

Pacers Speed Skating of Ottawa
Financial Report
As at March 31 2010

At the beginning of the year the largest issues facing the Club from a financial point of view were the empty 4:15 time slot and Masters program, both of which did not have sufficient skaters to fund their ice time. A number of initiatives were launched to address these issues:

- Partnership with OSSA to launch an after-school program, directed to high school students on the 4:15 slot
- Review Masters pricing levels
- Initiate a \$2,000 budget for advertising
- Introduce a new 4 week trial program for Masters

Generally the OSSA program was a complete flop, primarily due to OSSA mis-management. No funds were received from OSSA, nor was the program every launched.

The various initiatives focused on the Masters program were moderately successful - while the program narrowly failed to cover all of its costs, sufficient momentum has been generated to encourage the Club that 2010/11 will be more successful.

Two financial issues face the Club next year - the ongoing issue of the empty 4:15 ice slot and the potential impact of the HST implementation in July 2010. Of course, other club issues, such as coaching availability and the Olympic surge in Membership may also have significant financial issues.

The financial results for the year are as follows:

Income Statement

Revenue

Overall revenue increased by almost \$9k from the previous year. The reasons for this include:

- Registration fees grew by \$5k, primarily due to increases in the Masters program and growth in our Inter club revenue
- Other revenue grew in part to the \$1k donation from the ING Video contest, as well as revenue from the Kristina Groves festival
- Net revenue from skate meets increased from the prior year by \$1.5k

Expenses

Overall expenses increased by almost \$9k from 2009, due to the following:

- Ice and storage rental increased by \$8k due to 7% increase in City Ice and the 3% increase in Sensplex ice, along with a \$2k payment for summer ice time in August 2009
- Purchases of skates and other equipment increased by almost \$2k
- Advertising costs rose by \$1.6k
- Administrative and Award costs decreased by almost \$2k from the previous years results

Overall the net surplus for the year was \$3,292, which was very similar to last year's surplus.

Balance Sheet

Assets

There are only a few assets which the club recognizes.

Cash is the money in our BMO bank account. Our cash balance is currently at \$33,158 - this is higher than last year as we do not carry any of our funds in Loblaw's cards anymore

The Term Deposit consists of two investments - a three year cashable deposit of \$25,000, paying 1.25% interest and maturing on Oct 16, 2012. The other investment is a two year investment of \$15,000 paying 1.6% interest and maturing on Oct 16 2011. Interest revenue will be recognized upon receipt. The Club decided to invest in 2 year deposits as the interest rates on one year investments was negligible.

The Amounts Receivable represents miscellaneous amounts due - the two largest amounts are the final payment from Speed Skating Canada (\$750) and the final wrap up of the 2009 MSM Camps (\$400). Both of these amounts will likely be collected in April 2010.

The Loblaws Coupons are the undistributed cards held by the Club to be sold to the Members. In 2010, there is no longer that asset as the Club does not purchase these cards.

Liabilities

Accrued Liabilities include minor expenses which were unpaid as of March 31.

Members Deposits are the deposits placed by members to secure their skating privileges for next year.

Undistributed Fundscrip amounts are the cheques received by the Club from Fundscrip based on the earnings of the Members during the year. We accumulate those amounts, and we will start refunding these to our Members in late April. This is a new process of the Club and is part of the overall process of working with Fundscrip. Members will be given the choice of having the club retain the funds as a deposit for next year, having the funds returned to them, or some combination of the two. More details will be provided on this soon.

Fund Balances

The constitution of the club calls for the establishment of certain funds to be used for certain types of expenditures. These are as follows:

Operating Reserve Fund (\$31,494)

This Fund is an amount set aside to assist with unexpected financial burdens in any one year, and is calculated at 30% of the previous year's operating expenditures.

Capital Fund (\$3,191)

This fund is to be used for purchases of equipment for the club, other than the skate rental inventory - during the most recent year, the club purchased a second bulletin board, amounting to \$734.

Skate Park Fund (\$6,685)

No transactions have occurred in this Fund either in this year or the previous year.

Skate Fund (\$8,368)

This fund is created out of rental revenue from skates, as well as fees from skate sharpening services. During FY10, \$8,544 (2009 - \$7,983) was added to the Fund, while skate purchases totaling \$9,762 (2009- \$8,527) were drawn from the Fund

Retained Earnings (\$21,157)

This fund represents the accumulated surplus of the Club since inception. This amount has grown from last year due to the small surplus generated this past year.