

TREASURER'S REPORT - AHSA LTD AGM 2020

I was not officially appointed a Director and Treasurer until the beginning of April 2020. As a result, I am not completely familiar with everything that happened in the 2019 year – every day I seem to learn something new regarding things that happened during that year.

One of the first things that became very apparent to me was that there were some very obvious "timing" discrepancies between the 2018 and 2019 years. Income in one year and expenditure relating to that income in the next year – and vice versa.

For the purposes of this report, and in trying to present a more balanced view, it is necessary to treat the two years as "one". I will set out and explain some specific items which have been the subject of many questions from Members.

All figures below are taken directly from the 2018 and 2019 published Financial Reports.

1. Profit/Loss

2018	\$161,945 (profit)	
2019	<u>\$232,754 (loss)</u>	
	\$ 70,809 (loss)	
<u>Less Depreciation</u>	<u>\$105,411</u>	(non-cash item)
"Cash" Profit	\$ 34,602	

2. Legal Fees

2019 Expense	\$95,973
Less Insurance reimbursed	<u>\$80,390</u>
"Net cost"	\$15,583

3. Australian Arabian National Championships & Youth Championships

Income:	2018	\$265,135	
	2019	<u>\$226,752</u>	
		Total Income	\$491,887
Less Expenditure:	2018	\$172,518	
	2019	<u>\$169,403</u>	
		Total Expenditure	<u>\$341,921</u>
Profit			\$149,966

4. WAHO Conference

Income	2018	\$139,074	
	2019	<u>\$176,103</u>	
		Total Income	\$315,177
Less Expenditure	2018	\$ 37,427	
	2019	<u>\$277,297</u>	
		Total Expenditure	<u>\$314,724</u>
Profit			\$ 453

Note: This will be affected substantially by the "potential" loss of sale of the large stocks of the book "Hoofprints In History". This could result in a loss of \$25,000-\$30,000.

5. Insurance

Due to the claims history of the AHSA, involving member-member claims and legal matters, the cost of our insurance premiums has risen by \$23,061, a 39% increase.

6. Membership

In 2019 membership numbers fell by 355 from 2018, a decrease of 12%, resulting in a loss of income of \$15,408.

7. Registrations & Recordings

2018	1338
2019	1203

A decrease of 10% resulting in a loss of income of \$37,483

Summary:

1. Like many Australian businesses, income has been falling at an alarming rate during the last 4-5 years but operating costs have continued to increase. Your current Board is making it a priority to increase our income and contain our operating costs.
2. Now, a brief report on the 2020 year.
 - i) The Covid-19 pandemic has changed the business landscape for many years to come.
 - ii) We sincerely appreciate the assistance given by the Australian Government to businesses by way of the job-keeper and other incentives, this assistance has made it possible to retain our very valuable staff members in full employment.
 - iii) Much time has been spent on completely checking, correcting and re-organising the financial system and improving the integration between the financial (MYOB) and Registry (MSRS) systems. These had become inaccurate and misleading over recent years.
 - iv) A huge amount of time has been spent on completely re-drafting a new Constitution which has taken into account the numerous member comments and submissions. I highly recommend this document for your favourable consideration.
3. The Board is very aware of the difficult times that we face and the future viability of our Society. Some new and innovative ideas have recently been adopted and you will be kept fully informed as more are considered, refined and adopted.
4. This has been a time like none of us have previously experienced. It has been five months since this Board was appointed yet we have not been able to hold a "face to face" meeting. Your Board has been extremely busy and active, holding meetings via Zoom and averaging at least one meeting every two weeks.

My sincere "thank you" must also go to my fellow Finance Committee members – Adam King, Greg Liddle & Helen Dohan and Consultant - Vanesa Crosland.

Finally, we wish to express our sincere "thank you and gratitude" to Helen Dohan and her outstanding office staff. The amount of time, effort and dedication that Helen gives to our Society is beyond belief.

I am only too happy to accept any questions that Members may have – I will do my absolute best to answer them as openly and honestly as I can. Because of the unusual circumstances that we find ourselves in, I would like to receive any questions at least four (4) days before the AGM in order to give me time to research the answers.

Regards,

Kevin Howard
Treasurer & Chairman Finance Committee