

**TREASURER'S REPORT  
 2008 Annual General Meeting**

The Auditor's Financial Report for 2008 has been circulated at this meeting.

The net worth of the NSWFA stood at \$104,100 at the close of the year. This is an increase of 261% from last year (2007) of \$39,800 and is due in part to the change in the application of more appropriate depreciation rates on the association's assets and part to the Association's profit.

Previously our auditor applied a straight line depreciation rate of 30% across all classes of assets held by NSWFA. The new method of asset depreciation has seen a more appropriate rate applied depending on the type of asset. This was done in order to allow the depreciation rate to more accurately reflect the useful life of each of our assets.

See table for examples:

<b>Asset</b>	<b>Depreciation Rate</b>	<b>Asset's Useful Lifespan</b>
Piste Trolley	5%	20 years
Aluminium Piste	10%	10 years
Breeches	20%	5 years
Body Wires	50%	2 years

The majority of the Association's assets (by net value) tend to be larger, longer term fixed assets.

If these assets were fully depreciated to a value of \$0 in 3 1/3 years (30% depreciation rate) using the old depreciation method, the Association's depreciation expense would be consistently over reported and would continue to distort the profit and net equity reported by the Association.

The new depreciation rates were applied retrospectively in the financial report in order to enable an accurate comparison between the actual depreciation occurring in both the 2007 Financial Year and 2008 Financial Year.

The register of assets remained relatively fixed this year with only a few minor acquisitions and as a result the net difference brought about by the change in depreciation method (reported in the asset revaluation reserve p.6) is \$32,710.

Notwithstanding changes to the application of depreciation rates on the Association's assets, the NSWFA made a profit of \$31,590 which represents an increase of \$45,764 from the loss of (\$14,174) made in the 2007 reporting financial year.

Note: The loss reported for 2007 arose primarily due to the combination of significant asset acquisition (metal pistes, spools, hire gear etc) and the impact of the inappropriate depreciation rates.

The improved profit figure reported in comparison to the 2007 Financial Year by the Association came about as a result of the following significant changes:

**Increased Revenues**

- More profitable NSWFA competitions (\$3,250)

- 2 profitable AFF competitions in 2008 (\$11,075)
- Higher affiliation receipts (\$6,078 increase)
- Increased fundraising and sponsorship (\$3102)
- Increased interest from improved cash management (\$770 in '08; '09 budget \$2,000+)

#### Reduced Expenses

- Consolidation of competitions across fewer venue days (\$7,850 saving)
- Reduced competition consumables (\$3,590 saving)
- Fewer loss making camps & courses (\$10,517 saving)
- Negotiation of improved insurance rates (\$3,841 saving)
- Negotiated reduction in capitation fees paid to the AFF (\$2,500 saving)

The Association's other major source of revenue received from the Dept of Sport and Rec, the Sports Development Grant, remained unchanged at \$10,000.

NSWFA commenced the 2008 Financial Year with \$43,713 cash at bank, nearly three times the amount of money it had at the beginning of 2007.

The Association's other major expenses include competition rents (\$9,736) down by 21% and competition medals \$715 down from \$4,305

The Executive anticipates further cost savings in the 2009 financial year associated with the change to the Marrickville venue. These savings will include among other things, reduced venue rental & storage expenses.

The Executive is looking to build on its fundraising experience from last year and will be broadening the scope of its fundraising activities to include the traditional forms such as raffles and chocolate drives. In addition, the Executive has identified further opportunities around the Association's website and newsletter and is keen to explore these possibilities.

Michael Pruscino  
Hon. Treasurer  
NSWFA Inc.

12 March 2009