

RASC, Halifax Centre 1995 Treasurer's Report

(Final Version - for November 17, 1995)

Introduction:

The Halifax Centre of the Royal Astronomical Society of Canada had another good year in 1995 for financial growth.

I mentioned in the 1993 report that efforts have been made to improve our accounting. As your treasurer, I recommended the Centre adopt changes in its accounting policies as outlined in the 1993 report. With these objectives in mind, I recommended another short list of changes in 1994 involving tighter control of sales and inventory of merchandise.

Since some of the changes have now been in effect for a while, fewer accounting changes occurred in 1995 over 1994, making this the first year that comparisons with the previous year can be made.

Details of the 1995 Income Statement

REVENUES:

Membership Fees \$3,268.50: We had 86 regular, 7 youth and 3 associate members to bring in \$3,268.50. We awarded two new youth memberships. Otherwise, 1995 was almost identical to 1994 - even if a few of that number were different individuals.

Life Members Grant \$446.40: Unchanged from last year. Our life membership has stood at 31 since 1991.

Donations \$131.20: Cash donations to the Centre were up from \$72 last year. (See appendix 2).

Interest \$594.34: Despite lower interest rates, we out-performed last year's interest income of \$365.75 by having most of \$10,000 invested in investment certificates for the entire year. Budgeting during the year, and anticipating monthly cash needs, has enabled the Centre to keep its operating account lower. Our average cash balance was \$2,926 off from its highest ever at \$7,730 in 1994.

Sales of Handbooks (Net) \$322.86: (Gross \$1,088.25) This number represents 76 Handbooks sold by the Museum, the Government bookstore, the Atlantic News, and by members. Of the 193 sent to us from National Office, 93 were distributed to our regular and youth members, and 24 covers were returned to National Office for credit.

Sales of Merchandise \$2,138.39: An estimate. T-shirts, Beginner's Observing Guides, calendars, and pins made up the merchandise sales this year. There was over \$300 in unspecified receipts.

Annual Dinner (Net) \$ 30.60: We were hoping for a better turn-out for our dinner in May at the Waverley Legion.

Miscellaneous \$77.35: All but about \$5 of this is premium from cheques received in US funds. (See appendix 2).

EXPENSES:

Fees to N.O. \$1,952.10: This figure is higher this year due only to the higher membership fees.

Meetings and Newsletter \$1,018.20: The newsletter cost \$790.86. Off a bit, but one or two postage costs seem to be unclaimed. Our meetings cost \$227.34 this year. This included a huge Super Nova Cake presented to PG and DL by MLW in March. (See appendix 2).

General Assembly \$225.90: The Halifax Centre helped to defray costs of Paul Gray's trip to the 1995 GA in Windsor Ontario. (Half of \$451.79).

Equipment & Supplies \$29.68: This was a lightbulb for the projector. Compared to last year, this was a relatively inactive expense category in 1995.

Cost of Goods Sold \$1,529.29: This is an estimate. We excelled 1994's rate, but we did have two Nova Easts during fiscal 1995.

Office Administration \$430.04: A similar figure to 1994. Handbook mail-outs were reduced this year. If members would come to the meetings to collect their handbooks in person this expense would be reduced. (See appendix 2).

Legal Expenses \$359.31: Active this year due to negotiations and registration fees for the leased land and incorporation fees.

Educational Activities \$35.63: Brochures printed.

Awards & Donations \$237.99: Included prizes purchased for the 1994 Nova East in October '94 (\$157.99), \$75 awarded to Denise Pitcher for her efforts in the Science Fair, and one pin given away (\$5.00).

Observatory \$ 1.00: The first payment on the ten year lease for the St. Croix Land

Misc. \$413.30: This figure includes \$57.97 in write-offs. (See appendix 2)

OTHER CASH DISBURSEMENTS:

Library \$76.59: A couple of books and slides were purchased for the library this year.

The Balance Sheet - Details and Analysis

Assets:

Cash \$1,221.24: At September 30, 1995, our cash balance at the Toronto Dominion Bank was \$1840.94. Cheques totalling \$485.85 were outstanding at year-end. Cash held by members was \$40.15. From this, early 1996 membership of \$174.00 (7 r, 2 y) is deducted.

Accounts Receivable \$954.30: As of September 30, 1995, our AR was from accounts of Handbooks, Beginner's Observing Guide and calendar sales. They included:

- \$ 237.50 from the NS Gov't Bookstore for 19 HBs @ \$12.50
- \$ 125.16 from the Discovery Centre for 12 BOGs @ \$10.43
- \$ 84.00 from the Discovery Centre for 12 Calendars @ 7.00
- \$ 133.80 from Atlantic News for 10 HBs @ \$13.38
- \$ 229.46 from Atlantic News for 22 BOGs @ \$10.43
- \$ 70.00 from Atlantic News for 10 '95 Calendars @ \$7.00
- \$ 74.38 from Earthwhile Pursuits for 4 HBs & 2 BOGs

A \$5 receivable from the Killam Library going back to 1994 was written off.

Handbook Inventory \$228.00: As of Sept. 30, 1995, 24 Handbooks were held in our inventory at a cost of \$9.50 each to us.

Merchandise Inventory \$774.09: Our merchandise inventory was off from 1994. Our goal is to further reduce this figure for the current year.

Investments \$10,000.00: The Halifax Centre holds:

- a 1 yr GIC with the Toronto Dominion Bank which yields 7.75% on a principle of \$5,000.00. This certificate matures on February 21, 1996, paying \$387.50 at maturity.
- a 1 yr GIC with the Toronto Dominion Bank which yields 6.00% on a principle of \$5,000.00. This certificate matures on August 31, 1996, paying \$300.00 at maturity.

Accrued Interest \$261.09: Accrued interest on investments has been calculated and reported as it was earned. The GIC's mentioned above earn approximately \$57.29 per month. Accrued interest from the purchase date of the first: February 21, 1995, and of the second: August 31 1995 to our fiscal year-end was \$261.09.

Est'd Library \$2,404.71: Our library's value is probably an estimate of all money spent there since the beginning. An addition of \$76.59 worth of books was added to the library. This number has been adjusted here to reflect the \$1 we raised by selling one book this past year. I believe the value of our library may be overstated, and I will consider adjusting its value downward in fiscal '96.

Observation Equipment \$1,956.95: The Halifax Centre has five telescopes for the use of members. Four scopes were acquired as donations with no consideration or cost to the Centre. A nominal \$1 value has been ascribed for these scopes for accounting purposes. Their estimated replacement or market value will not be reflected in our accounts until any or all are sold by the Centre. In 1995, an eyepiece valued at \$17.20 was donated to the centre.

Est'd Misc. \$452.54: Other holdings of the Centre are estimated at \$452 in value. Historically, a \$250 estimate of their value has included a slide projector, a mirror grinding apparatus, and some slides and material available for use at the planetarium.

Liabilities:

Accounts Payable \$277.50: This amount represents 24 BOGs owed to N.O. @ \$8.50, plus a \$73.50 payable to N.O. for RASC merchandise sent to us early in the year.

Est'd Handbooks Payable \$950.00: 100 Handbooks at \$9.50 were owed by us to Head office. (193 - 93 to members = 97).

Fees Owed to National Office \$13.50: A late 1995 renewal unpaid to N.O. by the year-end.

Other (GST for Handbooks owed to N.O.) \$43.39: 28 Handbooks sold at \$1.11 GST owed on each. Another 14 were sold at \$0.88 GST. Since some of our sales are to the Province - a GST exempt buyer, we did not collect GST on 34 handbooks sold.

The Balance Sheet - Commentary and Outlook

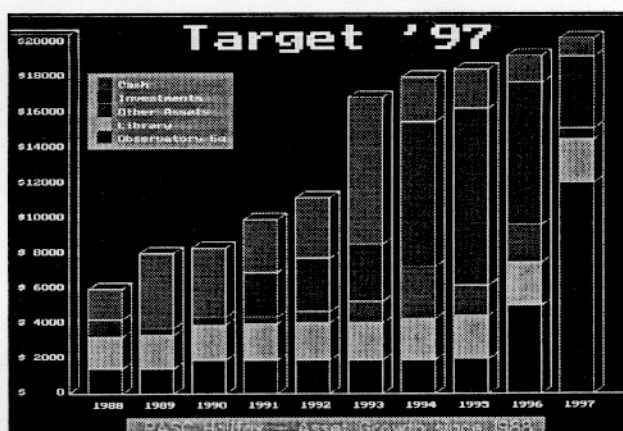
Under the existing Society rules, this would be my last of three years serving as your treasurer. I would have hoped that during a three year period, the last year would have been correctly accounted for. Regrettably, there were many loose ends and pieces that did not seem to fit again this year - including miraculous finds of merchandise and books leaking into the system. (It is more often the accountant's nightmare that things leak out of the system). If the Society's constitution is changed to allow me to serve as treasurer for another year or two, I will try (finally) to get it right in fiscal '96 or '97. I ask one and all involved with our operations to continue assisting me to this end. It will probably be a two year task to find and groom someone to take over from me when the day comes - to perform at the current or better standard. Any volunteers?

Overall, I am pleased with our position at year-end 1995. Our cash is more tightly managed. We have reduced our merchandise inventory significantly from a year ago, (and I will strive to halve it again this year). We are managing our handbook inventory more closely and we have reduced our liabilities somewhat as well.

Our growth in equity for 1995 was \$777.20. This was not a bad performance from \$7,009 in revenues. As members are aware, we have made more extensive use of interest bearing investments to harbour our growing cash hoard.

Now that land has been leased, and we are clear about the kind of things we want to accomplish with it, the path of our future asset position can be estimated with some hope and certainty.

The figure on the right entitled Target '97 is a rough outline of where we might be in two years from here. The vast bulk of our savings in investment certificates will be put into the observatory site at St. Croix.



It is likely during 1996, that a request from membership for cash donations will be made. The success of this drive for funds will determine how ambitious we can be with our plans to develop our observatory which will be available for the use of all members. The initial costs of the project have already begun to accrue at this time (November 1995), and most will be expensed in fiscal 1996. This means that unless cash donations are considerable, our asset position may decline over the next couple of years.

The graph on this page anticipates we will be able to re-coup our project expenses through cash donations through 1997, but whatever happens, this is the last year we can expect our assets will be roughly 72% in liquid (cash or near cash) form.

Appendix 1

ROYAL ASTRONOMICAL SOCIETY of CANADA, Halifax Centre
COMPARATIVE INCOME STATEMENT
YEARS ENDING Sept 30, 1995 and Sept 30, 1994

ADJUSTED TO REFLECT END OF MEMBERSHIP YEAR	Years Ended September 30		Amount of Increase or (Decrease) during 1995
	1995	1994	

REVENUE

Membership Fees	\$3,268.50	\$3,187.50	\$81.00
Life Members Grant	446.40	446.40	0.00
Donations	131.20	72.00	59.20
Interest	594.34	365.75	228.59
Handbook Sales (Net Cost)	322.86	253.59	69.27
Sales of Merchandise	2,138.39	1,630.15	508.24
Annual Dinner (Net)	30.60	0.00	30.60
General Assembly	0.00	20.73	(20.73)
Other Grants	0.00	1,000.00	(1,000.00)
Miscellaneous	77.35	98.77	(21.42)
Total Revenue	\$7,009.64	\$7,074.89	(\$65.25)

EXPENDITURES

Fees to National Office	\$1,952.10	\$1,903.50	\$48.60
Meetings & Newsletter	1,018.20	1,174.57	(156.37)
General Assembly	225.90	0.00	225.90
Equipment & Supplies	29.68	786.57	(756.89)
Cost of Goods Sold	1,529.29	925.65	603.64
Office Administration	430.04	427.02	3.02
Legal Expenses	359.31	0.00	359.31
Educational Activities	35.63	124.71	(89.08)
Awards & Donations	237.99	500.00	(262.01)
Operating Expenses - Observatory	1.00	0.00	1.00
Miscellaneous	413.30	72.58	340.72
Total Expenditures	\$6,232.44	\$5,914.60	\$317.84

Surplus or (Deficit) on Operations	\$777.20	\$1,160.29	(\$383.09)
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OTHER CASH DISBURSEMENTS: (Non Expense)

Library	76.59	276.16	(199.57)
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ROYAL ASTRONOMICAL SOCIETY of CANADA, Halifax Centre
COMPARATIVE BALANCE SHEET
YEARS ENDING Sept 30, 1995 and Sept 30, 1994

ADJUSTED TO REFLECT END OF MEMBERSHIP YEAR	Years Ended September 30		Amount of Increase or (Decrease) during 1995
	1995	1994	
ASSETS			
Cash	\$1,221.24	\$1,573.29	(\$352.05)
Accounts Receivable	954.30	918.30	36.00
Handbook Inventory	228.00	722.00	(494.00)
Merchandise Inventory	774.09	1,494.69	(720.60)
Investments	10,000.00	8,209.39	1,790.61
Accrued Interest	261.09	279.91	(18.82)
Est'd Library	2,404.71	2,329.12	75.59
Observatory Equipment	1,956.95	1,939.75	17.20
Est'd Miscellaneous	452.54	452.54	0.00
Total Assets	\$18,252.92	\$17,918.99	\$333.93
LIABILITIES			
Accounts Payable	\$277.50	\$408.00	(\$130.50)
Est'd Handbook Payable	\$950.00	\$1,292.00	(\$342.00)
Fees owed to N.O.	13.50	0.00	\$13.50
Other (GST for Handbooks to N.O.)	43.39	27.66	\$15.73
Total Liabilities	\$1,284.39	\$1,727.66	(\$443.27)
CAPITAL			
Equity	\$16,968.53	\$16,191.33	\$777.20
Total Capital	\$16,968.53	\$16,191.33	\$777.20
Total Liabilities & Capital	\$18,252.92	\$17,918.99	\$333.93

Appendix 2

Meetings Expense Schedule:

Date	Amount	#Chq	
Oct94	\$ 26.48	334	RF
Nov94	\$ 10.34	340	MLW
Dec94	\$ 39.30	352	RF
Jan95	\$ 13.93	352	RF
Feb95	\$ 20.47	353	RF
Mar95	\$ 22.36	006	RF
Apr95	\$ 27.18	006	RF
May95	(Annual Banquet)		
Jun95	\$ 17.91	014	RF
Sep95	\$ 24.37	002	RF

S Total 202.34

+ 25.00

Total \$ 227.34

003 MLW Super Nova Cake

Donations Received:

Roehrl M	\$64.00
Ellis D	\$40.00
Ellis D	\$17.20 Eyepiece
Parker D	\$10.00
	<u>\$131.20</u>

Nova Notes Expense Schedule:

Date	Vol#	Printing	#Pr	#Chq	Postage	#Po	#Chq
Oct94	25 5	\$ 85.51	180	341 DL	\$ 83.75	111	332 BM
Dec94	25 6	\$ 96.20	180	346 DL	\$ 25.31	055	007 DL
Feb95	26 1	\$ 88.20	165	007 DL	\$ 64.11	137	002 BM
Apr95	26 2	\$ 78.39	165	007 DL	\$ 57.60	123	013 DL
Jun95	26 3	\$ 85.51	180	005 DL	\$ 72.83	143	005 DL
Aug95	26 4	\$ 53.45	180	005 DL	\$ NO CLAIM RECEIVED		
		<u>\$487.26</u>			<u>\$303.60</u>		
				+			= \$ 790.86

Office Administration Expenses:

Includes:

Fliers and Folding	\$172.22	DL
H/b mail-out	\$153.86	PK
Postage, Slides, phone	\$ 68.46	MLW, DL
Cheques purchased	\$ 16.15	
Brochures Office Sup	\$ 15.75	IRA
Service Charges	<u>\$ 3.60</u>	
Total	\$430.04	

Miscellaneous Revenues & Expenses:

Revenues	Total:	\$77.35	Expenses Total:	\$413.30
GST Rounding error	\$0.11		Nova East '94 Food	\$54.96
US Exch 35*1.3385	\$10.85		CXL Chq 331 fee	\$7.50
US Exch 144*0.347	\$50.04		NE Lamination	\$3.50
Rounding error in PK	\$0.02		US Tax & Shipping	\$40.99
US Exch 36*0.3605	\$12.98		Picture framed	\$85.18
Ovrpmnt on PK9409	\$0.35		H. Cameron's membe	\$22.50
Ovrpmnt by Thurlow	\$3.00		Underpayment by Lo	\$0.50
			D. Pitcher's membe	\$22.50
			Sympathy Card	\$3.27
			Doug Hube Hotel & Meal	\$114.43
			Write-off Calendars	\$52.97
			Write-off Killam AR	\$5.00

To the Executive Members of the Halifax Centre RASC:

List of Recommendations

As treasurer, I ask that this year's financial statements be reviewed by an internal audit. (See recommendations for 1994).

That receivables be handled a little more aggressively. I don't want to see six month old stuff.

The estimated value of the library be reduced in 1996.

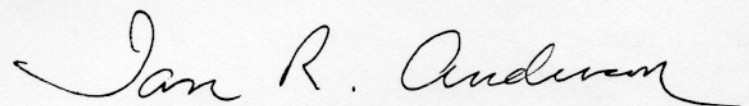
Any items in merchandise inventory which have little or no probability in selling be written off in 1996.

Year-end accounting for calendars, handbooks, and any other dated publications be completed by the June meeting.

Cash be raised by the sale of some of the observatory holdings. (Sell a telescope or two.) Sale price to be determined by counsel.

A cash raising initiative be launched soon.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ian R. Anderson".

Ian R. Anderson
Treasurer
RASC Halifax Centre

To:

Members of the Halifax Centre of
the Royal Astronomical Society of Canada (RASC).

Subject:

Audit of the Halifax Centre of the RASC Treasurer's Report
for the period from 1 October 1994 to 31 September 1995.

After examining the 1995 Treasurer's Report and spot checking records supporting entries in that report, it is my opinion that the Treasurer's Report reflects the true financial position of the Society.

Recommendation:

It was difficult for the treasurer to assign a precise value to revenue due to the sales of merchandise because of the lack of accurate records. I recommend that improved record keeping be implemented on inventory and sales of merchandise and books.

Larry D. Bogan

Larry D. Bogan
17 November, 1995
R.R.#2
Cambridge Station, N.S.
B0P 1G0