\$ 191	\$ 201	\$ 211	\$ 222	\$ 233
Office consumables / stationery	\$ 1,800	\$ 1,890	\$ 1,985	\$ 2,084	\$ 2,188	\$ 2,297	\$ 2,412	\$ 2,533	\$ 2,659	\$ 2,792
Subscriptions & Fee's	\$ 750	\$ 788	\$ 827	\$ 868	\$ 912	\$ 957	\$ 1,005	\$ 1,055	\$ 1,108	\$ 1,163
Other										
Depreciation / Asset Replacement	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
Low Value Asset Purchases	\$ 5,000	\$ 2,500	\$ 1,000	\$ 1,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
General Expenses	\$ 2,500	\$ 2,625	\$ 2,756	\$ 2,894	\$ 3,039	\$ 3,191	\$ 3,350	\$ 3,518	\$ 3,694	\$ 3,878
Staff Training / Personal Development	\$ 2,500	\$ 2,625	\$ 2,756	\$ 2,894	\$ 3,039	\$ 3,191	\$ 3,350	\$ 3,518	\$ 3,694	\$ 3,878
Entertainment Allowance	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736	\$ 1,823	\$ 1,914	\$ 2,010	\$ 2,111	\$ 2,216	\$ 2,327
GMI Motor Vehicle Lease and 50% fuel	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,875	\$ 7,875	\$ 7,875	\$ 8,269	\$ 8,269	\$ 8,269	\$ 8,682
Advertising / Marketing	\$ 7,500	\$ 7,875	\$ 8,269	\$ 8,682	\$ 9,116	\$ 9,572	\$ 10,051	\$ 10,553	\$ 11,081	\$ 11,635
Total Expenditure	\$ 239,510	\$ 272,048	\$ 280,363	\$ 341,296	\$ 357,342	\$ 371,165	\$ 387,711	\$ 401,141	\$ 414,764	\$ 428,091
Net Surplus / Loss	\$ 15,104	\$ 14,767	\$ 18,790	\$ (3,611)	\$ 2,393	\$ 4,912	\$ 17,676	\$ 27,972	\$ 32,286	\$ 31,112

Sensitivity Analysis Based on Year 3 of operation

Sensitivity Analysis	OPEX Costs		Revenue		Net result
Base projection (Year 3)	100%	\$280,363	100%	\$299,153	\$18,790
Optimistic	90%	\$252,327	110%	\$329,068	\$76,741
Realistic	100%	\$280,363	90%	\$269,237	-\$11,126
Pessimistic	110%	\$308,399	85%	\$254,280	-\$54,120
Black hat	125%	\$350,454	75%	\$224,364	-\$126,089

Revenue from Member Club Usage (conservative)

Regular weekly use by member clubs	Winter Weekly Hours	Winter Weeks	Winter Total Hours	Summer Weekly Hours	Summer Weeks	Summer Total Hours	Annual Total Hours	Members Hourly Rate	Revenue
SPACE									
Social Lounge / Bar	14	24	336	12	24	288	624	\$ 15	\$ 9,360
Kitchen / Café	20	24	480	20	24	480	960	\$ 15	\$ 14,400
Meeting Room	6	24	144	6	24	144	288	\$ 20	\$ 5,760
Total Social / Meeting Spaces			960			912	1,872		\$ 29,520



Assumptions

Refer table below, with 5% increase applied annually from Year 4 onwards, to recognise venue usage growth
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Conservative based on 50% of Toitu Poneke at \$20 per space per hour, 5% increase applied annually from Year 4 onwards
Conservative based on 33% of Toitu Poneke at \$50 per space per hour, 5% increase applied annually from Year 4 onwards
Based on Toitu Poneke at \$9,500pa after 3 years, with 20% reduction applied for conservatism, then 5% increase per annum (\$70 per clean)
Based on 50% of Toitu Poneke, charging commercial customers for technology use, to support meetings and workshops etc, increasing 5% per annum

Refer table below

Based on Toitu Poneke for OPEX / Salaries etc, increasing as membership grows - suggest aim to be no more than 20% of total income mix
50% funding from either clubs, trusts or FNDC
To be agreed with FNDC

50% of Toitu Poneke, who use an existing 3rd party supplier to deliver, so no wages / set-up costs
From year 2 onwards, based on 10 kids per session, 5 sessions per week, 40 weeks, at \$12 per kid, then growing at 5% per annum

Conservative based on similar operations, opportunity for growth
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Conservative based on similar operations, opportunity for growth

Conservative estimates and significant headroom here, especially if able to sell signage, name rooms / spaces etc

All tasks, including club engagement, venue promotion and bookings, year 1 (30hrs at \$65,000pa) / year 2 (full time), 5% growth pa, capped at \$85,000pa
Commences Year 4 (20hrs at full time salary of \$50,000pa), then 10% extra hours per year, capped at \$50,000
Employed on a needs basis only, and costed into fees charged to attendees (so corresponding income to offset)
From Year 4, if need apparent, focusing on media, communications, membership and financial roles, 15-20 hours per week
Allowance based on 60% of OSCAR income above
48 weeks x 10hrs per week x \$22 per hour, with 5% increase per annum
Estimate

Per Toitu Poneke, with 5% increase annually
Per Toitu Poneke, with 5% increase annually
\$250 per month, increasing to \$400 when Operations Mgr joins, plus 5% growth pa
Based off Toitu Poneke, plus 5% growth pa
Based off Toitu Poneke, plus 5% growth pa (note - this is just a 50% charge, balance charged to using clubs)
Negotiated FOC with FNDC as part of ground lease / arrangement?
Assumed included in Rates

\$200 per month x 12 months, with 5% increase per annum
Starting small as new venue, but increasing as ageing occurs
Based off Toitu Poneke, plus 5% growth pa
Per Toitu Poneke, plus 5% growth per annum
Per Toitu Poneke, plus 5% growth per annum

Negotiated based on land that building sits upon (assumes FNDC provide changing room cleaing for free)

Estimated "replacement cover", with 25% deduction for FNDC insurance grant, with 5% premium increase annually

Based off Toitu Poneke, plus 5% growth pa
\$150 per month, plus 5% growth pa
Based off Toitu Poneke, plus 5% growth pa

Allowance to support asset replacement fund development and growth, based on 1% per annum of a \$9m structure (straight line)
Estimated
Based off Toitu Poneke, plus 5% growth pa
Allowance, includes annual national hub conference
Includes staff Xmas party, hosted function for key club management
Based off Toitu Poneke, plus 5% growth every 3 year lease term
Based off Toitu Poneke, plus 5% growth pa, mostly social media, newsletters, word of mouth

Fields	84	24	2016	80	24	1920	3,936	\$	-	\$	-	Assume no field charge, or any revenue goes to FNDC
Gymnastics Hall	60	24	1440	60	24	1440	2,880	\$	12	\$	34,560	
Changing Rooms (Fields)	30	24	720	22.5	24	540	1,260	\$	-	\$	-	Assume no field changing room charge, or any revenue goes to FNDC
Changing Rooms (Gym - Private)	60	24	1440	60	24	1440	2,880	\$	4	\$	11,520	
Total Sport / Recreation Spaces			5616			5340	10,956	\$	16	\$	46,080	
Administration Office	40	24	960	40	24	960	1,920	\$	5	\$	9,600	
Storage Space / Units	60	26	1560	60	26	1560	3,120	\$	2	\$	6,240	
Total Administration / Storage Spaces							5,040			\$	15,840	
Note, excludes Family Room / Child Care Centre - shown separately as a social enterprise 3rd party provider									Total	\$	91,440	

Calculation of Club Membership Fees (paid to Hub for affiliation), includes players, coaches, management & social members											
Year	Fee Per member	Football Membership	Gymnastics Membership	Cricket Membership	Rugby League Membership	Hockey Membership	New Club Membership	New Club Membership	Total Membership	Revenue	
1	\$ 20	450	330	150	50	-	-	-	980	\$	19,600
2	\$ 20	450	330	150	50	-	-	-	980	\$	19,600
3	\$ 20	450	330	150	70	-	-	-	1,000	\$	20,000
4	\$ 20	475	365	175	70	-	-	-	1,085	\$	21,700
5	\$ 25	475	365	175	90	50	20	-	1,175	\$	29,375
6	\$ 25	475	365	175	90	50	20	20	1,195	\$	29,875
7	\$ 25	500	400	200	110	75	30	20	1,335	\$	33,375
8	\$ 30	500	400	200	110	75	30	30	1,345	\$	40,350
9	\$ 30	500	400	200	130	100	40	30	1,400	\$	42,000
10	\$ 30	500	400	200	130	100	40	40	1,410	\$	42,300

Same fee for senior and junior members, per Toitu Poneke model