

Presidents Report 2015

It is with pleasure that I deliver my final Presidents report to the 2015 AGM.

On court MCT has once again had a very successful season which I am sure you will hear about via the convenors reports.

Being able to successfully defend the Browning Shield was the highlight – even though my one losing match didn't contribute to that. It is gratifying to see a team of both Junior and Senior players come together, compete as a team, as well encourage and support each other. The excitement and desire of all team members (and their parents and supporters) to make it happen was fantastic and I hope that that team spirit follows through in all facets of our sport in MC.

Mid Canterbury Junior players were represented in regional teams competing in national events – their talent and the supportive environment of coaches and their families must be acknowledged. Congratulations to all those who were successful in interclub and tournaments.

Our interclub competitions remain steady, although the 35% decrease in Junior teams over the last two seasons should be of concern and some investigations into the reasons why needs to be undertaken – it's not enough to say they have made other choices – why? And why are we not seeing the fruits of the huge coaching effort in schools and Hotshots Mini Tennis bring new players in to the interclub fold in significant numbers.

Open grade numbers are steady but the demographic of teams is very different to 5 years ago. Sunset and Twilight competitions continue to be as popular as ever.

Our facilities continue to be considered as some of the best in the country – this doesn't happen by chance and I thank all those who contribute to the upkeep and maintenance of the Ashburton Trust Tennis Centre. Our autumn working bee was well supported and we achieved all of the tasks that we set out to do. This effort I am sure will be a regular happening and I hope that more members and players will contribute in some small way. There were a large number of survey participants offering their help and MCT will be utilising their input.

Many of you attended the meeting we held to discuss the proposed changes to the structure of Canterbury Tennis and the potential impact on our organisation and to provide our thoughts to Canterbury Tennis. It was good to see many clubs and interested people represented at this meeting. To date there has been no further communication and we like all other tennis participants are awaiting the final outcomes of that process. Until that happens it will be business as usual with respect to MCT and our relationship with Canterbury Tennis. I believe the proposal to change the affiliation fee structure has merit but the suggestion to remove sub associations is flawed. MCT has ~3 votes at Canterbury Tennis – all we can do is make a strong case - and hope that TCRI, the other clubs and sub associations are listening.

The future structure of Junior tennis is still unclear as I write this. The focus Group elected in September to devise a structure for the Junior Group met several times, put an interim structure in place which proved to be somewhat unsuccessful. Its final proposal was distributed last month for discussion by clubs. It would have been easy to simply have the board decide on the pathway

however there has been a conscious effort to involve interested groups and it is hoped that an outcome will be settled after tonight's meeting.

I thank the Focus Group members for their efforts – whatever the outcome they worked on behalf of the people who elected them in September. Investigated the options and agreed on a pathway with the best interests of Junior Tennis in mind.

I would like to thank our staff, all of those who have lead committees, been committee members, supported and assisted with organising competitions and tournaments and maintaining this facility not only this year but throughout my time as President. This organisation has become over time more complex, with huge pressures that that brings on resources and costs. Balancing these is always difficult but I believe that we have been able to put reasonably future proof systems in place to ensure that decisions are based on good sound financial and need based information. One of the biggest improvements has been the purchase of our financial software system – the ability to have financial information readily at hand, understand our costs and income streams much better is huge. While the individual changes might be small collectively they add up. We have learned for instance that our lights have a maintenance cost cycle that varies greatly over a 3-4 year period and that we were not recouping enough to cover those costs. We now know who uses our lights – the costs are distributed back to the users and the board plans financially to smooth the cost cycle. We have been able to measure the profitability of our competitions and tournaments – some of which require some work (either increased fees or decreased costs) to ensure they contribute enough GP to assist with covering overhead costs.

I thank all our sponsors – those who sponsor courts to support our asset and those who sponsor our competitions and coaching programmes – without this financial support we be a very different organisation.

I also acknowledge the Lion Foundation who support our organisation with a significant grant. In recent times this has been in the order of 25-40000pa. While MCT is grateful to the Lion Foundation our reliance on grant funding is probably still too high – this reliance is the biggest financial risk MCT faces.

The Future Delivery of Tennis report in 2013 outlined that clubs should carry a cash reserve equivalent to 6 months of operations which should only be accessed when there are unforeseen operational circumstances. That there should also be a capital reserve to which depreciation is deposited – no matter how small that figure is. The report strongly recommends that grant and donation funding should be no greater than 20% of our revenue and that we should be aiming for no worse than a breakeven budget after depreciation.

So how do we score against that - in the 2010/11 FY MCT didn't receive a grant – fortunately we had a good cash reserve which enabled the organisation to function as it always did. However this drained the reserve. After significant focus and the benefit of 5 profitable outside tournaments we now have rebuilt a cash reserve that is just a fraction short of the target – and the opportunity is there to meet that this year. The Board hasn't considered putting the depreciation into a capital reserve – but should consider a policy on that this year – it would be beneficial for replacement of equipment.

Grants and donations have been increasing in proportion to our revenue comprise almost 30-50% of currently. This is double the recommended amount and hence my concern about reliance on this source. Having grants > 20% threshold is OK providing that the difference between the 20% and actual is not critical to sustainability - we don't quite meet that threshold.

We aim to breakeven each year but in reality are typically slightly on the wrong side of the ledger so a bit of tweaking is necessary there.

You will hear the details for the 2014/15 financial year shortly – I would like to make the point that in my time on the Board MCT has only profit in the years that it has hosted the ITF and National tournaments or other one off happenings – this year is no different.

2009	-\$2162
2010	-\$1314
2011	-\$19767 without ITF world seniors -30000, impact of no grant
2012	\$9125 ITF juniors/nationals 4800
2013	\$11277 ITF Juniors Nationals 3800
2014	-\$1752

MCT is a charity so the better than breakeven is an acceptable objective.

Put simply there is no unutilised cash and any changes in the way tennis is structured or managed will require users to pay the full cost of those changes.

After a rest from the busy times of 2011-13 MCT should be actively investigating the possibility of hosting outside events– such as the South Island Secondary Schools Tournament and perhaps nationals as fundraisers. While a volunteer effort is required these are potentially profitable and also dramatically increase the level of interest, kudos, recognition and involvement locally.

Earlier this year we signed off on the review of the MCT strategic plan. It is a relatively simple but important document. It is unfortunate that despite distributing to clubs for feedback and comment not one email or call was received.

Lastly I would like to acknowledge thank my Board Colleagues past and present – you all have given your time willingly to but look after this organisation on behalf of its members and the community and ensure its future and I would also like to thank Jack Allan providing expert advice and support to me over the last 5 or so years.

While I am vacating this role and unfortunately due to an unwilling body have to put my racket away permanently, I still intend to support MCT where I can.

I would like to move the adoption of the Presidents report.