**Australian Society of Authors Treasurer’s Report**

**Report on the annual accounts for the year July 1, 2018 to June 30, 2019.**

I am pleased to present the Annual General Meeting’s Treasurer’s report for the year to June 30, 2019.

It has been a busy and productive year for the ASA. This organisation is Australia’s leading advocate for the rights of authors and illustrators - the peak body for the nation’s literary creators - and it operates with no government funding. Its survival as a vibrant, effective and independent member organisation is of paramount importance to Australia’s cultural ecosystem. While careful financial management by the team has meant that the organisation is self-sustaining, there is no doubt that the continued lack of funding limits important activities, such as strategic advocacy work, which do not produce revenue.

Modernisation of the ASA has continued under the strategic management of the CEO, as has the judicious streamlining of its operations. Tailored implementation of high-value, targeted professional resources has generated a steady increase in membership numbers across the financial year.

The Investment Committee (made up of three ASA directors and two “responsible persons” with strong financial management backgrounds) oversees the ASA’s three major investments: The Barbara Jefferies Award Fund, the Endowment Fund and the Investment Fund, which contains the gains made from the sale of ASA’s Pitt Street property. A member of Barbara Jefferis’ family, grandson Michael Little, also sits on the committee for that specific investment. Following Board approval of the Investment Policy and Strategy, the new financial advisors Minchin Moore were engaged to manage the ASA’s portfolios. Over time, investment income will flow, enabling the organisation to further develop services for members.

The Barbara Jefferis Fund was audited at the end of June 2019, and will be part of the annual audit process from now on. The Endowment Fund has always been audited within the ASA audit.

This year the ASA secured a bequest of $78,690 from the late author Bertram Chandler. An appropriate amount was set aside for working capital and the remainder was invested. This offset a revenue loss (largely from donations and investment) and contributed to the financial year’s net gain.

I am pleased to report that the auditors have given the ASA a clean bill of health and that present trends indicate that the 2019-20 budget is achievable.

**Highlights**

* The organisation posted an Operating Profit of $33,868. This is $13,694 ahead of budget, thanks to the Bertram Chandler bequest.
* Total Income of $644,415, ahead of budget by $1,927 (0.3%)
* Total Expenses of $610,547, under budget by $11,767 (1.9%). This result is largely due to lower staff expenses (down $24,277, or 7.2% against budget), and a fall in office and general expenses (13% under budget).
* Membership grew by 356 members over the financial year, from 2,612 at July 1, 2018 to 2,968 as at June 30, 2019 – a 14% increase.
* As at June 30, 2019, cash in the trading bank account stood at $246,097.30, due to the influx of cash relating to the annual 30 June membership renewals.
* Working capital of $142,000 was drawn down in the year, within the approved allowance of $150,000
* **Assets and liabilities:** Net assets and total equity stood at $1,841,835 at 30 June, 2019. Liabilities outside of grants and memberships were $101,434.

As Treasurer, I would like to congratulate and thank the ASA’s management and staff for their outstanding work this year. In addition, I would like to extend my gratitude to Juliet Rogers who steps away from the role of CEO having implemented a root-to-branch restructure of the ASA’s operations. This significant achievement will stand the ASA in good stead for the challenges that lie ahead.

Helen O’Neill

Treasurer

5 November 2019