

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

Treasurer's report, budget, and financial statements for the year ending 2004-August-31

The financial statements comprise a Balance Sheet and a Statement of Income and Expenses. The financial statements are unaudited. There were several notable financial events during this financial year.

First, the down side.

- Printing costs have risen sharply, by between 5% and 45%. There is still uncertainty about these costs.
- As budgetted for in last year's report, postage costs rose by about 12%.
- VISA processing costs have risen by 80%. Other banking charges have risen sharply both this year and in the previous year.
- We anticipate that the SOCAN grant will drop this year, from \$1500 to \$1000.

Second, the up side.

- Last year's AGM produced \$950 of windfall income.
- For the second year in a row, membership numbers have increased slightly.
- The International Council for Traditional Music, of which the Society is a member, has reduced their annual dues from \$150 to zero.

Third, the financially neutral side.

- Membership income as a result of the rates increase has been almost exactly as projected.
- One publication was more expensive than expected, and this was offset by a specific matching donation.
- We only printed and mailed three Bulletins during the financial year just ended, so publication costs were lower than they would otherwise have been. In the coming financial year five Bulletins will be printed and mailed, and the budget (see below) has been designed to reflect this.
- The Mail Order Service continues to make a small surplus.
- The surplus for this year of \$2950 (see page 4) evaporates if one takes away the AGM windfall income, the cost of the Bulletin that has not yet been published, and the anticipated drop in the SOCAN grant.

For the financial year 2004-2005 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 \$7700 plus donations of \$250 plus SOCAN grant for 2004 of \$1000 plus single issue sales of \$100 plus GST rebate of \$250 plus fund-raising of \$100 gives us **income of \$9400**.
- Administration and general publication expenses \$1000. This leaves us **\$8400** to spend.
- One 80 page Journal for December 2004, printing expenses \$1975 plus mailing expenses \$980. This leaves us **\$5445** to spend.
- Four Bulletins, all 44 pages, printing expenses \$3980. Assuming that the December issue is mailed with the Journal, mailing expenses of \$1935. This results in an **operating deficit of \$470**.
- The fifth Bulletin is treated as an extraordinary charge, rather than as a regular expense. Assuming that two Bulletins are mailed together at some time during the coming financial year, the cost of printing and mailing the additional Bulletin is \$1350.
- The opening balance of \$3700 plus the \$1500 SOCAN grant for 2003 in arrears minus the extraordinary charge for the additional Bulletin of \$1350 minus the deficit of \$470 will leave us with a **closing balance of \$3380**, plus the **reserve account of \$1100**.

We are continuing to operate with less than our full prudent financial reserve (which would be about \$2700), and may have to dip into the reserve account at some point during the summer of 2005.

If there are no further financial surprises, we can continue for two years without a membership rate increase. Because it takes a year for the full benefit of increased rates to be felt, we will be proposing a motion to increase membership rates at the AGM in 2005. If the SOCAN grant does not drop after all, we can probably delay any rates increase for a further year or two.

Respectfully submitted,
James Prescott
Treasurer
2004-October-18

CSTM Balance Sheet

As of 2004-08-31

Accounts	2004-08-31 Balance	2003-08-31 Balance
Assets		
Cash and Bank Accounts		
Chequing-CIBC (see Note 1)	3,756.49	1,423.85
Mail Order Service Chequing-Scotiabank	438.35	213.06
Mail Order Service Direct Sales Float	40.00	0.00
Mail Order Service Petty Cash-if negative, owed to Dave Fisher	26.46	58.27
Mail Order Service Sales	242.00	202.00
Petty Cash-if negative, owed to John Leeder	-43.64	-116.27
Reserve Account-CIBC Money Market Mutual Funds	1,106.39	1,090.71
Total Cash and Bank Accounts	5,566.05	2,871.62
Other Assets		
Accounts Receivable (see Note 2)	0.00	30.00
Mail Order Service Equipment-at cost	1,198.00	1,198.00
Mail Order Service Inventory-at cost, LPs at zero	17,746.90	17,074.40
Total Other Assets	18,944.90	18,302.40
Total Assets	24,510.95	21,174.02
Liabilities & Equity		
Liabilities		
Other Liabilities		
Mail Order Service Accounts Payable	1,038.28	1,038.28
Mail Order Service Loan-owed to Dave Foster	4,406.00	4,686.00
Total Other Liabilities	5,444.28	5,724.28
Total Liabilities	5,444.28	5,724.28
Equity	19,066.67	15,449.74
Total Liabilities & Equity	24,510.95	21,174.02

Note 1: The CIBC Chequing account balance for 2003 has been adjusted for three small cheques totalling \$7.35 which were issued but never cashed, and which will not be re-issued.

Note 2: Accounts receivable item written off as bad debt.

CSTM Income and Expenses

2002-09-01 through 2004-08-31

Category	2004	2003
Income/Expenses		
Income		
Donations	787.00	525.00
Earned Income:		
Mail Order Service	3,663.00	2,428.84
Single Issue Sales	100.25	162.00
	3,763.25	2,590.84
Fund-Raising	736.00	57.00
Gifts, Other	47.25	5.00
GST Rebate	270.39	265.66
Income, Other:		
AGM Registrations	350.00	0.00
Grants (e.g. SOCAN)	1,500.00	1,000.00
	1,850.00	1,000.00
Total Income, Other	1,850.00	1,000.00
Interest	15.68	39.21
Memberships:		
Concession	619.00	693.10
Individual	3,141.70	2,821.35
Organisation (see Note 2)	2,810.24	2,266.74
	6,570.94	5,781.19
Total Memberships	6,570.94	5,781.19
	14,040.51	10,263.90

Note 2: The Organisation income for 2003 has been adjusted for three small cheques totalling \$7.35 which were issued but never cashed, and which will not be re-issued. The Organisation income for 2004 has been reduced by \$30 in order to write off a bad debt.

Expenses

Administration:

Bank Charges	234.64	196.77
Licences and dues	30.00	497.50

Office Expenses:

PO Box Rental	139.10	126.26
Postage & Courier	313.32	248.59
Supplies	51.10	282.01
Other	0.37	0.00

Total Office Expenses	503.89	656.86
Travel	3.75	4.50

Total Administration	772.28	1,355.63
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Mail Order Service:

Bank Charges:

Visa:

Discount	133.82	103.50
Imprinter Rental	12.84	12.84
Monthly Fee	57.33	0.00
Transaction Fees	7.55	0.00

Total Visa	211.54	116.34
Bank Charges - Other	48.00	45.15

Total Bank Charges	259.54	161.49
Commission	256.00	115.00

Office Expenses:

PO Box Rental	104.86	77.04
Postage & Courier	35.85	22.75
Supplies	5.96	0.00

Total Office Expenses	146.67	99.79
Stock Purchase	2,579.42	1,680.57

Total Mail Order Service	3,241.63	2,056.85
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Publications:

Office Expenses:

Postage & Courier	2,107.65	2,397.17
Supplies	189.18	124.80

Total Office Expenses	2,296.83	2,521.97
Publication Printing	4,785.09	4,865.99
Travel	0.25	0.75

Total Publications	7,082.17	7,388.71
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Total Expenses	11,096.08	10,801.19
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Total Income/Expenses	2,944.43	-537.29
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