

VALA Treasurer's Report

Year Ended 31 December 2021

As the current Treasurer of VALA, It is my honour to present to our members the Treasurer's report for the period ended 31 December 2021. The VALA AGM held on 30 June 2021 approved the change to transition the VALA financial year from 1 April - 31 March to a standardised 1 January - 31 December financial year. Thus, this report reflects the audit for the financial period of 1 April 2021 to 31 December 2021 as we transition to the new financial year.

The COVID-19 environment continued to impact VALA operations and events, as it did to many organisations, and VALA responded to the environment to ensure we remained, and still remain, agile and flexible to respond as needed.

2021 saw the preparations for the VALA 2022 Conference scheduled for February 2022 of which costs and revenues will be recognised in the 2022 audit. The VALA 2022 Conference will now be held in June 2022.

Financial Performance

VALA has followed previous financial cycles, delivering an operating deficit of (\$46,918) against a 2021 budgeted deficit of (\$88,499) in a non-conference year. The previous full year report 2020/21 reflected an operating deficit of (\$20,189). The key component of a better than budgeted end of year result was the reduction in our General Administrative Expenses of \$79,294 against a budget of \$112,813.

Tech Camp 2021 was delivered virtually in April 2021 following disruptions due to changing environments and regulations impacted by the COVID-19 pandemic. This event reflected a loss of (\$27,871) as predicted in the previous year's report.

VALA's balance sheet reflected the operating loss in total equity on 31 December at \$416,014 (31 March 2021 at \$462,931). The Balance Sheet reflected an increase in Prepayments to \$131,222 and Income in advance to \$331,924 reflecting VALA 2022 Conference registrations and membership prepayments.

Membership.

Membership revenue remained constant for the period however only 9 months of membership revenue can be realised due to the transition year. Membership income for the period was at \$35,069 with membership income in advance at \$11,317 (membership revenue FY2020/21 at \$45,287).

Investments

In 2020 the VALA Finance Sub Committee developed an Investment Strategy to ensure VALA's funds were invested in an environmentally and socially responsible manner in line with VALA values. 2021 saw the review of our investment portfolio with Asgard Transcend eWRAP managed through our investment advisors Morrows Private Wealth which struggled to align with our Investment Strategy. In 2022 we are selling down our portfolio to transition to a Macquarie Investment portfolio which will align to our Investment Strategy.

VALA's total investment portfolio was valued at \$405,542 as of 31 December 2021 including \$158,695 in cash. Our managed investments were valued at \$246,847 compared with \$233,775 on 31 March 2021. VALA Treasurer's Report 2020-2021 Published

2021. VALA had maintained high cash holdings through 2021 to both reflect the risk strategy agreed to in early 2021 converting some of the portfolio into cash due to stock market risks and also reflecting the review of and change to a new investment portfolio.

COVID-19

The COVID19 environment has continued to impact the way VALA operates and has given us new opportunities to develop our programs. We are currently in the final stages of planning the VALA2022 conference rescheduled for June 2022. Significant planning for the conference was done during this reporting period to make ready for the original schedule of February 2022 and those revenues and expenditures will be represented in the 2022 report. The changes that were required throughout the reporting period will continue to impact on the way VALA does business in the future, and we will continue to monitor the impacts of the new ways of working, develop and implement cash flow forecasts, risk management and develop new ways to deliver our programs to our members

Accountability

McLean Delmo Bentleys have completed their fifth audit for us for the year ended 31 December 2021. I would like to thank both the audit team and the Secretariat team for their work in the preparation of these accounts.

Whilst accountability in the form of professional audits is essential, the VALA Committee is ultimately accountable to our members. In the coming year members should expect to hear more about progress against our new Investment Strategy directions, our member value proposition and our response to the new operating environment we must all work within.

Once the AGM is complete and the new VALA Committee is established, a call for interested parties to join our Finance Sub Committee will be announced to further support the financial integrity of the VALA operations

Summary

- Audit for the year ended 31 December 2021 was successfully completed by McLean Delmo Bentleys.
- Regular financial advice regarding VALA investments was provided by Morrows Private Wealth Pty Ltd.
- A Deficit of **(\$46,918)** was recorded against a budget of **(\$88, 499)**
- VALA maintains significant members' **equity of \$416,014** at 31 December 2021 and remains in a sound financial position despite COVID-19.
- VALA Committee has begun reforms to the Association's operations to reduce reliance on surpluses from the biennial conference.

Andrew Iacuone
Treasurer