



Finance Report

2018/19 Skate Canada Budget

May 25 2018






Ice Summit Calgary

Mary Ellen McDonald, Senior Director Operations



Annual Budget

Agenda

-  Process
-  Key Assumptions
-  Income Statement
 - Revenue
 - Expenses
-  2017/18 Audited Financial Statements
-  Questions



Annual Budget

Process

Timeline

- Budget developed with department leads in October 2017
- Management forecast for the year ended 2017/18 was also executed at this time and used in development of assumptions and parameters.
- Budget assumptions and parameters provided to FERM in November 2017
- Budget revisions based on additional information in January 2018 and the 2018 19 MD&A (draft budget) was prepared and presented to FERM and Board
- Revised budget presented to FERM mid March 2018
- Budget recommended for approval by FERM March 28 2018
- Budget approved by Skate Canada Board of Directors April 23 2018



Annual Budget

Key Assumptions - Revenue



Registrant and Member

- Increase of 0.5% or 1,000 registrants
- Increase of 0.5% or 25 coaches
- No change in Skating Schools and Clubs
- No change to fees



Test Revenue

- Increase of 1% or 835 tests
- No change to fees



Annual Budget

Key Assumptions - Revenue

- 🍁 Government Funding
 - Own The Podium (OTP) and Core Funding will remain unchanged from 2017/18
- 🍁 Sponsorship
 - One additional potential sponsor – to be announced when confirmed
- 🍁 Events
 - GP Final event in 2018



Annual Budget

Key Assumptions - Expenses



Staff Costs

- Fully staffed as at April 1
- Annual wage adjustment 2.5%
- No incremental changes to benefits



Events

- GP Final event in 2018



Revenue

Account		2018 2019 Budget	2017 2018 Actuals	Change
Membership	↑	6,642	6,611	31
Test Fees	↑	1,180	1,171	9
Government	↓	2,739	2,879	(140)
Sponsorship	↑	1,526	1,310	216
Events	↑	6,007	3,751	2,256
Safe Sport	↑	570	567	3
Value in Kind	↓	40	73	(33)
Merchandising	↓	126	130	(4)
Other	↓	607	720	(113)
TOTAL	↑	19,437	17,212	2,225



Expenses

Account		2018 2019 Budget	2017 2018 Actuals	Change
G&A	↓	1,719	1,829	(111)
HR	↑	4,398	4,085	313
Professional Fees	↑	850	724	126
Travel & Living	↑	794	685	109
Events	↑	6,126	3,508	2,618
HP Comp Expense	↑	1,201	1,141	60
Stakeholder Training	↑	396	180	216
Advertising	↑	326	267	59
Grants	↑	4,624	4,565	59
Other	↓	127	150	(23)
Total		20,561	17,134	3,426



Annual Budget

Risks and Opportunities

Risks

- Gains on Revenue side in registrants and coaches were significant in 2017/18. Enrolment of youth in sports is provided by disposal family income so any weakening of economy could have a negative impact on growth
- Strong support of 17/18 events due in large part to OWG. There is a risk to tickets sales and rink boards should the field of athletes dramatically change over what has been predicted when formulating the budget
- Weakening of the Equity market has been seen in the past 6 months and should this continue the Investment income is at risk which will have a negative impact on maintaining a neutral Net Income



Annual Budget

Risks and Opportunities



Opportunities

- Market placement for SCI and GPF which could drive higher than anticipated revenue for tickets revenue based on Canadians performance in Vancouver market
- Additional sponsorship opportunities as current leads are gaining traction and may result in additional net revenue



Finance Report:
Audited Financial Statements,
For the year ended March 31, 2018



Auditors



🍁 April 23rd - 27th : On-Site audit work

🍁 May 9th : FERM Committee reviews audited financial statements

🍁 May 11th: Board reviews audited financial statements



Auditors Report

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Skate Canada as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Statement of Financial Position

		2018	2017
		\$	\$
ASSETS			
Current assets			
Cash		948,623	645,515
Accounts receivable		1,179,641	2,046,323
Unbilled contract revenue		646,911	808,905
Prepaid expenses		426,429	258,842
Skate Canada Skater Trust Fund	Note 3	179,905	88,331
		<u>3,381,509</u>	<u>3,847,916</u>
Investments	Note 4	20,489,799	20,057,380
Capital Assets	Note 5	529,376	669,519
		<u>24,400,684</u>	<u>24,574,815</u>



Statement of Financial Position

LIABILITIES AND FUND BALANCES

Current liabilities

Bank indebtedness	Note 7	-	961,040
Accounts payable and accrued liabilities	Note 6	1,193,564	1,174,015
Deferred revenue		391,074	231,173
Deferred contributions	Note 8	-	79,308
Skate Canada Skater Trust Fund	Note 3	179,905	88,331
		<u>1,764,543</u>	<u>2,533,868</u>

Fund balances

General			
Unrestricted		11,884,532	11,232,993
Invested in Capital Assets		529,376	669,519
Internally restricted - Athlete Fund		7,823,507	7,879,284
Internally restricted - Hall of Fame Fund		1,567,196	1,550,806
Internally restricted - Safe Sport		536,841	311,781
Externally restricted		115,829	209,998
Endowment		178,861	186,567
		<u>22,636,141</u>	<u>22,040,947</u>
		<u>24,400,684</u>	<u>24,574,815</u>



Statement of Operations - Revenue

	Unrestricted	Athlete Fund	Hall of Fame Fund	2018 \$	2017 \$
Revenue					
Membership	6,610,971	-	-	6,610,971	6,488,353
Test Fees	1,170,802	-	-	1,170,802	981,742
Events	3,751,460	-	-	3,751,460	3,765,641
Merchandising	130,293	-	-	130,293	115,635
Government and other grants	2,878,623	-	-	2,878,623	2,587,628
Sponsorship	1,349,247	-	-	1,349,247	1,548,410
Investment Income (loss) (note 4)	293,741	286,508	51,097	631,346	1,960,784
Safe Sport	566,814	-	-	566,814	530,922
Other	743,266	-	-	743,266	482,739
Gain on Sale - building/land	-	-	-	-	1,447,118
Strategic Planning (note 8)	79,308	-	-	79,308	478,950
	17,574,525	286,508	51,097	17,912,130	20,387,922



Statement of Operations - Expenses

Expense

Section grants	3,528,230	-	-	3,528,230	3,405,771
Athlete grants	742,514	294,400	-	1,036,914	996,068
Events	3,508,505	-	-	3,508,505	3,617,151
Merchandising	-	-	-	-	-
Agent fees and advertising	266,945	-	300	267,245	202,952
Investment fees and bank charges	125,699	47,885	8,912	182,495	195,454
Salaries, benefits and professional development	4,084,797	-	-	4,084,797	4,442,054
Professional fees and contracted services	978,024	-	1,500	979,524	812,659
Facilities	787,037	-	3,989	791,026	814,659
Travel and living	1,932,128	-	12,681	1,944,809	1,633,521
Technology and subscriptions	302,931	-	-	302,931	561,462
Office	51,269	-	1,001	52,270	55,184
General	300,282	-	6,325	306,607	119,465
Amortization	150,400	-	-	150,400	191,679
Restructuring	-	-	-	-	756,684
Strategic planning (note 8)	79,308	-	-	79,308	478,950
	16,838,069	342,285	34,708	17,215,062	18,283,713
Net revenue (expense) for the year	736,456	(55,777)	16,390	697,068	2,104,209



2017/2018 Event Statements

	ACI	SCI	Challenge	Nationals	Syncho Nationals	Total
	Actuals	Actuals	Actuals	Actuals	Actuals	17/18
Entry Fees	4,224	-	133,700	58,380	31,111	227,415
Govt Grants & Partnerships	59,682	395,415	53,431	304,601	73,781	886,911
Ticket Sales	81,081	522,701	43,478	969,404	78,721	1,695,386
Rink Boards	74,000	372,750	-	-	-	446,750
Souvenir Sales	1,358	7,088	1,472	7,142	5,165	22,225
Other Revenue	-	30,204	4,960	33,299	9,193	77,656
Prize Money	-	228,456	-	-	-	228,456
Total Revenue	220,346	1,556,615	237,041	1,372,826	197,971	3,584,799
General & Admin	41,700	148,870	24,914	62,246	17,322	295,051
Venue Operations	79,260	444,229	158,815	551,750	116,633	1,350,687
Travel & Living	119,092	277,331	193,282	296,390	54,557	940,653
Event Marketing	2,483	154,501	631	238,308	26,183	422,106
Volunteer Program	10,757	12,496	5,670	14,913	8,017	51,852
Prize Money	-	230,233	-	-	-	230,233
Total Expense	253,291	1,267,659	383,313	1,163,607	222,712	3,290,582
Total Profit / (Loss)	(32,946)	288,955	(146,271)	209,219	(24,741)	294,216



Final Comments

- ❁ Copies available online of:
 - ❁ Audited Financial Statements
 - ❁ Financial Statement Presentation

- ❁ Questions?: mmcdonald@skatecanada.ca