



SPECIAL MEETING MINUTES

DATE: WEDNESDAY 1ST MAY 2019

TIME: 6:30PM

LOCATION: LEARNING RESOURCE CENTRE (LIBRARY)

In Attendance

Josh Peick, Samantha Daly, Kylie Nilsson, James Daly, Amanda Pain, Christina Hickson, Tracey White, Sarah Neil, Laura Russell, Jo Fraser, Robin Ellison, Jacqui Jones, Dan Nielsen, Andrea Hind, Rebecca Butwell, Kerrelyn Mahoney, Michelle McLaren, Bek Steadman, Marion Venz.

Apologies

Maria Healy and Katherine Brown.

Future of Tuckshop Operations

P & C President Samantha Daly presented a presentation outlining the future operation of the P & C run Tuckshop. The presentation (appendix: 1) showed the Tuckshop has been consistently running at a loss for a number of years. There are currently no longer any reserves in the bank account to keep covering these losses and as a result the Tuckshop has no money to cover continuing wages and is now effectively insolvent. The Tuckshop cannot legally operate as an insolvent business and will now need to cease operation on Friday 3rd May 2019.

The P & C will no longer be able to employ staff to operate the Tuckshop and unfortunately Amanda's role will no longer be operational. The P & C thanked Amanda for her amazing 25 years' service and wish her well in her future endeavors. The Treasurer Kylie Nilsson will contact Flexischools to suspend/close ordering and advise of the closure of the Tuckshop.

Motion: The Tuckshop will cease trading on Friday 3rd May 2019.

Motioned: Josh Peick

Seconded: James Daly

All in favor

Election BBQ

Federal Election has been called for Saturday 18th May 2019 the P & C will run a BBQ stall from 7:00am until 5:00pm (or until all sold).

Kerrellyn will seek volunteers via her contact list and also place on Face Book and in the School Newsletter to assist on the day.

Motion: \$550 to be allocated for the purchase of goods to run a BBQ on 18th May 2019.

Motioned: Josh Peick

Seconded: Michelle McLaren

All in favor

New Membership Application

5 new membership applications were received from: Marion Venz, Rebekah Steadman, Robin Ellison, Laura Russell and Joanne Fraser.

Motion: To accept all new membership applications to join the Runcorn Heights SS P & C.

Motioned: Andrea Hind

Seconded: Michelle McLaren

All in favor

Next Meeting

15th May 2019 | 6:30pm, Learning Recourses Centre (Library)

Meeting Closed at: 7:19pm



Runcorn Heights
State School
P & C Association

200 Nemies Road Runcorn Qld 4113

Tuckshop Operations and Profitability

Runcorn Heights State School

Wednesday May 1, 2019

Historical and current perspectives of Tuckshops

- Historically tuckshops ran primarily with unpaid volunteers or minimal paid casual staff- the premise of their success was low staffing cost
- Current economic and social climate means that very often both parents work = not available to volunteer
- Workplace health and safety regulations that mean parents at home with small children can not volunteer in the Tuckshop
- Blue card requirements make it increasingly difficult for grandparents and other family members or other community members to volunteer
- Without volunteers, a Tuckshop can not operate

Snap shot of local school tuckshops

- **Eight Mile Plains State School- open 3 days per week**
- **Kuraby State School- Tuckshop currently closed**
- **Woodridge North State School- open Mondays only**
- **Warrigal Road State School- open 4 days (Main lunch is at first break)**
- **Runcorn State School- open (Main lunch is at first break)**
- **Sunnybank Hills State School- open (not smart choices menu)**
- **Sunnybank State School- open 3 days per week**

Runcorn Heights
State School
Tuckshop
Financial Position

- 2018 calendar year: net LOSS **\$9485.58**
- 2019 YTD 1st quarter: net LOSS **\$4414.69**
- **TOTAL NET LOSS FOR LAST 15 MONTHS
OF OPERATION:**

-\$13,900

Runcorn Heights State School P&C Association													
Tuckshop - Job Profit and Loss													
January - December 2018													
Income	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Tuckshop Income	\$619.50	\$6,089.60	\$6,547.50	\$2,666.90	\$7,577.65	\$7,781.05	\$4,074.25	\$7,356.20	\$5,813.20	\$5,008.65	\$6,081.70	\$4,162.56	\$63,778.76
Cost of Sales													
Tuckshop Purchases	\$1,167.63	\$3,387.91	\$3,009.03	\$781.71	\$4,061.93	\$3,024.56	\$564.56	\$3,225.26	\$6,241.07	\$1,482.50	\$5,242.61	\$4,027.09	\$36,215.86
Gross Profit	-\$548.13	\$2,701.69	\$3,538.47	\$1,885.19	\$3,515.72	\$4,756.49	\$3,509.69	\$4,130.94	-\$427.87	\$3,526.15	\$839.09	\$135.47	\$27,562.90
Operating Expenses													
Membership Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00
Bank/Merchant Fees	\$11.00	\$39.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$0.00	\$2.50	\$0.00	\$29.50	-\$98.13	\$38.87
Flexischool Fees	\$4.37	\$55.88	\$53.92	\$32.13	\$63.04	\$71.33	\$50.00	\$66.36	\$65.92	\$48.26	\$69.88	\$46.82	\$627.91
General Repairs & Maint.	\$0.00	\$1,804.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,804.55
Wages	\$2,291.73	\$2,715.72	\$2,715.72	\$1,527.58	\$3,564.37	\$2,715.72	\$1,357.86	\$3,536.37	\$2,308.36	\$2,444.15	\$2,715.72	\$3,369.25	\$31,262.55
Superannuation	\$202.54	\$257.99	\$257.99	\$129.00	\$322.49	\$257.99	\$129.00	\$319.83	\$219.29	\$232.19	\$257.99	\$308.30	\$2,894.60
WorkCover	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$200.00
Total Operating Expenses	\$2,509.64	\$4,873.14	\$3,038.63	\$1,699.71	\$3,960.90	\$3,276.04	\$1,547.86	\$3,922.56	\$2,796.07	\$2,724.60	\$3,073.09	\$3,626.24	\$37,048.48
Net Profit/(Loss)	-\$3,057.77	-\$2,171.45	\$499.84	\$185.48	-\$445.18	\$1,480.45	\$1,961.83	\$208.38	-\$3,223.94	\$801.55	-\$2,234.00	-\$3,490.77	-\$9,485.58

2018 Profit & Loss

- General trend of loss 6 out of 12 months
- Not enough profit in other months to cover losses
- All standard operation costs except for February \$1804 on maintenance and repairs

2019 Profit & Loss YTD

-General trend of loss continuing with average loss at \$85 per day of operation

-March income highest month in entire 15 months (International student visit) - BUT costs also high

Runcorn Heights State School P&C Association

Tuckshop - Job Profit and Loss

January - March 2019

Income	January	February	March	YTD
Tuckshop Income	\$181.80	\$5,834.10	\$8,104.35	\$14,120.25
Cost of Sales				
Tuckshop Purchases	\$74.42	\$4,826.44	\$4,244.81	\$9,145.67
Gross Profit	\$107.38	\$1,007.66	\$3,859.54	\$4,974.58
Operating Expenses				
Bank/Merchant Fees	\$14.64	\$11.34	\$13.92	\$39.90
Flexischool Fees	\$0.00	\$49.92	\$81.81	\$131.73
General Repairs & Maint.	\$0.00	\$0.00	\$0.00	\$0.00
Wages	\$2,523.77	\$2,834.00	\$2,834.00	\$8,191.77
Superannuation	\$215.41	\$269.23	\$269.23	\$753.87
WorkCover	\$0.00	\$0.00	\$0.00	\$0.00
Total Operating Expenses	\$2,753.82	\$3,164.49	\$3,198.96	\$9,117.27
Net Profit/(Loss)	-\$2,646.44	-\$2,156.83	\$660.58	-\$4,142.69

QAST Reviewed current state of Tuckshop

- biggest issue is low sales...
tuckshop not being used

Financial Snapshot

Runcorn Heights State School

Based on data provided for Jan to Mar 2019 P&L period

No. of days per week open:	5
No. of students:	780
No. of trading days in P&L period:	50

Profit & Loss Data

Income	Tuckshop sales	14120	
	Other income	0	
TOTAL INCOME		14120	
Cost of goods sold		9146	
GROSS PROFIT		4974	
Expenses	Wages (inc. super)	8946	<u>63% of sales (typical 30-40%)</u>
	Equipment	0	
		172	
	Other	0	
TOTAL EXPENSES		9118	65% of sales
NET OPERATING PROFIT/(LOSS)		-4144	

Performance Summary

Average mark up (sales)	54%	<u>(typical 100%)</u>
Average gross profit	35%	
Average net profit	-29%	<u>(typical from 10%)</u>

Sales performance summary

Sales per student	\$18	
Sales per day open	\$282	
Sales per student per day open	\$0.36	<u>(from \$0.80 to \$1.00 for primary schools)</u>

*Industry benchmarks are provided as an indicator only. These figures represent achievable targets typical of well performing tuckshops. Individual tuckshop goals and circumstances should be considered when comparing data with these indicators.

Why is the
tuckshop no
longer
profitable?

- This is **NOT** a new issue, this has been a slow demise
- 2016 Calendar year profit- ~ \$10,000
- Since then... FOOD COSTS, WAGES and most other expenses have increased, negating that previous profit
- QAST review in February 2017- noted that financial situation was not ideal. Average spend per child per day at HALF what it needed to be in 2016 calendar year
- Long list of recommendations made in review
- Changes made: smart choices menu as per legal requirements, increase in wages to award requirements, upgrade of kitchen facilities to meet commercial kitchen requirements
- Other possible contributing factors: menu not meeting cultural and dietary food requirements, socio economic barriers, language barrier to ordering, food costs arising from expensive suppliers and packaged foods, supermarkets now open from 7am... more flexibility, less parents needing tuckshop?

Current financial status of tuckshop

- Gradual trend over last 2+ years that tuckshop account has been slowly dwindling
- Evidence that this has been a long slow decline, little by little, making it less obvious

Tuckshop Monthly Bank Balances				
Month	Opening Balance	Deposits	Payments	Closing Balance
Mar-17				\$13,811.13
Apr-17	\$13,811.13	\$2,671.62	\$4,149.21	\$12,333.54
May-17	\$12,333.54	\$7,427.81	\$10,586.01	\$9,175.34
Jun-17	\$9,175.34	\$7,205.24	\$7,889.88	\$8,490.70
Jul-17	\$8,490.70	\$5,875.22	\$2,382.04	\$11,983.88
Aug-17	\$11,983.88	\$7,457.80	\$6,779.39	\$12,662.29
Sep-17	\$12,662.29	\$5,797.73	\$7,238.35	\$11,221.67
Oct-17	\$11,221.67	\$8,704.28	\$8,327.98	\$11,597.97
Nov-17	\$11,597.97	\$8,742.11	\$9,227.70	\$11,112.38
Dec-17	\$11,112.38	\$3,571.39	\$4,161.60	\$10,522.17
Jan-18	\$10,522.17	\$615.13	\$3,272.36	\$7,864.94
Feb-18	\$7,864.94	\$6,033.72	\$8,713.18	\$5,185.48
Mar-18	\$5,185.48	\$6,456.53	\$5,435.75	\$6,206.26
Apr-18	\$6,206.26	\$2,634.77	\$2,234.29	\$6,606.74
May-18	\$6,606.74	\$7,771.51	\$7,262.30	\$7,115.95
Jun-18	\$7,115.95	\$5,100.25	\$5,750.59	\$6,465.61
Jul-18	\$6,465.61	\$7,190.25	\$2,609.42	\$11,046.44
Aug-18	\$11,046.44	\$7,289.84	\$6,816.63	\$11,519.65
Sep-18	\$11,519.65	\$6,004.58	\$8,784.23	\$8,740.00
Oct-18	\$8,740.00	\$4,960.39	\$3,345.02	\$10,355.37
Nov-18	\$10,355.37	\$7,868.02	\$8,948.76	\$9,274.63
Dec-18	\$9,274.63	\$4,263.03	\$6,929.50	\$6,608.16
Jan-19	\$6,608.16	\$181.80	\$2,364.83	\$4,425.13
Feb-19	\$4,425.13	\$5,784.18	\$7,541.82	\$2,667.49
Mar-19	\$2,667.49	\$7,286.84	\$5,913.80	\$4,040.53
Apr-19	\$4,040.53	\$2,618.43	\$5,953.84	\$705.12

to 24/4/19

\$700 left in the
account
What does this
mean?

- The tuckshop is currently trading without enough money to cover *next weeks* wages and expenses
- The tuckshop account is currently trading at an average daily loss of around \$85/day this year- meaning each week we run it in it's current state we lose on average \$420+
- The tuckshop account has not got reserves to pay the convenor's owed leave allowances ~\$4500 long service leave and annual leave, which further adds to the deficit
- The tuckshop is currently trading while insolvent which is illegal and requires it to be closed

Where to from here?

- We are bound by the law
- We do not have adequate funds in the main account to cover the tuckshop's current liabilities, putting the P & C as a whole in a difficult position
- The tuckshop in it's current state can not continue to operate
- We don't have the time or the money to research and implement changes: QAST advising that we open 1-2 days a week with volunteers only to trial if we come up with new strategy

Summary

- Culture of tuckshop use has changed- this is a general trend
- Tuckshop is operating at a significant loss
- No reserves in tuckshop bank account or P and C bank account to continue
tuckshop = insolvent = illegal to trade
- Decision to close tuckshop is now beyond our control
- School community will be impacted by this decision

The background features a series of concentric circles in light gray, some solid and some dashed, creating a ripple effect. A large red speech bubble is centered on the page, containing the text.

Discussion

“It’s nice to be nice and it’s kind to be kind”