

Learning Unlimited for Etobicoke Seniors

Treasurer's Report to Annual Meeting

April 11, 2023

INTRODUCTION

The main focus of this report is the 2022 year-end financial statements which accompany this report and which have been reviewed by Sam Marinucci, CPA.

2022 FINANCIAL RESULTS

Revenue

We had good attendance at both the Winter and Fall sessions during the year, however we were 37 registrations lower than last year's record year, earning revenue of \$41,233 compared to \$42,530 in the prior year.

We maintained our good cash reserve and were able to take advantage of higher interest rates in the second half of the year. Our Guaranteed Investment Certificates earned \$635 compared to \$181 in the prior year.

Expenses

We continued to monitor our expenses as closely as possible and total expenses were lower by \$1,300.

Our major expense is the honorarium paid to the lecturers for both the outline for the course and the delivery of the lectures. This expense varied over the prior year only by the factor of the GST which some of our lecturers charge, based on their personal level of earnings. No lecturers charged GST in the prior year but in 2022 we were charged \$1,054.

Technology and Zoom costs are our next highest expense. In 2021 using the Zoom platform was still relatively new to us and we were finding our way in terms of how many viewers to provide for, how to share the hosting across our various series, and how to accommodate the interval between sessions. By spring of 2022, we had a better handle on this and were able to arrange a more cost-effective deal that suited our situation. This resulted in lower Technology and Zoom costs of \$1,800 in 2022.

While we did not have any legal fees to pay in 2022 (in 2021 we had incurred costs to review copyright issues), we did incur a cost to have the financial statements reviewed by a professional accountant, as is required by the Ontario Not-for-Profit Act. The accounting fees, at \$2,500, were \$1,200 lower than the prior year legal fees. The accounting fees will be an annual ongoing expense.

With no in-person lectures in 2021 or 2022, the Insurance and Rent category of expenses is only insurance in both years and is similar. We will incur some rent expense in 2023 if we go ahead with our plan to have one in-person series in the Fall of 2023.

Registration costs were similar across the years and while you might have expected them to be lower in 2022, based on lower registration revenue, the cost is higher by \$50 based on higher advance registrations for Winter 2023 received in November and December 2022.

The final category of expenses, Office and General is higher by \$600, primarily as a result of the membership fee for joining the Ontario Not-for-Profit Network in 2022, and the cost of bringing our corporate filings up to date.

Excess of Revenue over Expenses

At the rounded level of \$6,000 the excess of revenue over expenses is comparable across the years.

Balance Sheet

We have a simple Balance Sheet with only a few items but the levels of two key components can vary from year to year based on the following factors:

- How many lecturers we have signed up and paid the Honorarium for the course outline to by year end for future series, and
- How many people have signed up in advance for the Winter series that will start in the following January.

Both of the above factors were higher at the end of 2022 than at the end of 2021.

The less variable item to date is the level of cash and invested cash which at \$71,592 at December 31, 2022 is approximately \$600 higher than at the prior year end.

Overall we have an unrestricted reserve of just under \$60,000.

LOOKING AHEAD

Potential Costs

We continue to look at our technology needs and a return to in-person lectures may require us to upgrade our equipment.

The Board voted in January of 2023 to increase the daily rate of the Honorarium paid to lecturers to \$400 from \$350.

Both of the above costs will use up some of the reserve.

GST collection threshold

We have remained below the threshold of \$50,000 in revenue where the requirement to charge GST on registration fees would kick in, but we are getting closer. If we do exceed that threshold we will have to charge \$4.55 of GST on our current \$35 fee. Notice of this would be provided with the relevant registration period.

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