

## MAAA Treasurers Report

## May 2024 Conference – Sydney

**Actuals to Date**

The MAAA Balance Sheet and Profit & Loss as at 31 March 2024 are noted on Appendices D1 and D2. In simple terms, Net Assets are \$4.7 mil and the Net Surplus is \$269 k YTD compared to a budgeted Loss of \$64 k

**Forecast**

A forecast P & L for the full year to 30 June 2024 has been developed based on run rates and estimates for the final 3 months of the year. These are noted on Appendix D3 and D4. Based on this forecast MAAA will finish FY24 with Revenue of \$756 k and a Net Surplus of \$61 k.

**Comment on FY2024 – P & L**

Revenue - The first point to note is that the Affiliations only Forecast of \$ 653 k is below the Budget of \$671 k. Membership numbers support this forecast. Bank interest income is Forecast to be \$83 k which is above the budget of \$68 k. These two effectively nett out. Total Revenue is forecast to be \$ 756 k against a budget of \$759 k.

Expenditure - We are again forecasting a significant underspend against Budget i.e. \$ 710 k against a Budget of \$823k giving a saving of \$113k compared to Budget. The major variations to Budget are ;

**Cost Savings**

Field Development	(\$30)k
Marketing & Advertising	(\$34)k
Insurance	(\$22)k
CAP & CAS	(\$21)k
Internet, Website & Membership Syst	(\$17)k
Major Events	(\$14)k
World Champs	(\$11)k
President Costs	(\$3)k

**Cost Increases**

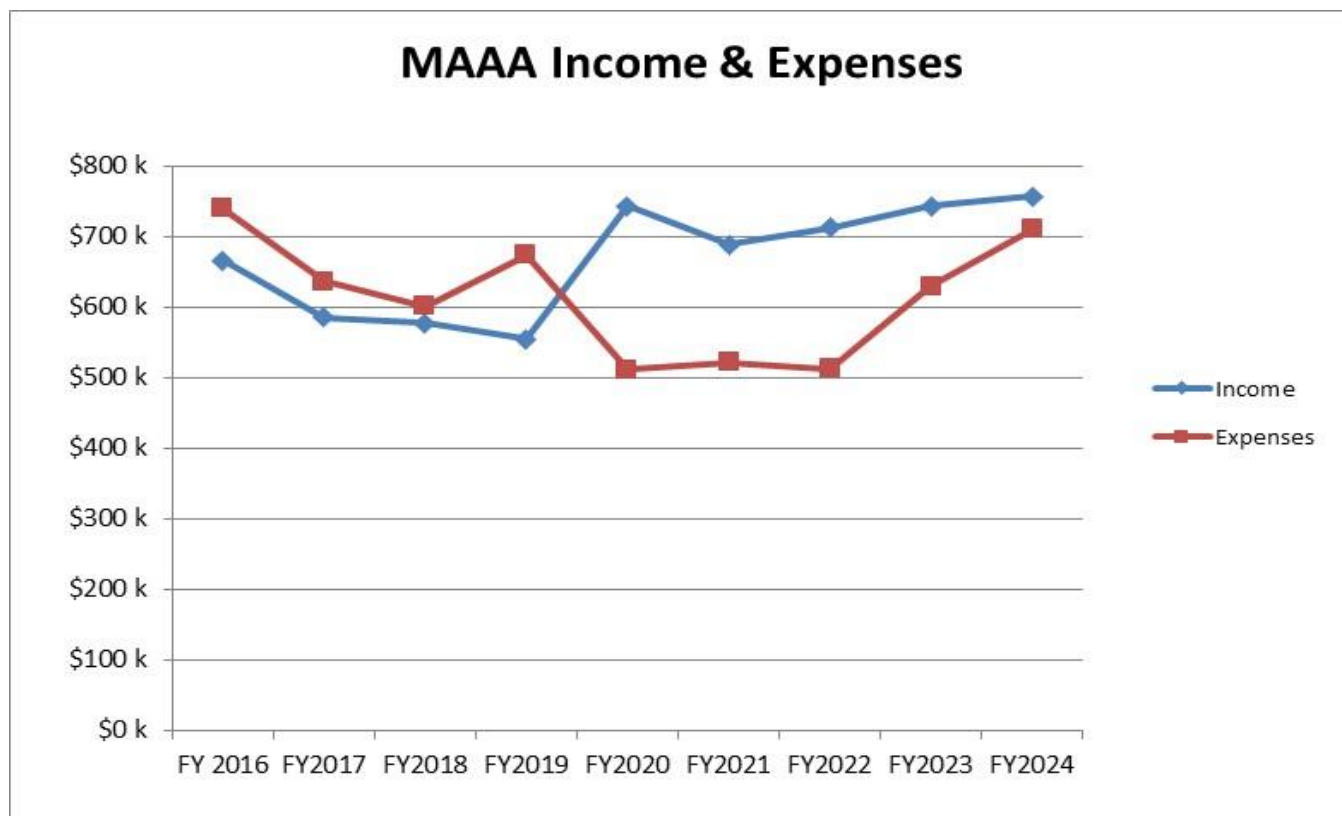
Area Approvals Costs	\$15k
Education (Chuck Gliders)	\$9k
Property	\$11k

Surplus – When the forecast Revenue performance is combined with the very large savings in Expenditures, we are forecasting a surplus of \$ 46 k compared to a budget shortfall of \$ 64 k, a positive variance of \$ 110 k. Thus, for a variety of reasons, in the 5 years to June 2024 MAAA will have generated a surplus of \$ 759 k which more than recoups the \$ 266 k in deficits accumulated over the previous 4 years to FY 2019. The net effect is over the 9 years Net Assets will have grown by \$493 k.

In very simple terms, the Affiliation Fee increase in FY20 plus COVID driven savings in FY20 and FY 21 plus savings from changes to our cost model in subsequent years have increased Net Assets by \$493 k over the past 9 years.

### MAAA Income Statement

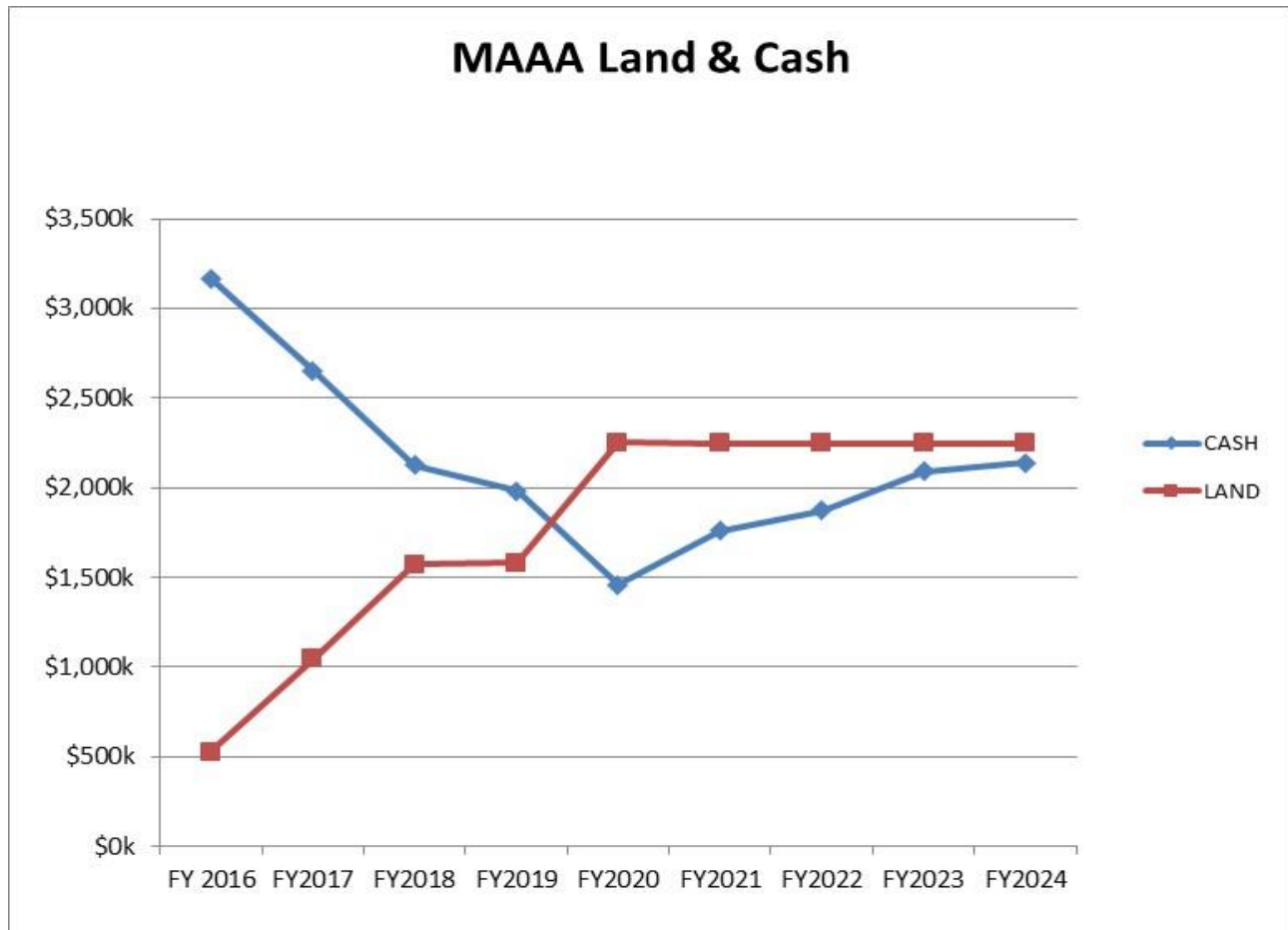
MAAA Income & Expenses	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	9 Year Total
<b>Income</b>	\$666 k	\$585 k	\$578 k	\$555 k	\$743 k	\$688 k	\$712 k	\$743 k	\$756 k	\$6,027 k
<b>Expenses</b>	\$740 k	\$636 k	\$601 k	\$674 k	\$512 k	\$521 k	\$512 k	\$629 k	\$710 k	\$5,534 k
<b>Surplus / (Shortfall)</b>	(\$74 k)	(\$50 k)	(\$23 k)	(\$119 k)	\$232 k	\$167 k	\$200 k	\$114 k	\$46 k	\$493 k



#### Comment on FY2024 – Balance Sheet

The trend of converting accumulated cash into land from FY2016 onwards came to halt in FY2020. The table below shows the effect this had on Bank Interest up FY2020. From that point forward until very recently, Bank interest continued to decline due to historically low interest rates (as low as 0.10 % -Nov 2020). However, this trend was reversed with the RBA's decision to ratchet up interest rates as far as 4.35% by November 2023. Also, while Land stabilised at \$2.2 mil in FY20, the recent surpluses has seen our cash balance grow by \$693 k.

ASSETS	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	9 Year Ave
<b>CASH</b>	\$3,169 k	\$2,654 k	\$2,127 k	\$1,980 k	\$1,461 k	\$1,759 k	\$1,875 k	\$2,092 k	\$2,138 k	\$2,140k
<b>LAND</b>	\$526 k	\$1,045 k	\$1,573 k	\$1,583 k	\$2,251 k	\$2,249 k	\$2,249 k	\$2,249 k	\$2,249 k	\$1,775k
<b>Sub Total</b>	\$3,695 k	\$3,699 k	\$3,700 k	\$3,563 k	\$3,712 k	\$4,008 k	\$4,124 k	\$4,341 k	\$4,387 k	\$3,914k
<b>Interest</b>	\$82 k	\$61 k	\$52 k	\$45 k	\$25 k	\$6 k	\$3 k	\$43 k	\$83 k	\$44k



#### FY2025 Budget – P & L

The Executive has developed a first pass budget for FY2025. It is contained in Appendix D4. This first draft budget is based on established revenue drivers combined with changes in costs. Affiliations revenue is reduced by \$8k due to reduced membership. Bank interest increases by \$16k based on a full year at 4% interest rates. The overall effect is an increase in revenue of \$8k. At the same time Costs increases & savings nett out to an increase of \$39k as follows;

#### Cost Increases

Marketing & Promotion	\$28k
Club Activity Program	\$20k
Major Events	\$14k
World Champs	\$5k
Membership Syst & Internet	\$3k

#### Cost Savings

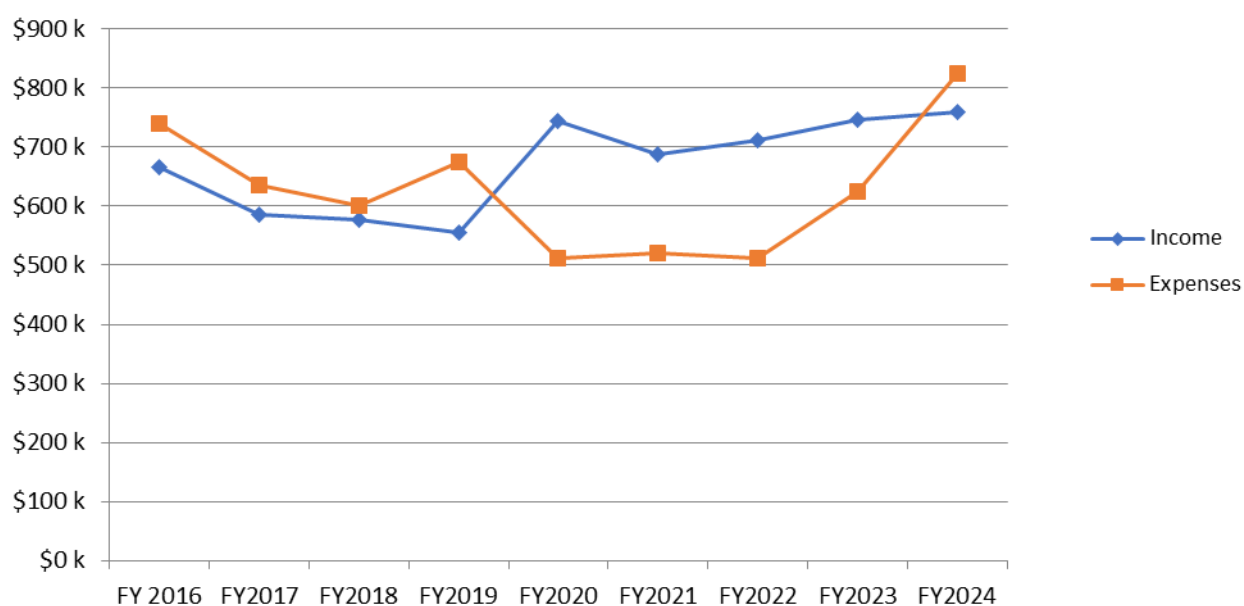
World Champs - F3A	(\$19)k
Property Exp	(\$14)k
CASA Area Approvals	(\$6)k

The outcome is a FY2025 Budget Surplus of \$ 15 k. This follows on from the Forecast FY2024 Surplus of \$46k. The 9 year trend is noted in the table & graph below.

## MAAA Income Statement

MAAA Income & Expenses	FY 2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	9 Year Total
<b>Income</b>	\$666 k	\$585 k	\$578 k	\$555 k	\$743 k	\$688 k	\$712 k	\$745 k	\$760 k	\$6,033 k
<b>Expenses</b>	\$740 k	\$636 k	\$601 k	\$674 k	\$512 k	\$521 k	\$512 k	\$625 k	\$823 k	\$5,643 k
<b>Surplus / (Shortfall)</b>	<b>(\$74 k)</b>	<b>(\$50 k)</b>	<b>(\$23 k)</b>	<b>(\$119 k)</b>	\$232 k	\$167 k	\$200 k	\$121 k	<b>(\$64 k)</b>	\$390 k

## MAAA Income &amp; Expenses



## Final Reports for FY2024

The final reports for the full year to 30 June 2024 will be presented at a special meeting called for that purpose as soon as practicable after the end of the current Financial Year.

## Appendices

D1 – 31 March 2024 Balance Sheet

D2 - 31 March 2024 P & L

D3 – 30 June 2024 Forecast P & L

D4 - FY 2024 Forecast v FY2025 Budget Draft P & L

D5 –FY2024 Budget Vs FY2024 Forecast P & L

D6 – FY2024 Forecast Vs FY2025 Budget P & L