

2020 AGM Finance Report

The accompanying annual accounts for Orienteering Australia Inc. show a Profit and Loss surplus of \$31,475 in 2019. This surplus represents around 7 per cent of 2019 revenue and mainly arose because of one-off factors. On the revenue side these factors were a higher than expected donations via the Sports Foundation of Australia, including an anonymous donation of \$10,000; and, additional event levies largely due to the highly successful 2019 Oceania carnival (\$5700). In terms of expenditure there were under spends on coaching (\$5500) and a delay in the planned website upgrade (\$10,000).

The auditor also made a one-off adjustment to the accounts for 2019 to bring the stock of uniforms for sale in line with the value of the end of year physical stock-take. As a result, the Purchases for Resale item in the Profit and Loss needed to be adjusted. This anomaly occurred because over recent years previous sales of uniforms to Australian team members had not been simultaneously deducted from the value of stock recorded in the accounts.

The accounts also show that the main areas of Orienteering Australia gross expenditure in 2019 were: high performance (23%), the Sport Australia participation grant (20%), the Australian Orienteer magazine (10%) and national administration of the sport (17%). The main sources of Orienteering Australia revenue were receipts from State Associations' (47%) (made up of close to equal share between the State Registration Fee and event levies) and the Sport Australia grants (20%).

The balance sheet shows Orienteering Australia ended 2018 in a strong position with net assets of \$247,748. Cash in hand at 31 December 2019 accounted for \$352,743 of which around \$143,569 was accounted for by unexpended grants. That is, a sizable portion of cash on hand can only be expended within the conditions set out by the respective grants.

During 2019 it was confirmed that Sport Australia will continue to maintain its recent funding level to Orienteering Australia with a \$100,000 grant for 2019/20 financial year. However, the grant has changed from one supporting increased participation to instead a focus on Core Funding projects. Expenditure on these projects is expected to commence in the first half of 2020.

Finally, at the time of writing this report (late March 2020) it is uncertain as to how long the unprecedented suspension of orienteering events across Australia as a result of COVID-19 will last. However, going forward it is very likely to present a major short to medium-term financial challenge for all levels of orienteering, including Orienteering Australia Inc.

Bruce Bowen
Director (Finance)