

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

Treasurer's report, budget, and financial statements for the year ending 2006-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.

- Membership renewals, both individual and organisational, are down for the second year in a row. I estimate 200 paying memberships for the 2006-2007 financial year.
- Both the Journal and the Magazine appeared late, delaying membership and grant revenue. The Magazine did not do a double mailing, nor a double issue, as had been hoped for in last year's budget.
- The SOCAN grant for 2003 (\$1500) will not be arriving. We did not submit a report to them for that year.
- The SOCAN grant for 2005 (\$1000) has not yet arrived.
- One of the two GST rebates did not arrive during the financial year.

Second, the up side.

- We received an unbudgeted income of \$1130 from the New Westminster AGM (although that has already been spent by higher than budgeted publication expenses).

Third, the financially neutral side.

- We printed and mailed five Magazines during the financial year just ended and have thus caught up half of our backlog. In the coming financial year five Magazines would need to be printed and mailed in order to catch up completely. The budget (see below) has been designed to reflect this.

For the financial year 2006-2007 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 \$8900 plus donations of \$250 plus SOCAN grants for 2006 of \$1000 plus single issue sales of \$50 plus GST rebate of \$200 plus fund-raising of \$100 gives us **income of \$10500**.
- Administration and general publication expenses \$1000. This leaves us **\$9500** to spend.
- One 60 page Journal for December 2006, printing expenses \$1500 plus mailing expenses \$1050. This leaves us **\$6950** to spend.
- Four Magazines, all 40 pages, printing expenses \$3800. Assuming that the December issue is mailed with the Journal, mailing expenses of \$1890. This results in an **operating surplus of \$1260**.
- The fifth Magazine (40 pages) is treated as an extraordinary charge, rather than as a regular expense. Assuming that this Magazine can be mailed together with another Magazine at some time during the coming financial year, the cost of printing and mailing the additional Magazine is \$1370. I would also strongly recommend producing a double issue for an additional saving on printing costs.
- The opening balance of \$4120 plus the \$1000 SOCAN grant for 2005 in arrears plus \$100 GST rebate in arrears minus the extraordinary charge for the additional Magazine of \$1370 plus the operating surplus of \$1260 will leave us a **closing balance of \$5110** plus the **reserve account of \$1140**. Based on cash flow projections for the next two years I recommend immediately moving an additional \$2000 to the reserve account to create a prudent financial reserve.
- If printing and postage costs are assumed to increase by 5% per year, and if paying memberships are assumed to decline by 10% per year, this gives operating **deficits** for the following three financial years of \$100, \$1400, and \$2600. The Society would use its financial reserve during 2009-2010 and would have a closing balance in 2010 of \$3400. This suggests that to avoid cash flow problems there may need to be a membership fee increase at the 2009 AGM.

After 7 years, this has been my last year as Treasurer. I will be handing over to a successor as soon as practicable after the AGM.

Respectfully submitted,
James Prescott
Treasurer
2006-October-19

CSTM Balance Sheet

As of 2006-08-31

Accounts	2006-08-31 Balance	2005-08-31 Balance
Assets		
Cash and Bank Accounts		
Chequing-CIBC	4,170.14	2,925.57
Mail Order Service Chequing-Scotiabank	168.32	164.98
Mail Order Service Direct Sales Float	40.00	40.00
Mail Order Service Petty Cash-if negative, owed to Dave Fisher	19.36	22.88
Mail Order Service Sales	77.58	145.64
Petty Cash-if negative, owed to John Leeder	-52.16	-24.84
Reserve Account-CIBC Money Market Mutual Funds	1,146.14	1,121.73
Total Cash and Bank Accounts	5,569.38	4,395.96
Other Assets		
Accounts Receivable (cheques not yet cashed)	105.00	0.00
Mail Order Service Equipment-at cost	1,198.00	1,198.00
Mail Order Service Inventory-at cost, LPs at zero	19,338.95	18,687.95
Total Other Assets	20,641.95	19,885.95
Total Assets	26,211.33	24,281.91
Liabilities & Equity		
Liabilities		
Other Liabilities		
Mail Order Service Accounts Payable	1,100.28	1,136.28
Mail Order Service Loan-owed to Dave Foster	3,874.00	4,149.00
Total Other Liabilities	4,974.28	5,285.28
Total Liabilities	4,974.28	5,285.28
Equity	21,237.05	18,996.63
Total Liabilities & Equity	26,211.33	24,281.91

CSTM Income and Expenses
2004-09-01 through 2006-08-31

Category	2006	2005
Income/Expenses		
Income		
Donations	247.00	250.00
Earned Income:		
Mail Order Service	4,920.35	4,258.85
Royalties from ACCESS	0.00	70.52
Royalties to authors	-4.54	-13.52
Single Issue Sales	79.00	-6.50
Total Earned Income	4,994.81	4,309.35
Fund-Raising	0.00	128.00
Gifts, Other	24.00	0.00
GST Rebate	530.78	152.75
Income, Other:		
AGM Registrations	1,130.66	0.00
Grants (e.g. SOCAN)	1,000.00	0.00
Total Income, Other	2,130.66	0.00
Interest	21.30	15.34
Memberships:		
Concession	1,222.55	370.00
Individual	3,990.93	2,380.46
Organisation	3,803.51	2,932.72
Total Memberships	9,016.99	5,683.18
Total Income	16,965.54	10,538.62
Expenses		
Administration:		
Bank Charges	58.48	75.93
Licences and dues	30.00	30.00
Office Expenses:		
PO Box Rental	160.50	149.80
Postage & Courier	233.13	306.65
Supplies	245.76	0.90
Total Office Expenses	639.39	457.35
Travel	0.75	0.00
Total Administration	728.62	563.28

Mail Order Service:		
Bank Charges:		
Visa:		
Discount	147.47	102.48
Imprinter Rental	13.89	11.77
Monthly Fee	82.69	76.44
Transaction Fees	9.25	5.55
	<hr/>	<hr/>
Total Visa	253.30	196.24
Bank Charges - Other	128.00	108.16
	<hr/>	<hr/>
Total Bank Charges	381.30	304.40
Commission	303.00	298.00
Office Expenses:		
PO Box Rental	111.28	104.86
Postage & Courier	104.28	80.15
Supplies	19.24	13.43
	<hr/>	<hr/>
Total Office Expenses	234.80	198.44
Stock Purchase	4,119.44	3,862.71
	<hr/>	<hr/>
Total Mail Order Service	5,038.54	4,663.55
Publications:		
Office Expenses:		
Postage & Courier	3,261.54	2,102.81
Supplies	145.72	84.55
	<hr/>	<hr/>
Total Office Expenses	3,407.26	2,187.36
Publication Printing	6,194.89	4,228.23
Travel	9.92	36.29
	<hr/>	<hr/>
Total Publications	9,612.07	6,451.88
	<hr/>	<hr/>
Total Expenses	15,379.23	11,678.71
	<hr/>	<hr/>
Total Income/Expenses	1,586.31	-1,140.09
	<hr/> <hr/>	<hr/> <hr/>