TREASURER'S REPORT 4.1.3

- My report was delayed somewhat to allow for yearend reporting as it didn't make sense to speak to November 30 numbers when reasonably reliable year end numbers were available..

- The year-end numbers are currently in DRAFT form only. The statements should be finalized in the next couple of weeks when we receive the estimate for the 2013 audit from the accountant. The expense has been estimated but when we receive the actual figures it may be a few thousand dollars higher.

- All financial documents are available to board members who want copies of them.

GENERAL COMMENTS

- Efforts to come up with a "dashboard" style financial picture to get distributed with reference to our strategic plan will continue after the strategic plan, targets and success indicators are finalized. Paul and I have been speaking about this and we will have this in place prior to the next meeting.

- As the reporting here is based on year-end numbers, they speak to a precise point in time and reference percentages of the budget. Furthermore, they reference last year's budget which had a fairly different focus and direction. On this basis, the use of a dashboard comparison vis a vis the 2013 budget for the year end numbers wouldn't really speak to overall performance and would not be particularly instructive for consideration for next year's budget either.

- The pie chart shows where we ended up for the year. It does not cross reference the budget numbers for 2013.

FINANCIAL COMMENTS

- The Budget v. Actual for the year end shows membership services falling short of projected numbers. We previously discussed some of these issues being related to the difficulties with the website over the summer and fall following the move. The suggestion is that last year's budget may have also been overly optimistic about increases in memberships towards the end of the year (in Q3 and Q4 particularly). I am advised that the team believes that the projections for this year and the 2014 budget are more realistic..

- We need to keep in mind that during the summer months the focus on the ED team was one of survival as opposed to building and expanding. Now that the storms have passed, we should have a better indication of where we are moving and it is anticipated that the 2014 budget does that.

- Memberships made a recovery towards the end of the year, largely due to the offer to have people extend their memberships at the 2013 rate. This may have the effect of “poaching” some of the early revenue associated with memberships for 2014but results in the organization having more cash in hand. This may be offset by doing a similar “push” at the end of 2014. This would have the effect of covering any “poaching” effect by continuing the process. Essentially it will just shift some of the revenues from one year to the previous year.

- Accreditation was also down based on the budgetary figures.

- Offsetting the downsides referenced above was the uptick in designation revenues. The expenses were also higher but that was more than made up for by the revenue increases.
- Over the last year, much of the expenditures of the organization have been met by spending deferred revenue as opposed to cash reserves. This was by necessity as the cash reserves were not there. Presently, the cash reserves have increased to the point where the deferred revenue does not need to be used to the same extent in order to meet expenditures. This is a positive trend which needs to be sustained.