



14 July, 2017

T0: Skål USA President and Executive Committee Members
CC: Skål USA Website – Financial Reports
From: Alton Hagen, Skål USA VP Finance
Subject: 2017 2nd Quarter/End of June Financial Report notes

The attached end of June, 2017 Financial Reports will also be posted on Skål USA's website for review:

- Balance Sheet
- Accounts Receivable Aging Report as of 11 July, 2017
- End of June, 2017 Year to Date vs. Same Time Last Year Profit & Loss (YTD vs. STLY P&L)
- 2nd Quarter YTD P&L vs. 2017 2nd Quarter Budget vs. 2017 Year End Budget
 - This report will be produced quarterly in place of the YTD P&L vs. Year End Budget

NOTES OF INTEREST:

Balance Sheet:

- As noted in last month's report, the \$11,000 SI Dues Current Assets (#1450.1) is the deposit paid to lock in the dollar to euro rate for our 2018 membership dues payment to Skål International.
- As noted on the Balance Sheet, we have \$450,978 in checking, savings, certificates of deposit and other assets.
 - This amount will continue to decline as we go through the year since we've collected better than 90% of anticipated revenue but have only paid less than 70% of our anticipated expenses for the year.
- As also noted in the previous Finance Report, on July 6th, a \$150,000 CD matured and was rolled over for 15 months, to yield a new maturity date of October 7, 2018
 - As about 95% of Skål USA's cash income is received in the 1st quarter of the year, it's preferable to have CDs mature and have cash available to us without penalty in the latter half of the calendar year.

Accounts Receivable, Aging Report:

- This report does not reflect the \$500 credit that will be made each club that sent a voting representative to the AGM/NCM in Toronto in June
 - Nor does it reflect the \$500 debit to be assessed to the clubs that did not send a voting representative to Toronto.
- The amounts due Skål USA which are more than 60 days past due are minimal and, in my opinion, manageable.
- Based on past experience, the vast majority of invoices 60 days old or less will be paid within the next month.

2017 YTD vs. STLY Profit & Loss

2nd Quarter YTD P&L vs. 2017 2nd Quarter Budget vs. 2017 Year End Budget:

- Skål USA membership dues received through June is \$9,213 (6.47%) below the amount received at this time last year and is \$7,756 (5.50%) below the anticipated budget for this point in time.
- Expenses, less Skål International dues, are \$12,924 (22.33%) above STLY but \$3,300 (4.45%) below the anticipated budget for this point in time.
 - As noted in May's financial report, \$10,735 of total expenses is a one-time unamortized amount "left over" from the development costs of Skål USA's previous website and is being written off as directed by the auditors.
 - Absent the above extraordinary charge, expenses to date are \$2,189 (3.78%) above STLY and \$14,035 (18.94%) below anticipated budget for this point in time.
- As a reminder, the quarterly budget amounts are based on actual revenue and expense percentages incurred during fiscal years 2014 – 2016 inclusive
 - Per this report, as of the end of June:
 - Membership dues received were 5.50% below budget projections for the 2nd quarter.
 - Total Income is \$17,746 (6.65%) below budget projections for the 2nd quarter
 - Total expenses are \$5,561 (3.08%) below projections for the quarter
 - Consequently, Net Income was 6.6% below projections for the quarter

Respectfully,

Alton Hagen, CMP, DMCP

VP Finance