



13 August, 2018

T0: Skål USA President and Executive Committee Members  
CC: Skål USA Website – Financial Reports  
From: Alton Hagen, Skål USA VP Finance  
Subject: End of July, 2018 Financial Reports

The attached end of July, 2018 Financial Reports will also be posted on Skål USA's website for review:

- End of July, 2018 Year to Date vs. Same Time Last Year Profit & Loss (YTD vs. STLY P&L)
- Balance Sheet
- Accounts Receivable Aging Report as of 31 July, 2018

**2018 YTD vs. STLY Profit & Loss:**

- Skål USA membership dues received through July is \$7,272 (5.4%) below the amount received at this time last year.
- Expenses, less Skål International dues, are \$13,327 (13.1%) above STLY.
- The end result of lower revenue and higher expenses is net income to date that is \$37,597 (81.6%) below STLY.

As reported last month:

- The \$3,948 NASC Host Club Support is an every three year expense (i.e. it was not incurred in 2016 or 2017)
- The Year Over Year increase in Contract Services is primarily due to the 2018 renewal with rate adjustment of Skål USA's management agreement with ABA.
- The higher amount for Skål International dues paid to date vs. STLY is because \$11,654 of 2017 dues was mistakenly recorded in 2016.
  - This amount was the 10% deposit paid to AFEX in 2016 to lock in the Euro exchange rate for dues to be paid in 2017
  - So, 2016 SI dues were overstated while 2017 dues were understated by the \$11,654
    - This bookkeeping error has **no effect on Skål USA's cash on hand.**

**Balance Sheet:**

- As also reflected on the Accounts Receivable Aging Report, the -\$12,464 is due to the \$500 credit to those clubs who had a voting member attend the AGM in May.
- As noted, current Cash-On-Hand totals \$335,389
  - \$82,029 in checking and savings
  - \$253,360 in CD's with maturity dates this fall
- We also have an additional \$60,000 which has been loaned to SI Miami (with interest) to secure space for the 2019 SI World Congress
  - This amount is to be repaid on or before early January, 2019
- As mentioned in previous Financial Reports, based on revenue received to date and anticipated expenses for the rest of the year, it's highly likely expenses for the year will outpace revenue
  - If that occurs, I anticipate we will need to utilize reserve funds to meet our obligations during the last one or two months of the year.

**Accounts Receivable Aging Summary:**

- The current report reflects the \$500 per club credit to each club with a voting representative at the AGM in Playa de Mujeres.
  - This \$500 credit was first applied to any prior amounts due Skål USA by each club
    - Hence the very small number of clubs with outstanding balances due Skål USA and the overall amount of credit many clubs now have on hand.

As always, please feel free to reach out to me should you have any questions regarding the above or attached.

Respectfully,

Alton Hagen, CMP, DMCP

VP Finance