TREASURER'S REPORT TO THE AGM

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026

Opening Remarks

It's been a slightly odd financial year with several items significantly impacting the overall result. The Club recorded an overall loss for the financial year reflecting some specific funding decisions by the Committee to support members and juniors attend some road events and payment of the donation to WORD to assist with their purchase of a new van. Track and MTB also ran some losses for the year.

The loss would have been significantly greater if it wasn't for a late decision by MTB in conjunction with the Wellington MTB Club to host the North Island Schools MTB Champs, following the withdrawal of the original host club. The event was a great success with large participant for schools. It resulted in an overall profit of $15,620 which was split 50:50 between PNP and Wellington MTB Club.

The Club continues to be in a very stable overall financial position, with reserves of just under $100,000 and cash and term deposits of around $110,000 as at 30 April 2026.

Profit and Loss Account – Overall and By Code

Overall, the Club recorded a loss of $4,530 for the year.

Income

- Membership income. Whilst a slight decrease from 2025 it remains up on previous years reflecting the benefits of the social membership category.
- Grant income and sponsorship (detailed in Note 2) continues to be important to the viability of Club events, as event fees are not sufficient to cover event costs on a stand-alone basis.
  - Grant income was slightly down this year, although we were successful for similar grants from the same two funding organisations. The reduction in the amount from Pelorus Trust reflected the fact that MTB had residual medals from the prior year, so the need was less which resulted in a lower funding request. All the grant income directly offset operating costs incurred.
  - Sponsorship relates to Track, where there continues to be a consistent group of financial sponsors across its multiple events. The accounts only record sponsorship that is provided by direct funding. Other organisations also support the Club by providing product etc and this should not be forgotten – further details of all sponsors are provided in the Track Report.
- Interest income on the Club's term deposits. This remained high reflecting the increase in interest rates in 2025. There's been a small decrease in interest rates in 2026, so next year's interest income is expected to reduce slightly.
- MTB income from race fees was down about 20% on last year. This primarily reflected the cancellation of the Club Champs due to storm damage to the trails just prior to the event.
- Track income (training and race fees, bike hireage and winter spin class income) was slightly down on last year.

Expenses

- The accounts for the last two years now reflect the full annual cost of the Club's entry into the Clubhouse lease with the Council. This has increased the Club's overall cost base however this has not placed undue strain on the Club's finances and is off significant benefit.
- Depreciation, which is a non-cash expense, remained consistent with last year. The Club has invested $20,000 in new assets in the last three years, and this is what is resulting in the depreciation expense. The assets take just over three years to be fully depreciated, so this expense will start to reduce next year.
- High Performance Fund expense of $1,000 represents financial support provided to members who raced at World Championships during the year – recipients are detailed in Note 3.
- Honorary expenses (detailed in Note 4) reflect those approved at the preceding AGM.
- Junior Road expenses reflect financial support approved by the Committee to assist junior road riders participate in the CHB Tour in Hawkes Bay, which was very successful for our junior riders.
- Road expenses reflect the financial support approved by the Committee to assist members participate as a PNP team in the North Island Road series.
- Track expenses were consistent with last year. Costs include the velodrome booking fee, prize money for the various carnival events and maintenance costs for the track bike hire fleet.
- The donation to WORD of $2,000 reflects the Club's donation to assist with the purchase of a new van for the organisation.

Profit and Loss by Code

- Profit and Loss by code is detailed in Note 1 to the Financial Statements.
- Some costs could be assigned to a code (such as Cycling NZ levies, depreciation, code honoraria, high performance fund,) however I've treated these as general Club overhead costs.
    - Both MTB and Track made slight losses in the year, and as always future performance is dependent on grant income and sponsorship. Track has a stable group of sponsors, but MTB is dependent on grants to offset major series costs such as medals which can be variable.
    - Road had no specific revenue. The loss therefore reflected the costs associated with support riders with the CHB Junior Tour and the North Island Road series.

Balance Sheet

Despite the small loss for the year, the Balance Sheet remains strong with significant overall reserves of just under $100,000 and significant cash in the bank and on term deposit.

Expenditure on physical assets related to the purchase of an Electric MTB for $5,348 to support race set-up, and on the day race management and safety.

Payables and Accrued Expenses increased significantly compared to the end of the previous financial year. This mainly reflected costs incurred in respect of the North Island School MTB Champs that were paid in May 2025 and the profit share payable to Wellington MTB Club.