MDAA Treasurer’s Report year to 31 January 2019.

Firstly I would like to thank John Bushell for stepping in and auditing our accounts for a second year, and Lindy for bribing John to do so with a bunch of fresh rhubarb.

For the future I have agreed with John we will appoint an auditor so if any of you know of a person willing to become our auditor please let me know.

Turning to the MDAA accounts

At the moment the Association remains in reasonably sound financial state.

After running expenses we had a small surplus in the year of £395 which following the charge of £500 to the Sinking Fund gave a loss for the year of £104. We end the year with £13,172 split between the current account and savings account of which £2860 relates to rents paid by electronic bank to bank transfer for the current year. To this we can add the cash and cheque receipts banked in February of £1490,

(Sinking fund text if needed

A few years ago we had a serious leak in the water system. As well as giving us a large water bill there was the cost of a complete replacement of the water system. Thanks to the work of the then committee they were successful in getting a Lottery grant that covered much of the cost. The sinking fund was set up to ensure that in the event of future problems we have funding in place. )

I will not go through every item of expenditurein the accounts, but I will mention a few items.

Water

For earlier years taking one year with another water charges came out at around £1000 per year. Around about this time last year I sat here commenting on the £300 increase in water charges 2017/18 year. I said this was mainly due to the very dry spring in 2017. I confidently suggested that it was probably a one off and predicted with the cold wet 2018 spring that a large water bill was not a risk. With hindsight I think that was my Michael Fish moment as we then went into to a long dry summer.

The result was another jump in the water charge by some £455 to £1640.

If the very dry April is setting the pattern for the coming months and with the increase in price of the water charge in January there is a real risk that this is a cost that will rise for a third year.

The skip

With my Meopham allotments hat on I tend to think in terms of a different currency the unit of which is an annual allotment rent. At the moment the exchange rate is just over 3 to £100. For the last couple of years we have rented a skip. Using my allotment currency that comes out at a cost over over 30 allotment rents each year. Are we getting value for money and something that is fair to all members? The objective is to help members get rid of non-compostable material. Each time a good part of the skip was filled with weeds, grass cuttings and other compostable material. This also meant that the skip filled very quickly. I arranged for it to be delivered on a Friday to be fair to people who could only get there at weekends Because of the amount of compostable material put into the skip many members were not able to dispose of items for which the skip was intended. Looking around the site there are a number of plots where there are items that cannot easily be disposed of other than in a skip.

A vacant plot next o me has child’s sit in car and an old toilet used as a planter

The committee have yet to make a decision on whether to have a skip this year. If they do, can I make a plea that it is only used for non- compostable rubbish. If people do not want to compost their weeds etc Pepper Hill Transfer Station is free and nearby although they will soon charge for soil hardcore old sanitaryware and many other similar items

Site maintenance.

This was reduced by over £300 from the previous year mainly by cutting back of work on unlet plots. I had a walk round earlier in the week and under our obligations under our lease with Meopham Parrish Council we may need to look at this again. This is another item where an increase in expenditure may be necessary, particularly as we have some unlet plots that are seriously overgrown and in that state unlettable.

Portable Toilet

The cost of this also shows a significant drop in cost from the previous year. This was down to a reduction in the period of hire. Instead of early March the rental started from April.

Robin provides monthly water meter readings and as these mounted rapidly in the summer of 2018 we decided to terminate the contract a month early.

I know the portable toilet we hire is a bit rough and ready but at £21 per week including VAT it is over £12 per week less than the next least expensive quote I got when I phoned round other suppliers last year. Also with it being on a site open to the public and often with no one around we would be unlikely a much of an improved model for what would be a significant increase in cost

Looking to the short to medium term the committee would like to get to the position where year on year we have a small surplus after the £500 charge for the sinking fund.

The last 2 years have not seen us in that position.

Water costs have risen significantly over the last couple of years. Each £300 increase represents £2 per plot holder so the £600 plus increase over the last couple of years comes out at around £4 per plot.

Also with a new lease in place we have been reminded of the obligation to keep the site tidy so we may need to put more into site maintenance.

Whether to hire a skip is currently on the back burner until we know the likely water charge over the summer months. Again the cost comes out a over £2 per plot.

What we are trying to do in May 2019 is take a punt at what our expenditure will be in the year to 31 January 2012. It goes without saying that is not an easy task As I said earlier the joint committee view is that taking one year with another we should aim for a small surplus after the charge foe the sinking fund.

We have discussed this and supported by our auditor’s advice we believe that an increase for next year of £5 would enable us to confidently achieve that objective for the next few years. If our view proves wrong and we start to achieve significant surpluses then there is the option to reduce the rent.

Do you have any questions?

Votes- back to chair