



The Canadian Baton Twirling Federation

La Fédération Canadienne de Baton Sportif

Treasurer's Report **CBTF Board of Director's – September 9, 2018**

The following is an overview of the 2017 - 2018 fiscal year, which covers April 1, 2017 to March 31, 2018. Additional information included with this report are:

- 2017-2018 Profit and Loss as of March 31, 2018 (Attachment #1)
- 2017-2018 Balance Sheet as of March 31, 2018 (Attachment #2)

I have not included Profit and Loss Statements for individual programs however they are available should you wish to review them.

1. Financial Position

The net loss for the year ending March 31, 2018 is \$7,838.36. This is primarily a result of a loss from the 2017 Canadians (\$6,209.13), the cost of the Fall Conference (\$5,070.44), the CBTF share of the 2017 International Cup, the cost of the WBTF Technical meetings offset by a successful 2017 International Cup Qualifier, Membership Revenues and Technical Membership Revenues.

The 2017/2018 budget was approved at \$6,505 which included a number of items to be funded from Retained Earnings. The items purchased from retained earnings in the 2017-2018 Fiscal Year included a contribution to the Scholarship Reserve, the payment of gym fees for the ICQ and Canadians, the travel cost to Canadians for those with awards named after them, and the purchase of a CBTF laptop.

There are numerous projects that have been approved in previous budgets which will be funded from Retained Earnings once the work has been completed.

These projects are:

- membership/tabulation software - \$10,000
- judging and coaching upgrades - \$4,000
- additional manual translations - \$2,000
- an educational consultant - \$3,000
- CBTF Video Library updates - \$2,000

We currently have equity totaling \$178,586.68, which consists of the following:

Retained Earnings	\$ 149,252.29
Scholarship Reserve	\$ 6,807.40
Event Reserve	\$ 20,000.00
Operating Reserve	\$ 5,000.00

Sport Outreach Reserve	\$ 5,000.00
Insurance Reserve	\$ 365.35
Net income from 2017/2018	\$ -7,838.36

As a Registered Charitable Amateur Athletic Association (RCAAA) incorporated in Ontario, CBTF is eligible to claim 82% of the PST portion of the HST it has paid as well as 50% of the GST it has paid. The 2017/2018 HST refund has been remitted in the amount of \$172.19. As many CBTF events are run by a provincial body, including the financial component, we are unable to claim the HST/GST expenses as they are not directly incurred by CBTF.

2. Insurance

CBTF insurance in 2018/2019 premiums are slightly lower than last year in the amount of \$10,427.40 and provides all of our insurance needs under one provider. Due to the expiry date of September 1 on the current policy, the CBTF President and Treasurer approved the insurance in early August to allow the issuance of insurance certificates needed by the clubs.

3. Affiliation Fee

Based on the 2017-2018 membership numbers I've received to date, the calculated Affiliation Fee is \$8.75, a slight increase over the 2017 rate of \$7.50. a reminder that this fee is charged for all members except type E members. I will move the acceptance of the affiliation fee of \$8.75 per member at the end of this report.

4. Finance Committee

CBTF is a registered corporation and as such, must meet the stringent guidelines outlined in the Canada Not-for-profit Corporations Act.

CBTF is considered a non-soliciting corporation and must do the following:

- Must appoint a public accountant by ordinary resolution at each annual meeting OR waive appointment by annual unanimous resolution.
- A public accountant must conduct a review engagement but members may pass a resolution to require an audit instead (If no public accountant is appointed, then 'compilation only is required)

The cost of having a public accountant review the financials on a yearly basis is fairly substantial. As outlined in the second bullet, if a public accountant isn't appointed, the financials will be presented to the CBTF members as a 'compilation', which is what the attachments to this report outlined are. As the CBTF financials are reviewed by an internal finance committee on a regular

basis, I will move that CBTF waive the appointment of a public accountant at the end of this report.

In the absence of volunteers, there was no Finance Committee review in the last fiscal year so it should be a priority for the next Treasurer.

5. Miscellaneous Items

After 10+ years as the CBTF Treasurer, this is my final report. There are many people that have helped along the way and they have my deepest gratitude.

Going forward, I'd like to suggest some areas that need to be reviewed to ensure the financial sustainability of the organization.

- Ensure there are signed contracts for CBTF events from the judges clearly outlining the amount they are being paid and what currency they are being paid in. With a US exchange rate exceeding 30%, US judges are costing us much more than Canadian judges. I suggest you consider paying the US judges the rate that Canadian judges are being paid but converted to US currency. Copies of these contracts should be sent to the Treasurer to ensure the treasurer is aware of the funding requirements.
- When hiring judges for CBTF events, factor in the number of conflicts that judges have so that CBTF is not only hiring the most qualified judges but also hiring the most effective judges. Hiring a judge that has conflicts in numerous categories often results in the need for more judges or higher gym rental costs as the days may need to run longer. This also creates a great deal of extra work for the tabulation team when conflicts are not noted on judging contracts.
- There needs to be a balance between getting the 'best' judges for an event but also getting judges that won't require a significant financial outlay. This will ultimately go back to the athletes/parents in reduced costs for the event. Competing at a national level should not be predicated by the ability to pay the high cost of entries.
- Please ensure that the treasurer is consulted when developing event entry forms and PRIOR to releasing the entry forms to discuss method of payment, the 'payable to' for cheques, and assigned passwords for eTransfers so that the treasurer is aware in advance and not searching for the assigned password.

6. Position of Treasurer:

As noted in the past, the position of treasurer has evolved over the years and requires someone with a strong financial background, ideally someone with an accounting designation. I am pleased to say that Terry Stewart from Regina has been nominated and pending the AGM vote on September 9, will be your new treasurer. I will assist Terry as he transitions in to his new role and I am confident you'll assist him in any way possible. I have prepared a letter (Attachment #3) to the bank to remove me as a signing authority and add Terry to our account. I will move the acceptance of this letter at the end of this report.

Motions:

- I move the acceptance of the Affiliation Fee of \$8.75 per regular member for the 2018-2019 season.
- I move that CBTF waive the appointment of a public accountant, as required under the Canada Not-For-Profit Corporations Act.
- I move the addition of Terry Stewart as a signing authority and the removal of Michelle Bretherick as a signing authority on the CBTF's bank account with CIBC.

Respectfully submitted by

Michelle Bretherick

CBTF Treasurer