



Australian Rogaining Association Inc.

Treasurer's Report for 2003

2003 proved to be a difficult year for the ARA, most particularly because of issues surrounding the Public Liability Insurance market. The insurer, CGU, increased premiums again as they had done in 2002, but also imposed policy changes and restrictions that rendered the insurance essentially ineffective. Only a substantial commitment and effort by ARA President, Philip Holman, allowed a new insurer to be secured in time to prevent a number of potential event cancellations.

As a result of this situation, the ARA formed an Insurance Subcommittee to review the policy and market and make recommendations for the future direction of PL insurance for rogaining. The upshot was a more structured and competitive approach to the insurance renewal in 2004 which has seen some reduction in insurance costs for 2004/05 and has allowed the re-inclusion of coverage for events involving; snow skis, bicycles and water craft, all of which had required an additional premium in 2003.

The insurance renewal and associated costs, plus transport subsidisation for the ARC were key costs incurred by the ARA in 2003, as set out below:

Australian Rogaining Association Inc. Annual Financial Report for 2003

Opening Balance:		23,662.38
Income:		
Insurance Levies	66,912.00	
Capitation Fees	0.00	
Manual Sales	124.63	
Pre-2002 Income	0.00	
Interest	48.80	
Loans	25,619.14	
Other	0.00	
Total Income		92,704.57
Expenditure:		
Promotion (ARC Bus)	579.00	
State Grants	0.00	
Manual Expenses	0.00	
Executive Admin Costs	147.93	
Bank Fees/State Taxes	23.90	
Other Admin*	1,148.86	
Delegate Travel	0.00	
Insurance	65,702.13	
Loan Repayments	25,619.14	
Total Expenditure		93,220.96
Closing Balance:		23,145.99

* Mainly legal advice regarding insurance issues

With the insurance issue now seemingly under control it is appropriate to re-focus on what other value the ARA can bring to the sport by application of our administrative spread and cash reserves. Issues for consideration include:

- Promotion of the sport
- Delegate transport to the AGM venue
- Encouragement for States to apply for grants

These topics should be discussed at the 2004 AGM.

The other issue for discussion is the application of Capitation fees. In 2003 the normal \$1-00/member ARA Capitation fee was waived in view of the substantial increase in insurance costs being faced by the States and the limited financial capacity of some at the time. With the significant insurance costs reduction in 2004, compared with 2003, and the expectation that States had adjusted event fees in line with the 2003 insurance costs, it is recommended that the \$1-00/member Capitation fee be collected again and that Council give attention to determining the best uses for the funding so collected.

Richard Robinson
ARA Treasurer