



Australian Rogaining Association Inc. Treasurer's Annual Report Year to 31 December 2007

General

2007 was a strong year for ARA financially with a growth in available cash reserves by around \$8,000 and an underlying operating surplus at year end of around \$3,000. This performance stemmed from an under expenditure on State grants due to a lack of suitable applications and the return late in the year of the \$5,000 that had been advanced to NTRA for the staging of the 2007 ARC and which Council had agreed could form a grant to NTRA should they need this in order to avoid a loss on the event.

Ultimately NTRA, under Jon Potter's energetic leadership, managed to gain sufficient external sponsorship to permit the 2007 ARC to make a positive margin and Jon and his team are to be applauded for this.

As part of our desire to explore recognition by Australian University Sport (AUS) the ARA arranged for auditing of our accounts for 2005/6/7 to satisfy the AUS requirement in this regard. WARA member, Brian Austin, kindly offered to undertake these audits on an honorary basis and has offered to continue in the role of ARA auditor for 2008. We thank Brian most sincerely for his work on the audit and have attached a copy of the 2007 audit report for information.

Maintaining the ARA's balance in the \$20k+ range is important to allow flexibility and responsiveness to matters such as support of State cash flows, promotion and other extraordinary items.

Insurance

The insurance renewal in June 2007 was effected with an increase in Liability cover and a reduction in premium compared to the 2006 renewal. This was achieved due to a significant "softening" of the insurance market which saw the ARA approached by a number of parties seeking to offer competitive proposals to provide our required cover. As a result we were again able to institute a competitive bidding approach for the 2008 renewal with Brokers and Underwriters of substance. The outcome was that we were able to achieve renewal with double the level of cover in terms of financial limits (now \$20 million) as previously with a premium of \$3-08/member down from the \$4-12/member of the previous year. In addition, the new Underwriter has extended the PLI cover to include full coverage for landowners irrespective of the landowners' insurance position.

As agreed at the 2007 AGM, the sports injury cover that had been held by the ARA for the past few years that had been "forced" upon us as part of a "bundled" package during the insurance crisis of a few years ago, has now been discontinued. We are also pursuing Directors & Officers Liability cover. The final piece of data required from the States in order for us to finalise a quotation for this cover has just been received and thus the cover should be available shortly.

The recommended set of standard clauses for letters to landowners and Participant Indemnity forms that set out details of the insurance cover have been updated to reflect the revised cover and distributed to the States for their use.

Other Matters

During 2007 no grants were sought by any States, and the grant funds held over. Since then applications were received from both QRA and ACTRA for the ARA to provide a level of underwriting support for buses to be run from both of those States to the 2008 ARC. Underwriting of these buses has been provided such that should both States require the maximum level of underwriting provided, 100% of the 2007 grant budget will be expended.

Assuming that the above mentioned underwriting will be called upon, the operating surplus of the ARA for 2007 will become effectively zero and thus it is recommended that a \$1-00 per member capitation fee be levied again in 2008.

Requests to States for Insurance and Capitation levies will be issued following agreement on the capitation fee and finalisation of the D&O Liability cover.

Income & Expenditure Statement

Please find below the ARA's statement of income and expenditure for year ended 31 December 2007:

Opening Balance:		22,342.93
Income:		
Insurance Levies	23,325.37	
Capitation Fees	5,667.00	
NAMSF Funding	12,600.00	
Interest	147.88	
Other	5,000.00	
Total Income		46,740.25
Expenditure:		
Promotion	99.25	
State Grants	2,741.00	
Manual Expenses	0.00	
Executive Admin Costs	0.00	
Bank Fees/State Taxes	0.00	
Other Admin	143.95	
Delegate Travel	0.00	
Insurance	23,323.98	
NAMSF Disbursements	11,300.00	
Total Expenditure		37,608.18
Closing Balance:		31,475.00
Reimbursement Due NAMSF		1,300.00