



# *Exploring the Financial Statements and a look at this year's Budget*

By Beverley Rhodes, CPA, CA, CFUW VP Finance with  
Susan Lane, CPA, CA, and Christine Tworo, FCPA, FCA

## Welcome and some housekeeping



- ▶ Thank you for signing up to attend the workshop. We have approximately 100 attendees, so lots of interest
- ▶ We got the financial statements just before you did! Unfortunately Covid hit the audit staff a few weeks ago so we moved the workshop date because they postponed when the statements would be completed!
- ▶ We ask you to stay on “mute” and use the chat feature to ask questions
- ▶ There is much to cover as this past year was not usual and nor will next year be!

## Breakdown of today's workshop

- 1) A closer look at the Audited Financial Statements for the Year Ended April 30, 2021 - Susan Lane*
- 2) A look at the running of head office and what happens there - Christine Tworo*
- 3) A closer look at the proposed budget for the year ending April 30, 2022 - Beverley Rhodes*

After each segment there will be a 5 minute Q & A

## *Introducing Susan Lane, BA, CPA, CA*

- ▶ Member of CFUW Saanich Peninsula and Dual member of CFUW Victoria
- ▶ Member of the National Finance Committee since August, 2020 and current Treasurer of CFUW Saanich Peninsula
- ▶ Retired CPA and spent much of her career in public practice, as well as volunteering as Treasurer for many non-profits, so has a perspective from both the auditor and client point-of view
- ▶ Held many positions for CFUW at the local, provincial and national levels

# Overview of the Audited Financial Statements for the Year Ended April 30, 2021

- ▶ Auditors' Report ... *Clean Audit Opinion*
- ▶ Components of the four main Financial Statements:
  - **Audited Statement of Financial Position (Balance Sheet)** *A "snap shot" as of April 30, 2021 of CFUW's assets, liabilities and net assets*
  - **Audited Statement of Operations (Income Statement)** *A summary of the transactions that occurred during the year separated into revenue and expenses*
  - **Audited Statement of Cash Flows** *It explains the change in cash from the prior year end (April 30, 2020) to this year's cash balance at April 30, 2021.*
  - **Audited Statement of Changes in Net Assets** *This explains the changes in the unrestricted and restricted reserves for the year. This statement connects the Operations statement to the Statement of Financial Position.*

## *More components of the Audited Financial Statements ...*

- ▶ Two schedules showing greater detail
  - One for “Administration” expenses (head office operations)
  - One for “Fellowship Program” expenses (related to work done for CFUW Charitable Trust)
- ▶ Don't forget the NOTES! An integral part of the financial statements and should be read in conjunction with each financial statement. The notes explain more fully some of the items on the financial statements. The notes also list out the accounting principles used by the organization.

## Starting at the Audited Statement of Operations (Income Statement):

- ▶ Greater than expected results for several reasons:
  - 1) Government subsidies
  - 2) Gain on market value of investments (unrealized)
  - 3) No one travelled ... *Everyone was zooming!*

## A few items not so comparable!:

- AGM Revenues - *prior year relates to AGM in Winnipeg, August 2019*
- Investment revenue and Gain/Loss on market value of investments - *prior year these amounts were combined in investment revenue as there was virtually no gain on market value of investments at April 30, 2020*
- Gain on foreign exchange - *negligible in the current year*
- Abatement per MOU- *prior year included amounts for January 1, 2018 to April 30, 2020, so 28 months! MOU was signed after release of financial statements for the year ended April 30, 2019.*
- Dr. A Vibert Douglas Fellowship - *one time only payout in honour of 100<sup>th</sup> anniversary*



# The Audited Statement of Financial Position

- ▶ Some terms need explanation:
  - Prepaid expenses - *Amounts paid in advance of the year end that belong to the next year. For example, as of April 30, 2021, all GWI dues for the calendar year 2021 were paid. So 8 months worth (May to Dec) were paid in advance and are considered an asset called "prepaid expenses"*
  - Deferred revenue - *this is cash received before the end of the year, but relates to expenses to be incurred in future year. See note 7 for the breakdown.*
- Lots of cash, but lots spoken for!

# Audited Statement of Changes in Net Assets

- ▶ Read the columns from top to bottom
- ▶ First column is our “unrestricted” reserves. Not all of this is cash! *Remember those “prepaid expenses” in the balance sheet and the unrealized investment gains in the income statement?*
- ▶ *Internally restricted - see Note 8 for breakdown of \$214,000*
- ▶ *Capital assets - see note 6 for breakdown - This is not cash!*

## *Introducing Christine Tworo, FCPA, FCA*

- ▶ Member of CFUW Sudbury since 1981
- ▶ Member of the National Finance Committee since August, 2017
- ▶ Retired CPA and spent much of her career in public practice and post-secondary education, as well as volunteering as Treasurer for many non-profits, so also has a perspective from both the auditor and client point-of view
- ▶ Held many positions for CFUW at the local, provincial and national levels

## A look at the cost to operate CFUW:

### Breakdown of expenses by category (audited)

<b>YEAR Ended April 30:</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Admin (operations)	\$ 288,767	\$ 321,292	\$ 306,133	\$ 317,630
Fellowship program (net)	28,801	- 3,198	8,061	11,573
Board/Governance	27,935	31,968	14,185	1,107
AGM (net)	31,091	13,917	37,809	37,198
Professional fees	15,312	13,210	16,103	20,271
Other	15,760	15,468	11,970	8,028
<b>Total expenses before GWI</b>	<b>407,666</b>	<b>392,657</b>	<b>394,261</b>	<b>395,807</b>
GWI dues and support (net and adjusted )	185,256	196,905	196,855	184,374
Dr. A Vibert Douglas Fellowship			8,000	-
<b>Total expenses (see note )</b>	<b>\$ 592,922</b>	<b>\$ 589,562</b>	<b>\$ 591,116</b>	<b>\$ 580,181</b>

**Note:** Expenses net of revenues for AGM, MOU and Fellowship program revenues

# A closer look at the CFUW only numbers...

Total CFUW only expenses - Last three years and average

YEAR	2019	2020	2021	Average	%'age
Admin (operations)	\$ 321,292	\$ 306,133	\$ 317,630	\$ 315,018	80.1
Fellowship program (net)	- 3,198	8,061	11,573	5,479	1.39
Board/Governance	31,968	14,185	1,107	15,753	4.00
AGM (net)	13,917	37,809	37,198	29,641	7.53
Professional fees	13,210	16,103	20,271	16,528	4.20
Other	15,468	11,970	8,028	11,822	3.00
<b>Total expenses ( before Int'l)</b>	<b>\$ 392,657</b>	<b>\$ 394,261</b>	<b>\$ 395,807</b>	<b>\$ 394,242</b>	<b>100</b>

## Looking at the “non-admin” items...

- ▶ Board/Governance costs - each Board member has a budget line
  - *Things like President's travel, teleconference costs for meetings, travel costs for Regional directors for club visits*
- ▶ AGM costs, expensive but necessary! *IT costs, translation costs for annual reports and all motions, if in person, travel costs for Board members & staff*
- ▶ Professional fees are audit fees (about \$8,500), balance are legal fees
- ▶ Other costs are mostly depreciaton of website development and data base costs
- ▶ Fellowship costs relate to running admin duties of Charitable Trust. It is hoped that it basically breaks even for CFUW, being revised in upcoming year

## A deeper dive into the “Administration” expenses for the last 3 years:

<b>YEAR Ended April 30,</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Salaries and benefits	\$ 204,424	\$ 186,376	\$ 211,464
Contract services	17,171	37,932	28,999
Rent, security and insurance	44,851	40,570	40,663
Equipment rental, maintenance, website	12,692	8,750	10,625
Telephone, fax and internet	7,780	6,265	8,287
Office, computer supplies and postage	8,053	9,963	5,470
Translation	6,774	4,110	11,220
Membership recruitment and retention	9,665	3,174	92
All other items	9,882	9,003	810
<b>TOTAL</b>	<b>\$ 321,292</b>	<b>\$ 306,143</b>	<b>\$ 317,630</b>

## Looking at those salary costs...

- ▶ National Office currently has 4 full-time staff members:
  - Robin Jackson, Executive Director
  - Rachel Deneault - Member Engagement Coordinator
  - Charlotte Akin- Advocacy Coordinator
  - Betty Dunlop - Fellowships Manager

*(Only one third of Betty's salary is in admin, rest in fellowships)*



Rachel is the point person to deal with clubs and their members. A sample of what she did last year ...

<b>Inquiries by members responded to</b>	2,653
<b>Certificates produced</b>	164
<b>Club supplies</b>	237
<b>Saleable Items ordered</b>	28
<b>Issues of Club Action News</b>	74
<b>Business Cards prepared</b>	60
<b>Communicator</b>	1
<b>Zoom Meetings Scheduled</b>	95
<b>Zoom Training Sessions Provided</b>	43

## Advocacy work...*there is a lot of it!*

- ▶ Charlotte monitors all national and international advocacy issues related to women's issues and works closely with partner organizations on joint events and campaigns like the National Town Hall on May 4<sup>th</sup> on LTC and Elder Rights.
- ▶ She follows legislation and policies related to our national priorities and brings issues for action to the attention of the Board & members;
- ▶ She attends relevant House of Commons and Senate Committee meetings and consultations; writes letters, briefs, and press releases for the President's signature;
- ▶ She prepares packages for those members attending the United Nations Commission on the Status of Women conference every year
- ▶ She works with the resolution committee; and prepares the post-resolution advocacy package each fall for the Clubs. She also provides advocacy support to Clubs when needed, and prepares advocacy materials

# Robin Jackson - Always there, never in the spotlight...the backbone of CFUW

- ▶ Supervises and manages staff, placement students, etc.
- ▶ Attends all board, finance, membership and many other sub-committee meetings and prepares documentation for the meetings and takes minutes
- ▶ Applies for government grants, prepares the draft budget and manages it once approved, negotiates with affiliates and suppliers
- ▶ Ensures compliance with legislation, deals with the auditors, compiles information for the AGM, makes sure timelines are met, documents translated and distributed on time
- ▶ Provides information to Board and Committee members
- ▶ Ensures everything is ready for AGM and other meetings (technical support, etc)

## *Impact on CFUW if CFUW Aurora-Newmarket & CFUW Markham-Unionville motion passes*

- ▶ Clear distinction between amount of dues to cover CFUW operations and amount to go towards paying GWI dues
- ▶ At current level of membership, the amount to cover CFUW operations would be \$371,195 (\$55 x 6,749)
- ▶ 2021-2022 is a transition year!
- ▶ Hopefully once people can return to in-person meetings, club membership will increase and the total amount for per-capita dues will increase
- ▶ Fortunately some of last year's government wage subsidies will help offset low revenues for 2021-2022 as we hopefully rebuild and reduce some expenditures

## *Introducing Beverley Rhodes, CPA, CA*

- ▶ Member of CFUW Canada GWI and Dual member of CFUW Scarborough
- ▶ Has also been a member of CFUW Thunder Bay, Sudbury and Calgary!
- ▶ Member of the National Finance Committee since February, 2020 and current Assistant Treasurer of GWI
- ▶ Retired CPA and spent her entire career in public practice, as well as being the external accountant for CFUW Ontario Council for many years
- ▶ Served in many capacities at the club level as well as much volunteer work outside of CFUW

## Some general principles about the budget:

- ▶ Budget is used as a guideline (goal) and is a management tool to monitor revenue and expenses
- ▶ Sometimes plans change due to external forces that are out of management's control
  - ▶ For example.... COVID 19! (*AGM in June 2021 had to be cancelled, but some costs incurred before cancellation; government wage subsidy to lessen impact of reduced revenues, costs incurred to support work from home, less travel, etc.*)
  - ▶ Exchange rate fluctuations
- ▶ Budget is prepared on a cash basis and does not follow accrual accounting! Note that the "unaudited" column has not been adjusted for year end payables and other necessary adjustments to comply with GAAP

# The draft budget, section by section...

## First up are the projected dues receipts:

<b>OPERATING BUDGET 2021-2022 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>RECEIPTS:</b>			
Dues- Opt in Federation Members (2957)	\$ 589,684	\$ 587,202	\$ 224,732
Dues- Opt Out Federation Members (3766)			286,216
Dues - E-Members (10)	760	1,140	760
Dues - Students (22 )	1,026	1,064	836
<b>TOTAL DUES</b>	<b>591,470</b>	<b>589,406</b>	<b>512,544</b>

## Many changes...some of the highlights!

- ▶ Covid is still with us so we will still be zooming
- ▶ Pay Equity Grant and Project
- ▶ Opt-In/Opt-Out implications
- ▶ Moving in January, not entirely by choice!
- ▶ Hopefully clubs can start meeting in person and membership levels will increase!
- ▶ *2021/22 really a transition year and staff will be busy!*



# The draft budget, section by section...

## Additional projected receipts:

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>RECEIPTS:</b>			
<b>TOTAL DUES</b>	<b>591,470</b>	<b>589,406</b>	<b>512,544</b>
Sale of CFUW Items	2,000	233	500
Opt in Contributions for GWI Dues	2,000		24,839
Other Income (Affinity Programs, , etc. )	1,000	962	800
Government Subsidies		50,434	-
Economic & Social Development Cda Grant			81,060
<b>TOTAL RECEIPTS</b>	<b>\$ 596,470</b>	<b>\$ 641,035</b>	<b>\$ 619,743</b>

## Now for disbursements...looking at operations: *Lines 21 to 27*

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>DISBURSEMENTS</b>			
<b>OPERATIONS</b>			
Bank/Credit Card Charges	\$ 600	\$ 834	\$ 200
Copier Maintenance, Supplies & Printing	5,000	565	1,000
Contract Services	42,000	32,969	38,000
Insurance - Office	1,500	1,660	1,300
Office Expenses & Supplies	6,400	3,136	5,800
Postage + Shipping + courier	2,350	775	1,200
Professional Fees (audit, other as necessary)	15,000	10,201	15,000

## The rest of operations...*lines 28 to 34 & the total*

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>DISBURSEMENTS</b>			
<b>OPERATIONS</b>			
Rent & moving expenses	41,417	44,490	34,177
Sales Items Expenses	2,000	-	500
Salaries and Benefits	187,313	183,356	235,131
Staff Training & Travel	3,000	346	3,000
Telephone, fax and Internet	7,500	9,055	9,000
Translation	6,600	11,132	10,000
Website and software support	4,500	4,841	6,700
<b>TOTAL OPERATIONS DISBURSEMENTS</b>	<b>\$ 325,180</b>	<b>\$ 303,360</b>	<b>\$ 361,008</b>

# Moving on to Program Disbursements....

*Pay Equity is big!*

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>PROGRAM DISBURSEMENTS</b>			
Small Clubs Support Program	-	-	-
Advocacy -Domestic	2,500	170	2,500
Advocacy International	1,000	558	1,000
Mentorship Program	300	28	300
Recruitment/Membership	3,000	-	3,000
Research	500		500
Pay Equity Project		-	57,832
<b>TOTAL PROGRAM DISBURSEMENTS</b>	<b>\$ 7,300</b>	<b>\$ 756</b>	<b>\$ 65,132</b>

## Governance Disbursements...*still lots of zooming going on! (lines 47 to 55)*

DESCRIPTION	Budget	Unaudited	Draft Budget
<b>GOVERNANCE DISBURSEMENTS</b>			
Board of Directors Meetings	1,500	-	-
Regional Director Communications	300	-	-
Insurance - Directors and Officers Liability	850	910	950
Board In-person meeting	8,500	-	-
CFUW National Alumnae	100	-	-
President	7,500	-	3,600
Vice President- Atlantic	1,950	-	970
Vice President - British Columbia	2,500	11	1,200
Vice President - Ontario	3,500	-	1,750

## More Governance (and total)...*lines 56 to 64 and we are still zooming*

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>GOVERNANCE DISBURSEMENTS</b>			
Vice President - Prairies	2,400	-	1,200
Vice President - Quebec	650	-	200
VP Advocacy	600	45	200
VP Membership	600	64	200
VP for International Relations	2,300	6	2,300
VP Education	600	-	200
VP Finance	2,000	82	200
Other Committees	800	50	-
<b>TOTAL GOVERNANCE DISBURSEMENTS</b>	<b>\$ 36,650</b>	<b>\$ 1,168</b>	<b>\$ 12,970</b>

# AGM Disbursements...*Even virtual is not cheap!*

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>AGM DISBURSEMENTS</b>			
AGM Exp. - Board, RDs, Committees, Staff	0	0	0
AGM Conference expenses	25,127	26,555	10,236
AGM Bank and Credit Card Charges & Registration	0	0	0
AGM Translation of AGM material	4,000	10,528	5,000
<b>TOTAL AGM DISBURSEMENTS</b>	<b>\$ 29,127</b>	<b>\$ 37,083</b>	<b>\$ 15,236</b>

# International Membership Disbursements

<b>OPERATING BUDGET 2021-22 (CASH BASIS)</b>	<b>2020-2021</b>	<b>2020-2021</b>	<b>2021-2022</b>
<b>DESCRIPTION</b>	<b>Budget</b>	<b>Unaudited</b>	<b>Draft Budget</b>
<b>INTERNATIONAL MEMBERSHIP DISBURSEMENTS</b>			
GWI Dues (2957 members at \$21.70 CDN per capita)	233,375	183,778	64,167
Top-Up Amount for Opt-In Clubs for additional GWI dues (2957 members at \$8.40 per capita)			24,839
Bank charges and wire transfers	300	270	300
GWI Conference Fund	4,000	4,000	-
Other international memberships	220	205	300
<b>TOTAL INTERNATIONAL MEMBERSHIP DISBURSEMENTS</b>	<b>\$ 213,299</b>	<b>\$ 188,253</b>	<b>\$ 89,606</b>



## Fellowships program...Receipts less disbursements

OPERATING BUDGET 2021-22 (CASH BASIS)	2020-2021	2020-2021	2021-2022
DESCRIPTION	Budget	Unaudited	Draft Budget
<b>FELLOWSHIPS PROGRAM</b>			
<b>RECEIPTS:</b>			
Filing Fees - Fellowships	\$ 18,000	\$ 11,682	\$ 11,151
Fellowships Administration Fees	22,600	19,000	18,000
<b>TOTAL FELLOWSHIPS RECEIPTS</b>	<b>\$ 40,600</b>	<b>\$ 30,682</b>	<b>\$ 29,151</b>
<b>FELLOWSHIP PROGRAM DISBURSEMENTS:</b>			
Salaries, Rent and Administration	48,146	45,638	44,867
<b>TOTAL FELLOWSHIP DISBURSEMENTS</b>	<b>\$ 48,146</b>	<b>\$ 45,638</b>	<b>\$ 44,867</b>
<b>Net Cash In/(Out) Fellowships Program</b>	<b>\$ (7,546)</b>	<b>\$ (14,956)</b>	<b>\$ (15,716)</b>

# Drum roll....Grand total of the Operating Budget!

OPERATING BUDGET 2021-22 (CASH BASIS)	2020-2021	2020-2021	2021-2022
DESCRIPTION	Budget	Unaudited	Draft Budget
TOTAL ALL EXPENSES AND NET FELLOWSHIP EXPENSES	\$ 659,702	\$ 576,258	\$ 588,819
Total Net Cash In/(Out) Operations before one time payment and other items	\$ (22,632)	\$ 95,459	\$ 60,075
One time payment to Opt Out Clubs of \$21.70 CDN per capita (3766 members)			\$ 81,722
Total Net Cash In (Out) All Operations Budgeted before other items			\$ (21,647)
Unrealized gains (losses) from investments			
Transfer from Unrestricted Reserve Fund to cover Shortfall			\$ 21,647
Net Cash In (Out) after transfer			0

*Want more info? ...read your entire Finance Booklet and head to the website for past year Finance Booklets!*

- ▶ CFUW Public website go to [www.cfuw.org](http://www.cfuw.org)
- ▶ “Members Only” website (top right of public website)
  - Username is: viewonly
  - Password is: cfuw4321
  - Click on “Governance” and go to Finance Documents
- *If you have problems, call Rachel!*