



Canadian Baton Twirling Federation

La Fédération Canadienne de Baton Sportif

Treasurer's Report **CBTF Board of Director's – September 13, 2015**

The following is an overview of the 2014-2015 fiscal year, which covers April 1, 2014 to March 31, 2015. Additional information included with this report are:

- 2014-2015 Profit and Loss as of March 31, 2015
- 2014-2015 Balance Sheet as of March 31, 2015

I have not included each program's Profit and Loss Statements however they are available should you wish to review them.

The net profit for the year ending March 31, 2015 is \$10,023.70*. This is primarily a result of net profits from the 2014 National Championships (\$5,785.09) and the 2014 Team Trials (\$753.06).

We currently have equity totaling \$159,362.72, which consists of the following:

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|-----------------------------|---------------|
| • Retained Earnings | \$118,973.67 |
| • Event Reserve | \$ 20,000.00 |
| • Operating Reserve | \$ 5,000.00 |
| • Sport Outreach Reserve | \$ 5,000.00 |
| • Net income from 2014/2015 | \$ 10,023.70* |

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 2014/2015 HST refund has been remitted in the amount of \$1,214.25.

Insurance:

CBTF insurance in 2014/2015 was higher than in the past however a review at that time found that we were adequately covered. The increase in cost for 2014/2015 was covered by the WBTF International Cup event so affiliation fees weren't greatly impacted.

When we received our 2015/2016 insurance estimates, we faced more increases to ensure we are adequately covered. It was discovered that our Comprehensive General Liability insurance did not cover the CBTF for international travel. This is normally covered by the host country however shortly before the 2014 World Cup

in Nottingham, we were asked for our proof of insurance so we feel that it's prudent for us to include this additional coverage. In addition, we learned that at least one province requires additional Directors & Officers Liability coverage (\$2 million, an increase from our previous \$1 million) in order to receive their provincial grants. Our broker confirmed that \$1 million coverage is the bare minimum required and felt that requests for \$2 million in coverage will become the norm.

Our 2015/2016 Insurance costs are as follows:

- Comprehensive General Liability = \$9,284 plus tax
- Directors and Officers Liability = \$1,328 plus tax
- Sport Accident = \$1,297 plus tax

With taxes, this totals \$11,909 plus 8% tax. This is a significant increase over last year's cost however we feel that this is an appropriate level of insurance for the organization. We have asked someone from outside to review our insurance needs to confirm that we are obtaining not only appropriate insurance but also the right amount of insurance. This person has an extensive insurance brokerage background as well as youth sport experience. At the end of this report, I will make a motion that we offer an appropriate honorarium once the review has been completed.

Each province was emailed their membership information on August 29. Based on our membership database, we have 1,851 'real members' less the type E members (volunteers) of 439 for a total of 1,412. This establishes the affiliation fee of \$8.75 per member. Due to the success of the 2015 Canadians, the ICQ, and the International Cup, I feel that it would be appropriate for CBTF to cover the increase and keep the affiliation fees at the 2014/2015 rate. At the end of this report, I will move the acceptance of the 2015/2016 Affiliation of \$6.50 per member.

Due to the expiry date of the CBTF insurance, it was necessary for the Board of Directors to approve our insurance via an evote. Thank you to those that voted given the short turnaround time. Every year it's a challenge to have our insurance approved by September 1 and clubs are scrambling to get their proof of insurance for their gym bookings. At the end of this report I will be making a motion for the CBTF to have their insurance approved by July 15 every year. This will allow our broker to have everything approved in advance of the new baton season.

Our current broker continues to provide us with excellent service. I've been asked to remind the provinces and clubs that should any questions/concerns/claims arise, you are asked to contact Peter Yeh or Sandi Watt. Please do not contact the insurance company directly!

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 move that CBTF waive the appointment of a public accountant.

The Finance Committee has been established and is currently working on a review of the 2014/2015 actuals. I apologize for the delay in getting this done however I have been busy with a number of events over the last year. The members of the Finance Committee are Jane Weir, Beth Jamieson, Jean Thibeault, and I as the CBTF Treasurer.

One of the recommendations put forth by a previous finance committee was for CBTF to establish a write-off policy. The provinces were asked to provide me with information regarding their provincial write-off policies however I did not receive any feedback. Once the Finance Committee has completed their review, I will ask the committee to assist in the creation of a draft policy for the CBTF Board of Directors to consider.

US payments

A challenge I've had this year is the CBTF payment to US judges and clinicians for services provided. There are a couple of issues I would like dealt with moving forward:

- Make it clear in contracts/emails with US judges and clinicians what their rate of pay is and, in particular, the currency. When a US judge is hired, it should be clear how much they are being paid. \$20/hour CAD is substantially different than \$20/hour US. If it's not explicitly stated in the contract, I will assume CAD. This detail must also be shared with the host province as it may impact their event budgets.
- Ask how the US judges wish to be paid. It is very expensive for CBTF to write a cheque for US funds (\$20 per cheque). If a judge is being paid in US funds, it means a trip to the bank to get US cash or a US money order. As above, if the judge is being paid CAD but wishes to be paid in US funds, I will convert the CAD to US funds to calculate payment. Please respect my time and give me advance (10 days) notice of US payments

that will be required. Emailing me a couple of days before the payments are needed is NOT enough time. Please copy me on emails regarding payment of US judges so I'm aware of upcoming payment requirements.

Communications

On a number of occasions, I have been asked for reimbursements that I was not prepared for. It's very difficult for me to ensure fiscal responsibility when I'm not aware of what spending is occurring until after the fact. Please don't assume that I always have cash or cheques to reimburse expenses when I travel.

For expenses that are contained within the approved budget, please make sure that I'm informed of the following:

- Changes in event budgets (e.g. additional judges, hired services, etc.)
- Honorariums for services provided (e.g. people working on Technical Library, approved by technical committee however nothing forwarded to treasurer except a list of people to pay).
- Any request for payment should always identify the budget line item that is being charged.

At times, it does become necessary to incur expenses for items not anticipated when the annual budget is prepared. CBTF policy requires that any out-of-budget expenses must be approved by a separate vote. When discussions take place for these out-of-budget items, include the CBTF Treasurer early in that discussion – and definitely well before you have drawn up your request and submitted it for the approval vote.

Pride of Canada Clinic

With the separation of the Qualifier and the Winner/Championships, it has become more complicated to track the Pride of Canada and Open Clinics since they take place at separate events and usually involve multiple provinces. At the end of this report, I will recommend the removal of all clinic revenues and expenses from the national events and have them tracked in a separate program. Any profits will be transferred to the Canadian Contingent program for that year to help offset their expenses.

Preliminary results for 2015/2016

We are still working at finalizing the financials for events held in this fiscal year (April 1, 2015 to March 31, 2016) however here are preliminary financials for the:

- ICQ (MBTSA) – \$3,705.32 (pending change in clinic policy)
- 2015 Canadian Championships (OBTA) – profit of \$18,935.51 (pending change in clinic policy)
- 2015 International Cup/Grand Prix – preliminary estimates are a profit of \$65,000 for the two events combined. Some of that profit (from the Grand

Prix) will go to WBTF and some of it (from the International Cup) will go to CBTF – however, that split is still to be calculated.

Motions

I move that an appropriate honorarium be paid for an insurance review once the information has been obtained.

I move that the CBTF obtain Board approval for insurance by July 15 for the following insurance period (September 1 to August 31).

I move the acceptance of the Affiliation Fee of \$6.50 per regular member be maintained for 2015/2016, with any additional cost being covered by CBTF.

I move that all revenues and expenses from the Open Clinic at the Winner/Championships and the Pride of Canada Clinic at the Qualifier be removed from these events and tracked in a separate program, with any resulting profits being transferred to the Canadian Contingent for that year. (Effective for the 2015/2016 season)

I move the acceptance of the 2015 Treasurer's report.

Respectfully submitted by Michelle Bretherick, CBTF Treasurer