

La Société canadienne pour les traditions musicales The Canadian Society for Traditional Music

Treasurer's report and financial statements for the year ending 2002-August-31

The financial statements comprise a Balance Sheet and a Statement of Income and Expenses. The financial statements are unaudited. A number of notable financial events occurred during this financial year.

First, the down side.

- We continue to lose members steadily. Our gift of an extension of individual memberships by one issue did not bear fruit. There are an unusually large number of members in the grace period, those whose memberships expired after the first Bulletin of 2002. This means that the membership numbers and membership revenues are out of step, with membership revenue being lower than the membership numbers would suggest. Membership revenues are down by about \$400.
- Donations, fund-raising, single issue sales, and royalties from CANCOPY are all down this year, a combined decrease in revenue of about \$900.

Second, the financially neutral side.

- We have not yet received the SOCAN grant of \$1000 for the Bulletin for 2001, but as we do expect to receive the grant this can be considered financially neutral.
- Revenue from the AGM is less than last year by about \$600, but as we budget for zero income from the AGM this can be considered financially neutral.
- Our printing and mailing costs, while higher than last year, represent a full five issues, and are in line with last year's budget, so this can be considered financially neutral.
- This year the Mail Order Service went from a surplus to a deficit, a difference of about \$1050. As the Mail Order Service accounts are kept separate from the main accounts, and as the expenditure was used to increase our inventory, this can be considered financially neutral. For details see Dave Foster's report.
- We have not yet been able to bring our financial reserve up to the planned level.

The proposed prudent financial reserve is \$2550, composed of \$1650 (being 20% of one year's administration and publication expenses) plus \$600 (set aside to cover members who have paid for more than one year in advance) plus \$300 (to cover registration of the Society in Alberta, not yet spent, concerning which we will be proposing a motion at this year's AGM).

For the financial year 2002-2003 the following budget is proposed for administration and publications (that is, including neither the AGM nor the Mail Order Service, both of which are assumed to break even).

- Membership fees of \$5700 plus donations of \$250 plus SOCAN grant of \$1000 plus single order sales of \$100 plus GST rebate of \$200 plus net royalty revenue of \$50 plus fund-raising of \$100 gives us **income of \$7400**.
- Administration and general publication expenses \$800 plus \$150 ICTM membership. This leaves us **\$6450** to spend.
- One 60 page Journal for December 2002, printing expenses \$1200 plus mailing expenses \$850. This leaves us **\$4400** to spend.
- Four Bulletins, all 40 pages, printing expenses \$3400. Assuming that the December issue is mailed with the Journal, mailing expenses of \$1800. This results in a **deficit of \$800**.
- The opening balance of \$1200 plus the expected SOCAN grant for 2001 in arrears minus the deficit of \$800 and minus \$300 ICTM membership in arrears and minus an additional \$500 transferred to the reserve will leave us with a **closing balance of \$600**, plus the **reserve of \$2550**.

If there is no additional income, and if we continue to have a deficit of about \$800 per year, we can operate for three more years before requiring an increase in membership rates. Because it takes a year for the full benefit of increased rates to be felt, we will probably be proposing a motion to increase membership rates at the AGM in 2004. This will mean operating with less than the prudent financial reserve during late 2004 and 2005.

The value of a membership is currently about \$32, so individuals paying \$25 are getting a deal.

Respectfully submitted,
James Prescott
Treasurer
2002-October-20

CSTM Balance Sheet

As of 2002-08-31

Accounts	2002-08-31 Balance	2001-08-31 Balance
Assets		
Cash and Bank Accounts		
Chequing-CIBC	1,220.28	2,104.11
Mail Order Service Chequing-Scotiabank	217.64	637.26
Mail Order Service Direct Sales Float	40.00	40.00
Mail Order Service Petty Cash-if negative, owed to Dave Fisher	58.58	43.47
Mail Order Service Sales	132.00	249.00
Petty Cash-if negative, owed to John Leeder	0.00	-3.00
Reserve Account-CIBC Money Market Mutual Funds	2,051.50	2,016.78
Total Cash and Bank Accounts	3,720.00	5,087.62
Other Assets		
Accounts Receivable	30.00	30.00
Mail Order Service Equipment-at cost	1,198.00	1,198.00
Mail Order Service Inventory-at cost, LPs at zero	17,835.00	16,984.40
Total Other Assets	19,063.00	18,212.40
Total Assets	22,783.00	23,300.02
Liabilities & Equity		
Liabilities		
Other Liabilities		
Mail Order Service Accounts Payable	1,008.37	1,079.28
Mail Order Service Loan-owed to Dave Foster	4,918.00	5,203.00
Total Other Liabilities	5,926.37	6,282.28
Total Liabilities	5,926.37	6,282.28
Equity	16,856.63	17,017.74
Total Liabilities & Equity	22,783.00	23,300.02

CSTM Income and Expenses

2000-09-01 through 2002-08-31

Category	2002	2001
Income/Expenses		
Income		
AGM Registrations	177.79	800.63
Donations	205.00	612.75
Earned Income:		
Mail Order Service	2,719.29	3,977.25
Royalties from CANCEOPY	31.74	181.29
Royalties to authors	0.00	-59.73
Single Issue Sales	46.80	117.75
Total Earned Income	2,797.83	4,216.56
Fund-Raising	55.01	415.00
Gifts, Other	0.00	1.65
Grants (e.g. SOCAN)	0.00	1,000.00
GST Rebate	237.56	365.86
Interest	34.72	28.78
Memberships:		
Concession	392.55	413.95
Individual	2,672.45	2,995.23
Organisation	2,633.24	2,717.87
Total Memberships	5,698.24	6,127.05
Total Income	9,206.15	13,568.28

Expenses

Administration:

Bank Charges	103.50	91.50
Fees	30.00	60.00
PO Box Rental	126.26	126.26
Postage & Courier	260.73	181.85
Supplies	103.62	106.82
Telephone & Fax	8.02	1.50
Travel	0.00	6.75

Total Administration	632.13	574.68
AGM Expenses	0.00	1,277.83

Mail Order Service:

Bank Charges	77.45	74.90
Commission	183.00	169.00
Import Duties	0.00	79.50
PO Box Rental	77.04	77.04
Postage & Courier	76.21	11.07
Stock Purchase	2,416.74	2,623.71
Supplies	8.68	0.00

Visa:

Discount	107.90	110.18
Imprinter Rental	12.84	12.84

Total Visa	120.74	123.02
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Total Mail Order Service	2,959.86	3,158.24
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Publications:

Postage & Courier	1,959.49	2,451.06
Printing	4,530.38	2,845.81
Supplies	159.00	178.50

Total Publications	6,648.87	5,475.37
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Total Expenses	10,240.86	10,486.12
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Total Income/Expenses	-1,034.71	3,082.16
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