

2022 Budget

DECEMBER 2021

Executive Summary

Context: Overview of 2021

2021 continued to be a year of turmoil and uncertainty due to COVID-19. Most of our sports programs, from grassroots participation to national competition, were put on hold, especially across NSW and VIC. Two of four budgeted fundraising events were also cancelled.

Furthermore, there was a change in leadership. The outgoing Chief Executive Officer, Corene Strauss resigned in May 2021 after 5 years leading the organisation.

Board and management maintained a stable and effective organisation during this transition period led by the former Head of Schools and Participation, Pierre Comis who is now the Chief Executive Officer, having formally commenced in August 2021.

Despite these circumstances, the operating loss is projected to arrive at \$205,000. This is a favourable outcome compared to the budgeted operating loss of \$259,000. This is mostly due to cost savings initiatives led by management, including 12 days of mandatory annual leave during Christmas.

The member's fund (equity) is projected at \$1,000,000 excluding funds raised by the state and club committees.

The 2021 cash position remains strong by 31 December 2021, estimated at \$5,400,000. This is mostly due to the early payment of NAB's final two instalments in 2021 instead of 2022, as per the agreed timetable.

Budgetary Process

This budget has been prepared using a top-down approach and has been informed by the current 2021 run rate, given the new organisation structure is not yet final and department heads will not be appointed until late January 2022.

A high-level starting budget forecast showing a breakeven result was presented to, and subsequently supported by, the Finance and Risk Management (FARM) Committee on 15 October 2021.

2022 Plan

The 2022 plan retains the current strategic pillars and identifies key areas of focus during a year of consolidation, with a breakeven budget seeking to build a platform for future growth.

2022 Plan on a Page

Our vision is an inclusive Australia through which people with intellectual disabilities live an active, healthy and fulfilling life

Our mission is to provide inclusive training and competition in a variety of sports for children and adults with intellectual disabilities enabling opportunities to develop physical fitness, demonstrate courage, experience joy, improve wellbeing, and participate in a sharing of gifts, skills and friendship with the community

Athletes Athlete Satisfaction Physical Literacy Athlete Leadership Healthy Athletes Coaches	Membership Athletes (by category) Volunteers Coaches Clubs	Governance National Council National Athlete Input Council National Sport Advisory Group Policies and Procedures
Athlete Satisfaction Physical Literacy Athlete Leadership Healthy Athletes Coaches	Athletes (by category) Volunteers Coaches Clubs	National Council National Athlete Input Council National Sport Advisory Group
Physical Literacy Athlete Leadership Healthy Athletes Coaches	Volunteers Coaches Clubs	National Athlete Input Council National Sport Advisory Group
Athlete Leadership Healthy Athletes Coaches	Coaches Clubs	National Sport Advisory Group
Healthy Athletes Coaches	Clubs	
Coaches	******	Policies and Procedures

	Ctuana Cammittana	
	Strong Committees	Sector Capability
Coach Satisfaction	Centralised Delivery Model	SOA Learn
creditation Standards	Sports/Programs	NSO Partnerships
ning and Development		Consultancy Services
Delivery Resources	Programs	
	Young Athletes	Advocacy
Volunteers	Schools	Conference Presentations
olunteer Satisfaction	Affiliates	Webinars and Video Sessions
Induction	Unified	Position Statements
ning and Development		NSOD Alliance
ministrative Resources	Brand	
	Community Awareness	
Competition	National Partnerships	
Club Competition	Media Engagement	
Games Pathway	Perth 2027	
Junior Carnivals		
r	Volunteers Dlunteer Satisfaction Induction Ining and Development Ininistrative Resources Competition Club Competition Games Pathway	Young Athletes Schools Schools Affiliates Unified Induction Unified Ininistrative Resources Brand Community Awareness Competition Club Competition Games Pathway Young Athletes Schools Affiliates Unified Community Awareness Mational Partnerships Media Engagement Perth 2027

Special Olympics Australia

BUDGET 2022

Statement of Comprehensive Income

		Budget-22					2021 *	2021	2021**		2021	
	Budget-22	National Games	Budget-22	Budget-22		Budget-22	Projection	Projection	Projection		Projection(10+2)	Movement
	Central Office		State Committees	Clubs	Elimination	Consolidated	Central Office		Clubs	Elimination	Consolidated	Up/(down)
Income	<u>Gentral Office</u>	Organising Com	State Committees	Oluba	Lillillation	Oolisolidated	<u>oential onice</u>	State Committees	Oluba	Lillilliation	Consolidated	<u>Op/(uowii)</u>
Corporate & Partnership (net)	972,062			213,353		1,185,415	832,136	128,077	193,957		1,154,170	30
Events & Community Fundraising (net)	493,000		426.800	68,269		988.069	44,766	427,511	62,063		534,340	859
Participation & Program - Grants and Income	1,341,896		420,000	00,203		1,341,896	1,345,437	-	02,000		1,345,437	09
Registration fees (net)	242,303					242,303	178,327	_			178,327	369
Competition - Grants and Income	164,000	2,678,883	3.036.000	256,043	(1,563,200)	4,571,726	214,571	151,495	232,766	(60,000)		748
State Committee Contribution	120.000	2,010,000	0,000,000	200,010	(120,000)	1,011,120	41.667	-	202,100	(41,667)		09
Sports Partner Income	103,840				(120,000)	103,840	2.860	-	_	(41,001)	2,860	35319
Others	138,250			54.861		193,111	189.654	_	49,874		239,528	-199
Total Income	3,575,351	2,678,883	3,462,800	592.526	(1,683,200)	8,626,360	2,849,418	707.083	538.660	(101,667)	3,993,494	1169
	2,010,000	2,010,000	3,102,000	,	(1,000,000)	2,122,111		,	,	(111,111)	2,222,222	
Participation, Program and Competition Cost												
Participation & Program Cost	(434,890)		(76,800)			(511,690)	(385,155)	(6,400)			(391,555)	319
Competition Cost	(164,000)	(2,676,530)	(3,036,000)	(550,000)	1,563,200	(4,863,330)	(202,718)	(198,051)	(279,543)	60,000	(620,312)	6849
Salaries & wages	(1,155,000)	,	(120,000)	(35,000)	120,000	(1,190,000)			(65,586)	41,667	(1,080,669)	109
Total Participation, Program and Competition Cost	(1,753,890)	(2,676,530)	(3,232,800)	(585,000)	1,683,200	(6,565,020)	(1,601,611)	(247,463)	(345,129)	101,667	(2,092,536)	214%
Operating expense												
Salaries & related cost	(1,215,577)	_	(198,856)		_	(1,414,433)	(1,045,857)	(81,445)			(1,127,302)	259
Sports Operating & Recruitment & Volunteering	(44,500)		(190,030)	-	-	(44,500)	(1,043,637)				(1,127,302)	285%
Participation & Program - Development Cost	(7,200)					(7,200)	, ,	<u>-</u>			(11,044)	100%
Fundraising and Partnership	(73,861)					(73,861)	(106,379)				(106,379)	-319
Brand awareness.Media and Promotion	(48,600)					(48,600)					(39,370)	239
Governance	(196,914)					(196,914)	,				(142.118)	39%
Insurance	(39,840)					(39,840)	(37,702)				(37,702)	69
Office and Administration cost	(191,231)		(13.144)			(204,375)	(301,309)		(95,976)		(410.125)	-509
Total Operating expense	(1,817,723)		(212,000)	-	-	(2,029,723)			(95,976)	-	(1,874,540)	89
On and in a O. (10 of in it)	0.700	0.050	40.000	7 500		04.64=	/400 470	005.005	07.555		00.440	222
Operating Surplus/(Deficit)	3,738	2,353	18,000	7,526	-	31,617	(436,472)	365,335	97,555		26,418	209
Government Support	- 270	0.050	40.000	7 500		- 04 647	230,512	-	- 07.555	-	230,512	-1009
Surplus/(Deficit) after Government Support	3,738	2,353	18,000	7,526	-	31,617	(205,960)	365,335	97,555	•	256,930	-88%
*Certain comparative figures have been reclassified to conform to t	he budget presentation											
** Clubs Projection is based on the 2020 financial report	.g p											

Explanatory Notes

Events Income

As we recommence events, the Fundraising Events Manager and Fundraising Consultant continue to revamp our events and bring new ideas. Hence, we are expecting a 'return to normal' in line with the 2019 actual result, less the Soar & Roar net margin.

Sports Partner Income

This new income stream from partnerships with National Sporting Organisations seeks to achieve mutually beneficial outcomes through collaborative efforts in club engagement, coach development, school engagement, and competitions and events.

Registration Fees

In response to the impact of COVID-19, the 2021 registration fee was 67% charged, whilst the 2022 fee is charged at the full standard rate of \$75 per athlete, per annum.

National Games Organising Committee

As reported by the Games Director, both income and costs are projected at \$2,700,000.

At the time this report is prepared, the confirmed sponsorships are \$972,000 and the projected athletes' levies total \$1,370,000 leaving the organising committee to raise a further \$342,000.

Activities of Club Committees

Activities of club committees are budgeted based on 2021 projections, as club committees do not prepare annual budgets.

Activities of State Committees

- Events, Program Cost and Salaries are as per 2021 run rate. Full year impact on salaries and coaches' fee.
- Competition income represents National Games State Team Levy for 1012 athletes at an average levy of \$3,000 per athlete.

Salaries and Operating Expenses

The 2022 budget includes allowance for:

- Recruitment of a 1 full time employee Fundraising Coordinator to assist the Fundraising Events Manager. The Fundraising Events Manager will absorb the stewardship of corporate partnerships as the vacant Fundraising & Partnerships role will not be replaced.
- Full year impact on NDIS resources and the WA State Manager position, both of which were hired in August 2021.
- Each employee taking 3 weeks annual leave.

Risk and Risk Management

This budget includes one high risk item, being a new partnership initiative of \$100,000. No new partnerships have been committed at the time this budget has been prepared.

There are other potential risks due to the possibility of a third wave of COVID-19. The risks are included in the following table, with an assessment as high, medium, or low.

	As of 29 Nov 2021			
RISKS OF THIS BUDGET	Rating	Amount		
New Initiative in Partnerships is not realised	High	(\$100K)		
Events are cancelled due to third wave Covid-19 between May 2022 to Sep 2022	Med	(\$250K)		
Partnership is not renewed	Low	(\$53K)		
TOTAL Risks		(\$403K)		

National Games Organising Committee Financial Risk

Cash Flows

At the time this budget is prepared, the National Games Organising Committee has received cash support of \$782,000.

Furthermore, the Organising Committee will receive a further \$100,000 from Event Tasmania in July 2022 and a further \$30,000 from Launceston Council.

Hence, by July 2022, cash received will be \$912,000.

Conversely, the Organising Committee has spent cash of \$182,000 and scheduled its spending as outlined below:

•	Jan 2022	\$150,000
•	April 2022	\$150,000
•	July 2022	\$200,000
•	Aug to Oct 2022	\$1,900,000

From the above information, the net cash position is still positive through to July 2022.

Income

At the time this report is prepared, the confirmed sponsorship is \$972,000 and the projected athletes' levies is \$1,370,000, leaving the Organising Committee to raise a further \$342,000.

The Organising Committee and Games Director remain confident in raising \$342,000.

Details of risk on the National Games will be reported separtely by the Games Director.

Risk Mitigation Plan

To minimise risk, the following actions are being applied:

- 1. FARM members will closely monitor actual results by deep diving against the budget on a quarterly basis in addition to monthly financial reports circulated to FARM members.
- 2. Budget remains flexible and the expenses can be cut if our ability to meet budgeted income is not achieved.
- 3. Focus on the plan to maximise the resources to build the platform for future growth.