



28<sup>th</sup> August 2020

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Dear MAAA Council Members,

### **MAAA Treasurers Report – FY2020**

I'm pleased to present the MAAA FY2020 Financial report. This our fourth Audit & Financial report on my watch. We are in our third year of using a Cloud based industry standard Accounting System called XERO.

The Audit process was the same as last year. i.e. the Financial Statements and the General Ledger were provided to the Auditor who formulated questions & queries therefrom. These were advised to us & we sought to respond. There were fewer questions this year and these were small in scope & readily answered. No material issues & no material changes were uncovered in the audit. All questions were dealt with an economy of effort & in very short time.

#### **Budget & Forecast Variance Analysis – P & L**

- Budget - Income of \$ 743k was below budget by \$30k due mainly to Affiliations being \$47k below budget offset by Interest income being over budget by \$4.6k and the COVID19 Cash Boost of \$10k. While this was a small miss against the plan it was a substantial increase over prior year's revenues.
- Expenditure was below budget by \$177k due mainly to the effect of COVID19 on variable costs. These unexpected cost savings included Promotion & Marketing \$49k, CIAM \$7k, Council Conference \$19k, Insurance \$22k, Legal fees \$7k, Presidents costs \$12k, Major Events \$13k and World Champs Support \$30k.
- The net result was that our Actual surplus for the year of \$232k was \$147k better than Budget
- It should be noted that the FY2020 Income, Costs & Surplus were very close to the Forecast tabled in the May 2020 Council Conference.

#### **Year on Year Analysis – P & L.**

- FY2020 Income was above last year's income by \$189k due mainly to Affiliations fee increase. It is pleasing to see this increase was achieved largely as discussed & agreed at the May 2019 Conference.
- FY2020 Expenditure was down \$162k due mainly to the abovementioned COVID19 impacts.
- The net result was a surplus of \$232 k which is an increase of \$119k year on year.

#### **Balance Sheet –**

- Current Assets were reduced by \$454 k and Non-Current Assets were increased by \$680k, due primarily to the settlement on Finnis Field combined with the abovementioned surplus.
- Total liabilities were slightly reduced by \$6 k.

## Cash Flow Statement

- While there are some offsetting cash inflows & outflows, this statement is dominated by the Finnis Field settlement and the surplus of \$232k.

This ends the historical view of MAAA's FY2020 results. **NOTE: Further analysis of the MAAA Financials year on year provided in Appendix A, demonstrating a continued in-depth review of income and expenditure.**

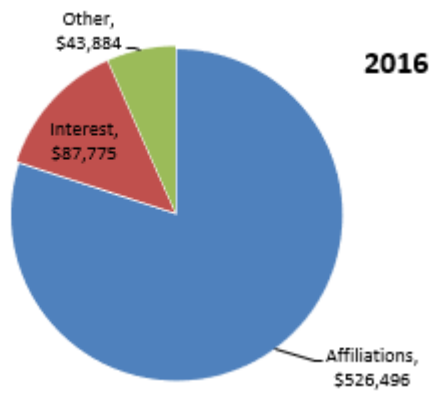
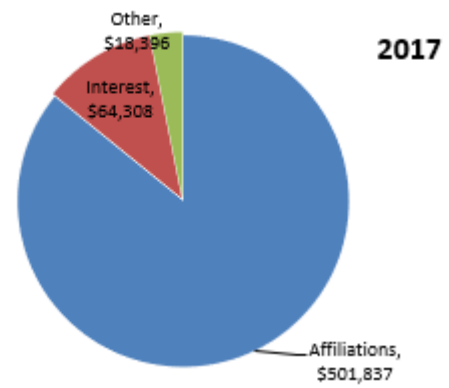
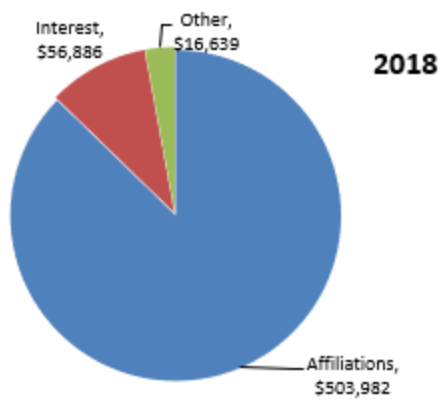
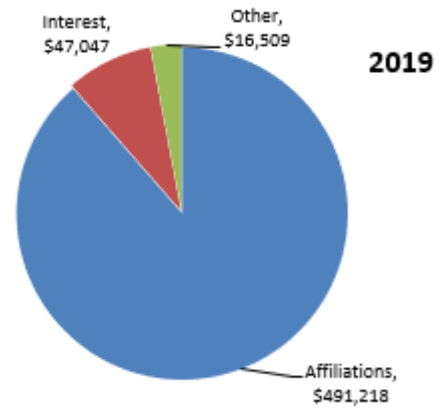
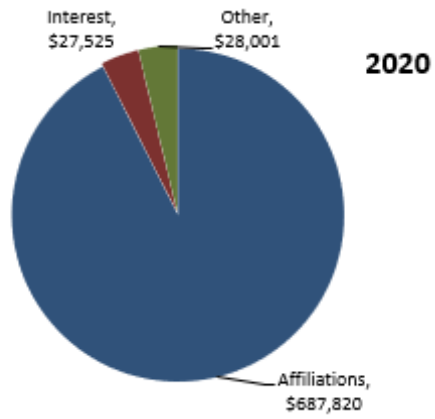
Looking forward I'm pleased to note that the Affiliations Fee increase approved at the May 2019 Council meeting has been largely accepted by the members in two renewal cycles. In addition, the early bird discount agreed to at the May 2020 Council conference has been a resounding success. Membership Renewals have been very strong and this bodes well for the future.

Finally, last year the Audit report was dated 23 September and the Treasurers report was dated 31 October. This year's Audit report is dated 28 August and the Treasurers report is also dated 28 August. The trend of improvement in timeliness achieved in prior years has been maintained.

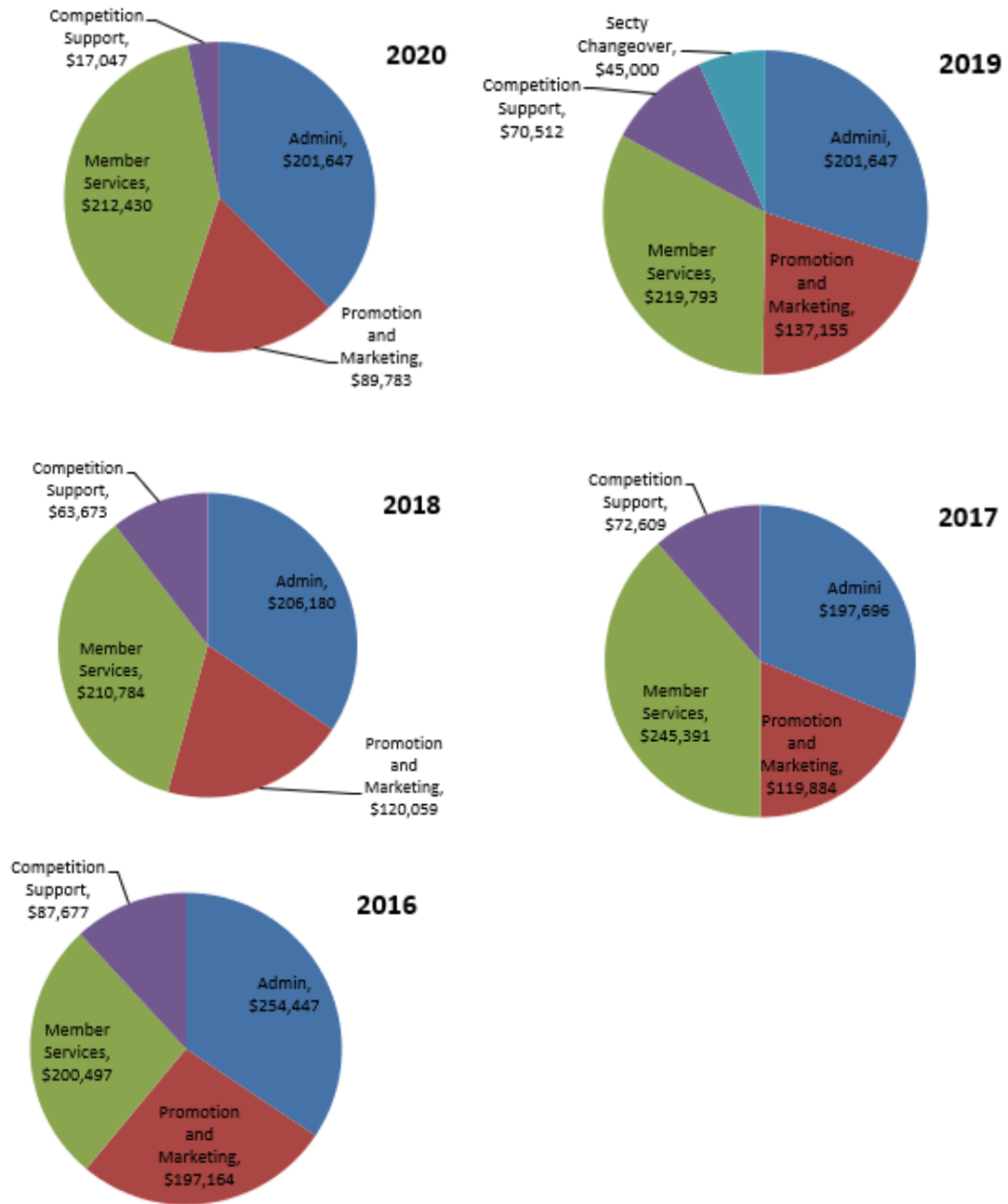
Gary Pope  
Federal Treasurer  
Model Aeronautical Association of Australia Inc

## APPENDIX A

Historical Income review:



Historical Expenses review:



Historical Profit/Loss review:

