

Treasurer's Report

Financial Position

The Society's financial position has almost completely reversed from that in 2022. The Net Surplus this year was a pleasing \$494,328 compared to last year's Net Deficit of (\$4,852,780). The overall Society's portfolio (managed via Essential Assets Ltd) again dropped from \$28.9m to 28.7m, but this year, the drop was just 0.8%. This is considered to be a good result especially in these troubled times. The Directors feel that, as markets continue to rebound, the portfolio will again grow in future years.

What does this mean?

The CPS has money in investments that is managed by a professional investment firm. Because of what is happening around the world the value of the investments has dropped. This is quite normal for investments to go up and down over time. This year's drop was very small.

Cerebral Investments Limited Loan

As was reported last year, the Directors are still concerned about the loan of \$2m made some years ago by CP Society to Cerebral Investments Limited. This loan was impaired by \$350,000 last financial year but no further impairment was made in the year just ended. The variable here is dependent on the sale value of the Stanmore Bay Property. The Board has decided not to redevelop this property but sell when the property market settles down.

What does this mean?

As was reported last year, a few years ago, the CP Society loaned CIL some money. CIL loaned that money to CIL Aircon. CIL Aircon was unable to pay their debts. The board have accepted that \$350,000 is not going to be repaid. CIL has a property at Stanmore Bay which the Board have approved to sell when the market is right. Hopefully this means we may get back some of the \$350,000 not repaid via the difference in what the property was purchased for and what it will sell for.

Membership fees.

The Board recommends that membership fees remain unchanged for the forthcoming year.

Summary

The Society is still in a healthy financial position and the Board is confident that it can continue pursue the strategic objectives laid out in the current Strategic Plan.

Ngā mihi

Peter Wynne-Jones
Independent Director and Treasurer