

Date: November 27, 2012

To: Annual General Meeting

From: Carey Dillen, Director Finance

Re: **Six Month Financial Update and Projection AND 2013-2014 Draft Budget**

	2012-2013 - To Sept 30, 2012			2012-2013	2012-2013	2012-2013	2013-2014
	Actual YTD	Budget YTD	Difference	Operating Budget	Projected YE Budget	Variance	Draft Budget
TOTAL REVENUE	590,326	612,717	(22,391)	1,325,000	1,357,788	32,788	1,360,700
TOTAL EXPENSE	584,231	605,710	(21,480)	1,286,475	1,297,863	11,388	1,341,220
NET SURPLUS (DEFICIT)	6,096	7,007	(911)	38,525	59,925	21,400	19,480

Definitions - Column Headings

Actual YTD – actual financial information for year to date as of September 30 (6 months).

Budget YTD – budget estimates for year to date as of September 30 (6 months).

Difference – difference between the Actual YTD and Budget YTD.

Operating Budget – budget that was approved by the Board of Directors May 2012.

Projected YE Budget – budget forecast as of September 2012 to the end of the fiscal year March 31, 2013.

Variance – difference between the Operating Budget and Projected YE Budget.

Draft Budget 2013-2014 – budget for upcoming fiscal year end March 31, 2014. Once the current year end is completed then this draft budget will be updated and presented to the Board of Directors in May 2013 for approval.

2012 – 2013 Current Year Six Month Financial Review

Actual financial information for the first 6 months of the fiscal year (April to September 2012) has a surplus of \$6K. Overall, financial operations are consistent with budgeted year to date (YTD). As of September 30, 2012, revenues are below budget primarily due to late registration for the W50 road running being \$30K below budget and corporate sponsorships \$11K below budget offset by day of event road running memberships above budget by \$19K. As of September 30, 2012, expenses are below budget YTD primarily due to timing of expenditures with respect to administration, BC Team programs, special programs/uniforms and athlete development.

2012 – 2013 Projected Year End Budget

We are forecasting to be at a surplus of approximately \$60K by fiscal year end. The revised projection is prepared based on updated information and/or changes to assumptions. The primary changes from the Operating Budget (approved by the Board) to the Projected YE Budget are detailed below.

Revenue - major sources:	
Gaming Grant (from \$200K to \$275K)	75,000
W50 Registration Fees (offset expense)	(42,800)
NSTF Donation	4,800
BC Athletics Auction	(4,500)
	32,500
Expenses - major spends:	
W50 Expenses (offset revenue)	(30,600)
Athletic Canada Membership	7,000
Marketing	7,000
Strategic Plan	7,000
Coaching	3,500
JD Awards	1,000
Track & Field Clinics	1,500
JD Programs	1,670
BC Athletics Team Uniforms	8,800
BC Summer Games (offset NSTF Donation)	4,800
	11,670
NET INCREASE (DECREASE) DETAILED ABOVE	20,830

2013 – 2014 Draft Budget

The 2013-2014 Draft Budget is prepared based on Projected YE Budget for current year 2012-2013. The Draft Budget will be updated after current year March 31, 2013 financial year is completed and actual revenue and expenses are known. The Board will approve the 2013-2014 Operating Budget around May 2014.

We have included the W50 revenue and expenses based on the Operating Budget estimates and will revise after the actual current year financial numbers are completed. The Gaming Grants and related expenditures have been revised based on current information and funding applications. We have removed one-time expenses related to marketing, strategic planning and office relocation costs. The primary changes from the Projected YE Budget to the Draft Budget are detailed below.

Revenue - major sources:	
Gaming Grant (from \$275K to \$200K)	(75,000)
W50 Registration Fees (offset expense)	42,800
BC Coaching Grant	65,000
Canada Summer Games	(20,500)
BC Summer Games	(6,400)
	<u>5,900</u>
Expenses - major spends:	
W50 Expenses (offset revenue)	30,600
Provincial Coaching / Coach Education	102,500
BC Team Programs	14,000
Staffing / Professional Development	15,000
AD - Canada Games Prep	(20,500)
BC Summer Games and Uniform Costs	(20,000)
Marketing	(10,000)
Strategic Plan	(20,000)
Office Expenses/Relocation	(46,000)
	<u>45,600</u>
NET INCREASE (DECREASE) DETAILED ABOVE	(39,700)