

Sydney Leather Men Incorporated

Financial Statement - 2025

For presentation at the Annual General Meeting on 2nd May 2026

Executive Summary

The **2025 financial year** (January 1st to December 31st) reflects continued growth and stability for Sydney Leather Men Inc., with strong participation across our events and ongoing support through membership and partnerships.

The Association recorded a **net surplus of \$915.25 for the year** compared to the deficit of \$391.95 in 2024. This is driven primarily by membership growth and consistent performance of our monthly social events. Sponsorship and partner contributions also continued to provide both financial and in-kind value to the organisation and our members.

Total income for the year was \$21,978.02 (+\$1,834.03 on 2024), with the largest contributions coming from:

- Memberships
- Event-related income (volunteering, door entry, coat check)
- Merchandise

Total expenses were \$21,062.77 (+\$526.83 on 2024) reflecting the cost of delivery for membership, regular events, and general operational requirements. While costs have increased in line with increased activity levels, they remain aligned with the Association's focus on community building and engaging events.

As of 31 December 2025, the Association held **cash reserves of \$2,943.01**, providing a stable foundation to support ongoing operations and future initiatives.

Overall, the **financial position of Sydney Leather Men Inc. remains positive**, with a continued focus on growth, community events, and financial responsibility.

Income Statement (Profit & Loss)

Income

Trading Income	
Boys On Bikes SGLMG 2025	\$ 1,050.00
Interest Income	\$ 22.40
SGLMG25 Float Income	\$ 451.37
Membership Subscription Revenue	\$ 7,820.08
Other Revenue	\$ 1,696.37
Revenue - Volunteering	\$ 5,552.89
Sales - Apparel Merchandise	\$ 3,033.94
Sales - Event Tickets	\$ 786.78

Sales - Pins & Patches	\$	213.60
Revenue - Fundraising Events	\$	3,890.45
Total Trading Income	\$	24,517.88
Cost of Sales		
Cost of Goods Sold	\$	2,539.86
Total Cost of Sales	\$	2,539.86
Gross Profit	\$	21,978.02

Expenses

Operating Expenses		
Bar Tabs	\$	919.08
Boys on Bikes	\$	906.70
Event Running Costs	\$	2,574.48
Fundraising Re-imburements	\$	3,883.95
Insurance	\$	1,935.72
Legal /Regulatory expenses	\$	118.00
Mardi Gras Float 2025	\$	276.87
Meal Costs	\$	277.75
Member Benefits Program	\$	665.00
Other Expenses	\$	4,427.96
Initial Set-Up Costs	\$	1,457.00
Postage and Shipping Costs	\$	19.50
Software & Hardware	\$	1,845.39
Square Fee's	\$	55.79
Stationery, Printing and Promotion	\$	1,004.52
Stripe Fees	\$	256.51
Travel Costs	\$	31.68
Website	\$	406.87
Total Operating Expenses	\$	21,062.77
Net Profit	\$	915.25

Key Commentary

- In 2025, SLM assumed responsibility for coordinating Boys on Bikes, with participant registration fees recognised as income; the initiative generated a net surplus of \$143.30 for the Mardi Gras entry. Following the event, Boys on Bikes was transitioned out of SLM, with its reserve funds fully reimbursed.
- In 2025, SLM acted as a co-organiser of the Liberated in Leather Mardi Gras float. While participant registration fees were managed independently by the participating associations

and businesses, SLM supported the initiative by facilitating online registrations and coordinating selected purchases required for the float.

- Other revenue was primarily driven by community donations, totaling \$1,510 in 2025. Of this, \$510 was subsequently reimbursed to a member after the Committee determined the donation was not required. This category also includes cost-sharing reimbursements received from Women and Queers of Kink (WAQK) in relation to the Parramatta Pride Picnic held in October 2025.
- Volunteering revenue (\$5,552.89) was one of the largest income streams in 2025, reflecting donations received in exchange for providing volunteer support at events such as Inquisition (\$1,169.00), Woofclub (\$1,433.89), and Harbour City Bears (\$2,950.00) and is generally related to providing coat check and on-site assistance. This level of income is not likely to be sustained in 2026 with fewer opportunities expected.
- In 2025, SLM introduced a \$5 non-member door fee at monthly socials, designed to encourage membership uptake while reinforcing the value of being a financial member. This initiative generated \$786.78 in revenue from non-member entry fees.
- In 2025, SLM supported the Sydney Leather Titles titleholders, Timo and Luis, through fundraising initiatives including SPANK (run by Timo) \$3,438.95 and a BBQ at Harbour City Bears Sunday (hosted by Luis) \$451.50. SLM facilitated payment collection for these events, with all funds subsequently reimbursed to the titleholders and recorded as corresponding expenses.
- In 2025, SLM adopted a limited-release merchandise approach, supported by a core range of logo t-shirts. This included the introduction of SLM-branded hankies and new t-shirt designs. Compared to the losses in the previous year, this approach resulted in a \$707.68 profit, driven by improved control over stock levels and production methods.
- Event running costs in 2025 included \$1,236 related to the registration of the Association's stall for Mardi Gras 2026, reflecting pre-paid expenses for community engagement activities.
- Legal and compliance expenses of \$118 relate to statutory requirements, including forms lodged with Fair Trading NSW for annual reporting and updates associated with committee changes.
- In recognition of the Committee's efforts and time spent throughout 2025 and acknowledging that members serve in a voluntary capacity without access to benefits such as monthly raffles, it was agreed to provide a thank-you lunch for Committee members and their partners at the end-of-year celebration, totaling \$277.75.
- SLM conducts monthly member cash draws, which in 2025 were cumulative if not won, resulting in some months with no payouts. When prizes were claimed, a total of \$665 was awarded to members. In addition, SLM contributed \$919.08 towards a bar tab for members to celebrate the Association's 3rd birthday, an opportunity to give back to the community whose support has made this milestone possible. These initiatives are designed to reinforce the value of membership and encourage ongoing engagement and attendance.
- Other expenses in 2025 included the return of \$1000 reserve funds for Boys on Bikes, reimbursement of a \$510 donation the Committee determined was not appropriate to retain, \$1,275 in support provided to titleholders across the country for travel and community initiatives, and \$1,642.96 donated to charities including Twenty10 and the Bobby Goldsmith Foundation.
- As agreed at the previous year's AGM, the final reimbursement was made in early 2025 for remaining set-up costs incurred in 2023 and 2024 prior to incorporation. This settles all outstanding amounts, and no further monies are owed by the Association.

- Software and hardware expenses in 2025 were largely driven by the \$1495.39 annual subscription for the Join It membership platform. This platform was selected as a cost-effective solution when compared to similar platforms, providing streamlined membership management, digital membership cards, and improved access for members to their information and benefits.
- Stationery, printing, and promotion costs in 2025 of \$1004.52 were primarily associated with a refresh of promotional pull-up banners, production of a vinyl outdoor banner for Fair Day events, updated business cards, and printing for the previous year's AGM.
- Website costs remained stable in 2025 at \$406.87. With an increased focus on the website as the primary channel for events, communication, and imagery, this continues to represent strong value, providing an independent platform amid ongoing social media challenges that impacted reach and exposure during the year.
- In 2025, the Association incurred a combined \$312.30 in transaction fees across the Stripe and Square platforms, representing the cost of facilitating online and in-person payments.
- Insurance cover for 2025 totaled \$1935.72, providing protection for public liability, as well as committee and volunteer coverage. The Association's insurance requirements are arranged through Aon.

Statement of Financial Position (Balance Sheet)

Balance Sheet

Sydney Leather Men Inc
As at 31 December 2025

31 DEC 2025

Assets

Bank

Sydney Leather Men Incorporated	1,346.69
Sydney Leather Men Incorporated Reserve	1,596.32
Total Bank	2,943.01

Total Assets

2,943.01

Net Assets

2,943.01

Equity

Current Year Earnings	915.35
Retained Earnings	2,027.66
Total Equity	2,943.01

Excerpt Taken from Xero Balance Sheet

Balance Sheet Commentary

The Association closed the 2025 financial year with **net assets of \$2,943.01**, representing an increase from the previous year.

Cash reserves remain the primary asset of the organisation and are held to support ongoing operations, membership, event delivery, and future planning.

Overall, the balance sheet reflects an improving financial position, with **sufficient reserves to meet current obligations and support continued operation.**

Treasurers Notes

◆ Membership

The introduction of the Join It Membership platform in 2025 enabled the transition from a fixed calendar-year membership model to a rolling, dynamic 12-month term. Under this structure, membership commences from the date of purchase rather than being reset annually, improving accessibility and overall member experience. As a result, this change is expected to impact income patterns in 2026, with membership revenue no longer received in a single concentrated period but instead distributed more evenly throughout the year. This provides a more consistent and predictable income stream while aligning revenue recognition more closely with membership and engagement.

◆ Events & Community Activity

Like many successful community-led associations, SLM will need to continue diversifying its revenue streams into 2026 and beyond. This includes exploring ticketed events that can deliver clear value to members through reduced entry pricing, while also generating a reasonable return to support ongoing community investment. This approach aligns with models used by comparable organisations such as Harbour City Bears and Adelaide Leather and Fetish, where a strong core offering (such as regular socials) is complemented by additional events. These events not only contribute to financial sustainability but also enhance member value, increase brand visibility, and support the continued growth of the community, building one connection at a time.

◆ Sponsorship & Partnerships

In 2025, sponsorship from our community partners played a significant role in delivering value to members, with **over \$5,000 in prizes given throughout the year.** These prizes were provided as part of sponsorship arrangements and were intended to promote partner businesses and events while fostering stronger connections between those partners and our membership base. At the conclusion of 2025, broader cost pressures and an opportunity to refine our approach saw many sponsors re-evaluate their level of support for 2026, resulting in a reduction in sponsorship benefits. In response, SLM has taken steps to strengthen how we support and engage our partners, including improved on-the-night recognition, offering opportunities for face-to-face engagement at socials, and enhancing visibility across our website. The introduction of our membership platform has also improved accessibility to partner offers, expanding exposure for a broader range of sponsors.

We recognise and value the contribution of all our partners and the benefits they provide to our members. We acknowledge Sax Fetish for their continued support since our inception, Naughty Boy for their second year of partnership, and Studio Kink for their ongoing support and prize contributions in 2025. We also thank Oxford Hotel for bar tab vouchers, along with event partners such as Haus of Savvy, Trash Daddy, Studio Kink, and Rogue by Brute, who collectively contributed hundreds of dollars in event tickets, bringing the total value of prizes distributed to members to over \$5,000.

◆ Expenses & Cost Pressures

Expenses in 2025 were primarily driven by core operational requirements, including insurance cover, membership software, the Xero financial platform, and the Association's website. These fixed costs form the backbone of SLM's operations and governance but also represent ongoing financial commitments that require careful management. The 2025 financials were further impacted by the receipt and reimbursement of funds related to titleholder activities, which inflated both income and expenses and highlighted the need for clearer separation and tracking of pass-through funds in future reporting.

Looking ahead to 2026, cost pressures are expected to continue, particularly as SLM evolves its events strategy. Delivering higher-quality and more diverse events may introduce additional costs such as venue hire, DJs, equipment, and production elements. At the same time, inflationary pressures and rising costs may impact existing expense lines and challenge membership renewals. Balancing these challenges with accessible pricing for members will be important, alongside identifying sustainable revenue streams to ensure the organisation can continue to invest in community building while maintaining financial stability.

◆ Financial Position & Governance

In 2025, SLM migrated its financial management to the Xero platform, providing improved visibility, accuracy, and tracking of financial activity. The platform is integrated with the Association's bank accounts, ensuring transactions are recorded and reconciled in a timely manner, supporting up-to-date financial oversight. This transition represents an important step in strengthening financial governance and reporting as the organisation continues to grow. The cost of \$350 in 2025 is considered a worthwhile investment and will remain an important tool supporting operations into 2026 and beyond.

Looking Ahead

While the Association remains financially stable, continued focus will be placed on sustainable event delivery, strengthening membership growth and value, and developing and diversifying revenue to reduce reliance on the membership subscription and volunteering income sources.

Looking forward, the Association will do best to focus on:

- Continuing to grow and retain membership
- Delivering consistent, high-quality community events
- Strengthening sponsor and partner relationships
- Managing costs in line with financial sustainability
- Exploring new opportunities to support engagement and membership value.

Subject to approval, the Association will transition **from a calendar year to a financial year** reporting cycle. As part of this change, the 2027 AGM will be delayed aligning with the new reporting period. This transition will result in two financial reporting periods: a short period from January to June 2026, followed by the first full financial year (FY27). The Committee has determined that a financial report will be prepared for the January–June 2026 period and held over for presentation alongside the FY27 financials at the 2027 AGM. Any significant matters arising during this interim period will be monitored and addressed by the Committee, and where appropriate, communicated to members to ensure they do not adversely impact the subsequent financial year.

I, Michael Watson, Treasurer of Sydney Leather Men Inc., confirm that this financial report presents a true and fair view of the financial position of the Association for the year ended 31 December 2025.

