



## TREASURERS REPORT 2020-2021

### BACKGROUND

When I stated in my report of 2019-2020 that it has been the most challenging year in the AAA history, I should have taken a deeper breath as the world situation has not improved.

Despite the continuing Covid 19 impacts as an association we have ended the financial year with a consolidated Corporate and Regional profit of \$69,237 (as reflected in the Audited Financial Statements). As many members continue to suffer economic and emotionally stress and the Board is cognisant of this fact. Options are being discussed to help our members in these difficult times.

#### Items of significance

- National Show was cancelled for the second year in a row, whilst the National Fleece Challenge was highly successful both financially and in terms of member engagement.
- Memberships continue to decline
- Registrations & Transfers – reached an above budget result after a number of large & successful breeder auctions.
- The AAA was successful in being granted Job Keeper for the 1<sup>st</sup> phase extension – this is reflected in the consolidated profit result.
- Consolidated Company debtors and creditors have been reviewed and received a positive comment from the Auditors

### THE PRESENT

COVID 19 continues to dominate the financial environment.

- Staff have continued to have extended periods of working from home.
- All service contracts have been reviewed and a resultant savings achieved for the future years.
- Centralised Accounting has been accepted with varying levels of satisfaction. Service levels have increased and future commitments are made to Regions to support them in a timely manner.

### THE FUTURE 2021-2022 – Going forward.

As Treasurer I presented to the Board in early June 2021, a balanced Fiscally Prudent Budget for the upcoming financial year - that budget has subsequently been ratified & approved as an operational base. This budget does however have serious impacts for a number of the AAA activities:

- No Capitation for Regions in the current year
- Limited Judges Travel support for Regions
- Limited judges training funding
- Support of Members Education

Currently Memberships and Registrations and Transfers are lagging behind those ratified Budget Estimates, despite the initial budgets being conservative. Consequently a further revised Budget forecast is being prepared for review by the Board to reflect those shortfalls.

All Regions have adequate Balances in their Regional Accounts and most have further funds in their Regional Investment Reserve Accounts.

The AAA does have a sound financial basis with:

- The Asset of the Building in Melbourne which still income producing.
- Currently Cash at Bank amounts – held both Centrally & at the Regional Level are adequate
- With the assistance of Finance Audit and Risk Committee (FARC) we are looking at all AAA cost centres to ensure we are continuously strive to improve the Associations financial position by a review of outgoings. This will help secure the financial position of the AAA through what could be another tumultuous Covid effected 2022.

**Carolyn Austin**