TREASURER'S REPORT 6.3

- Effective as of the end of August 2014
- Attachments
    - Balance Sheet August 31 2014
    - Budget v. Actual Summary August 2014
- All financial documents are available to board members who want copies of them.

GENERAL COMMENTS

- In consultation with Paul & Karen, as well as with Wendy & Joanne who have provided the bulk of the required co-signatures over the past year, and in response to recent ADRIA Board direction, the following is proposed:
    - For all aspects of ADRIA's financial operations, co-signatures will be largely replaced by end-month reports to the Treasurer detailing all transactions.
    - Cheques in support of ADRIA routine business operations of up to $5000 may be approved by the ED alone. Cheques in excess of this amount must be co-signed by a Board member with financial signing authority.
    - Cheques for the purchase of new equipment and supplies up to $5000 may be approved by the ED alone. Cheques in excess of this amount must be co-signed by a Board member with financial signing authority.
    - Contractor and Employee cheques of up to $5000 may be approved by the ED alone. Cheques in excess of this amount, and any payment to the ED, must be co-signed by a Board member with financial signing authority.
- The focus since the AGM has been on attempting to revisit the presentation of the budget information and the financial information in such a fashion that more directly corresponds with the stated intent to reveal trends on revenue sources and expenses. It is hoped that this process of re-mapping our past financial records will be completed in time for our 2015 budget discussions end-November, so that the Board members will have a full understanding of our 2013 & 2014 operations.
- Most of the income levels are somewhat under budget at the moment. That said, all of the substantial revenue sources are in the 79% or better range of the budget figures. Membership fees and other membership services total approximately $24,000 less than the budgeted amounts. In the end, membership revenues for 2014 might be permanently skewed (downwards) on account of the early renewal discount offered last December – OR a similar discount, if offered this year, could restore the balance to ADRIA's 2014 accounts. (TBD)
- Professional development revenues are approximately $83,000 less than the budgeted amounts. That said, the 2014 budget will be skewed because the College offering envisioned by Erika did not materialize. Lessons learned will be applied to the 2015 budget planning discussions end-November.

FINANCIAL COMMENTS

- My preference is not to go through all of the financial statements in any great detail as I suspect that it will bog down the process.
- Cash reserves are strong at in excess of $60K. Note the reserves are lower than the May report, at which point it was about $80K. Cash reserves will, of course, vary from month to month, but in general ADRIA's reserves have greatly improved from this time last year when they stood at just over $17K. Most importantly, Karen has strived to make sure that ADRIA always has $10K cash on hand, and that our overall cash reserves exceed current liabilities.
- The AAMS loan is down to just under $3,000 remaining, and will be fully paid off end-December.
- The previous general comment that our budget is fairly "thin" remains valid, although much improved over last year. We are able to get by and our bills are paid in a timely fashion, but we need to be mindful of expenses with a view to keeping the overall budget intact.

PLAN FOR NEXT YEAR

- Paul, Karen and I met with the auditor in July to discuss our requirements for the financial statements in the future and as well our desire to present the information in a fashion that is more readily digestible in terms of tracking revenues and expenses for each "branch" of the organization (education and designations).
- We received the commitment that our financial statements would be in hand well in advance of the AGM so that the board would have an opportunity to review them first, and so that we would have a final version presented at the AGM as opposed to a draft version.
- We were pleased to have this commitment as the current auditor has a long standing relationship with the organization and has been providing this service at very advantageous rates.
- We also discussed at length my desire to present the information as outlined above and my understanding is that efforts will be made to present next year's budget in that fashion which should make the financial statements more easily translated.

ADR Institute of Alberta
BALANCE SHEET
August 31, 2014

ASSETS

CURRENT ASSETS		
Cash	$	11,472
Reserve Funds		61,014
Accounts Receivable		7,431
Prepaid Expenses		5,152
Total Current Assets	$	85,069
PROPERTY AND EQUIPMENT		
Office Furniture & Fixtures	$	5,138
Computer Equipment		15,853
Telephone Equipment		585
Classroom Furniture & Equipment		2,331
Total Property and Equipment	$	23,907
OTHER ASSETS		
Total Other Assets	$	0
TOTAL ASSETS	$	108,976

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Accounts Payable	$	0
Accrued Liabilities		7,719
Deferred Revenue		53,240
GST/HST Payable		480
Loan from AAMS		3,375
Due to ADRI		4,558
Total Current Liabilities	$	69,372
LONG TERM LIABILITIES		
Total Long Term Liabilities	$	0
TOTAL LIABILITIES	$	69,372
MEMBERS' EQUITY		
General Surplus	$	15,363
Net Income (Loss)		24,241
Total Members' Equity		39,604
TOTAL LIABILITIES AND MEMBERS' EQUITY	$	108,976

ADR Institute of Alberta
Profit & Loss Budget vs. Actual
January through August 2014

	Jan - Aug	Budget	$ Over Budget	% of Budget
Income				
Membership Fees Net of ADRIC	65,954	74,845	-8,891	88%
Other Membership Services	55,975	71,290	-15,315	79%
Professional Development	305,396	388,630	-83,234	79%
Designation	7,225	5,425	1,800	133%
Accreditation	100	0	100	100%
Other Income	103	200	-97	52%
Total Income	434,753	540,390	-105,637	80%
Expense				
Member Services	5,772	25,000	-19,228	23%
Professional Development	172,767	265,150	-92,383	65%
Designation	650	1,200	-550	54%
Operations	222,913	232,956	-10,043	96%
Board of Directors	8,409	6,450	1,959	130%
Total Income	410,511	530,756	-120,245	77%
Net Income	24,242	9,634	14,608	252%