



LESBIAN INFORMATION LIBRARY AND ARCHIVE CENTRE

187 Willis Street, Wellington
PO Box 427, Wellington 6140

September 2019

Financial Report 1 July 2018 – 30 June 2019

LILAC recorded a deficit of \$2,681.35 for the year, slightly less than the previous year's loss.

Revenue

Revenue was 6% higher last year at \$12,616 with both donations and membership fees increasing.

	2019	2018
Donations	3755.01	2,796.90
Fundraising	3442.6	4,182.40
Grants	3,000.00	3,000.00
Membership	2,277.50	1,715.00
Interest	140.81	172.03
Total Revenue	12,615.92	11,866.33

Donations totalled \$3,755.01 , including donated books (worth \$248) and fuel cost for those travelling to Coasters (worth \$199). However, the most significant part of the donations (\$3,000) was attributable to one anonymous donator.

There were three major fundraising events this year, Circa theatre, Little Woods and Colette (both at Lighthouse). "Out in the Park" was cancelled this year following the tragic events in Christchurch. However, the associated raffle netted \$247.60.

Two further events, for each of which there was koha entry, were held at LILAC Lounge. These are detailed in the Annual Report.

LILAC again extends its gratitude to the Armstrong and Arthur Trust for its on-going generous support by way of a grant of \$3,000 received in April 2019.

Membership fees were up \$562.50 to reach \$2,277.50 with some members paying more than the prescribed subscription fee and the majority of members are up-to-date with their subscriptions.

The subscriptions are currently

Annual Income (gross)	Subscription
Up to \$27 000	\$20.00
Up to \$40 000	\$40.00
Over \$40 000	\$60.00

These subscriptions are currently under review including a proposal to introduce an alternative membership category of a voluntary amount of \$10 per month or an annual payment of \$120.

The Collective considers the current fees are simply not viable any longer. They have not been raised since 2010.

Both these matters will be included in the motion on subscriptions set out below.

Expenses

The increased revenue covered expenses which increased by a similar amount to \$15,297.27.

	2019	2018
Rent	12,266.04	11,655.19
Fundraising	1,934.00	2,290.00
Acquisitions	572.08	349.98
Coasters	226.00	94.00
Administration	252.66	465.95
Withholding tax	46.49	
	15,297.27	14,865.12

Rental expense increased to \$12,266 per annum, which includes electrical power, access to toilets and a kitchen, and accounts for 80% of LILAC's expenses. While this is a significant amount of money it is well below current rental costs for this size of space, with lift access and on main bus and car routes in central Wellington. A cheaper rent may be found elsewhere but would probably be in the outer suburbs of Wellington, in

Petone or Lower Hutt or Porirua, which is likely to be less accessible to the majority of our members who live and/or work in the Wellington City area.

Members use the current location infrequently as is shown in the Annual Report; moving elsewhere would, in all likelihood, further reduce membership.

Acquisitions for the year included magazine subscriptions to Diva and LOTL and a number of titles that were donated to LILAC (worth \$248). Coasters costs included fuel donations from those travelling to the coast.

Cash position

The continued deterioration of LILAC's finances has resulted in a further reduction of the cash position.

	2019	2018
Cheque accounts	3,292.32	3,127.99
Savings account	5,866.90	8,712.58
Cash position 30/06/2019	9,159.22	11,840.57

LILAC's current cash reserves will cover just under nine month's rent (from June 2019), which would take us through to March 2020 but leave LILAC with no money at all.

The current financial survival of LILAC is reliant on one generous anonymous donor and a grant from the Armstrong and Arthur Trust. Having said that, any further grant from the A&A Trust is still some months away (April next year) and cannot be guaranteed.

Even with the ongoing grant and donation, LILAC will continue to make losses without a significant increase in revenue (25% uplift) or decline in rent being paid (which would necessitate a move from inner city Wellington). Excluding grants and donations (which cannot be relied upon) the maximum monthly rent LILAC can afford (assuming the current membership level and fundraising) is around \$275. This is significantly less than the \$1,022 currently being paid.

With a lower rent, any donations or grants received can be applied to updating the stock and rebuilding LILAC's cash reserves.

Fundraising has made a small contribution to the finances and there will be applications made to various charitable sources. However, the opening hours and small membership has made that difficult.

Either way, continuing with the current situation is not financially sustainable and the longer the Collective/AGM take to make a decision on a course of action, the risk increases that there will be insufficient funds to continue in any form.

Following the draft of this report and yet another a Collective discussion about LILAC's financial situation, we wondered about the possibility of seeking donations from members. If we could raise say \$5,000-\$10,000 it would give us a "breathing space" to find more permanent sources of funding.

Recommendations to the Annual Meeting

1 That there be an increase in annual membership fees viz:

<u>Annual Income (gross)</u>	<u>Fees</u>
Up to \$30,000	\$30
Up to \$50,000	\$50
Over \$50,000	\$75
Alternative option	\$120 or \$10 per month

2 That a small group be established to raise \$10,000 or more through applications and other activities prior to March 2020.

3 That if recommendation 2 fails then LILAC give notice of departure from the current premises, store the resources, and advise the Registrar of Incorporated Societies that LILAC is going into recess.

4 That if recommendation 3 is approved, LILAC apply to the A&A Trust for a grant to cover the cost of storage for six months with the opportunity for a further six months grant.

5 That LILAC be wound up in accordance with its constitution, namely *22.1 In the event of the Society winding up, the surplus assets shall be distributed to other societies or organisations with similar charitable aims within New Zealand, to be determined by the Society at or by the time of dissolution.*

ADDENDUM

Sal Elborn, one of our Collective members visiting London, has very recently been diagnosed with a possible life-threatening illness. She will be undergoing treatment in London, but we hope we may see her back in Aotearoa. Sal has donated \$5,000 to LILAC to help see us through a few more months in which time we will work very hard, in co-operation with our members, to put LILAC on a sound financial footing.

Words cannot express our gratitude to Sal for this amazing gift. We send our very best wishes for successful treatment.

The Collective strongly recommends the AGM accept recommendations 1 and 2.