



Institute of Transportation Engineers Australia & New Zealand Section

ABN: 37 117 358 795

Treasurer's Report for 2013

This report covers from 1 January 2013 to 31 December 2013 in line with ITEANZ's reporting year.

Financial Strategy

During 2013, the board agreed to a financial strategy underpinned by two principles:

1. ITEANZ exists to provide services to its members and seeks to continually improve those services, and
2. ITEANZ seeks to be sustainable, so that it can continue to provide those services into the future

These principles led the board to agree to:

- Target a small annual surplus, in the range of \$1000 - \$3000, recognising that in most years, downside risks are greater than upside opportunities
- Consider ITEANZ's funds as falling into three categories:
 - A strategic reserve to support the long term financial stability of ITEANZ with the objective to maintain its real (inflation adjusted) value over the medium-long term
 - An operating fund to cover the ongoing (steady-state) activities on ITEANZ
 - A new initiatives fund, providing a clearly defined means to budget for new or occasional activities (eg. website redesign), with the income for this fund drawn from new sponsorships and any surpluses in the operating fund

It was noted that ITEANZ does not currently receive any income from membership subscriptions and to do so would require the establishment of a section surcharge for ITEANZ. It was agreed to focus initially on sponsorships as a source of income for ITEANZ before considering such a surcharge.

Financial Result

The final result for 2013 was an operating deficit (loss) of \$1,724. The gross profit after deducting event and award costs from event fees and sponsorship was \$4,807, however this was insufficient to fund other operating activities and the remaining website investment (\$5,440) committed in 2012.

The gross profit figure is encouraging and indicates that financial targets should be able to be met in 2014 through a combination of:

- Increasing income through the new sponsorship offerings released during 2013, and
- The definition of the new initiatives fund as budget for new or occasional activities.

The table below provides financial figures from the last two years. The agreed financial strategy intends to stabilise finances to provide the ability to continue ongoing member services and launch new initiatives; there is no current board objective to return to the significantly higher balances as seen in previous years.

	31 December 2013	31 December 2012	31 December 2011
Balance at Year End	\$26,768	\$28,492	\$40,075
Surplus or (Deficit) e.g Profit or (Loss)	(\$1,724)	(\$11,583)	

Attachments

The following are attached to this Treasurer's Report:

- Profit and Loss statement for year ending 31 December 2013
- Balance Sheet comparison of year ending 31 December for 2013 and 2012

Statement

I, Andrew Somers, Treasurer of the Institute of Transportation Engineers Australia and New Zealand Section, certify that these financial statements give a true and fair view of the financial performance and position of the Institute of Transportation Engineers Australia and New Zealand Section during and at the end of the financial year of the association ending on 31 December 2013.



Andrew Somers
ITEANZ Treasurer

11 February 2014