

wonder if such a narrow focus would help re-define the role of our society as a forum for examining the roots of Canadian identity, at least as far as the English and French constituencies are concerned.

But how would this sit with 'Trudeau's children', the multicultural community of First and Second Nations that don't trace their origins to Great Britain and France? Would we be neglecting the music of our fellow non-anglo and non-franco neighbours at our peril? Consider for a moment that we are in competition with many ethnic music societies that seem to serve our ethnomusicology members far better. The SEM has a network and support base beyond our imagination. We all know only too well that ethnomusicologists prefer to attend the SEM over our society.

My preference is for the Canadian perspective, no matter what the musical medium. If it was up to me, each and every presentation and article would throw light on the emerging, multifaceted identity of Canadians, now and in the past. There are many, many other places and learned societies that provide opportunities to hear and debate insights about the music of other cultures. I want to hear how those musical cultures have impacted on our place in Canada. I suspect that Canadian funding agencies also know this reality only too well. In short, we need to 'think global, act local'. Otherwise we are ineffective as a society.

All that is left is to thank you for your support of the last four years. I have enjoyed the role, and I wore the position with tremendous pride.

## Treasurer's Report, Budget, and Financial Statements

*James Prescott, CSTM Treasurer*

The financial statements comprise a Balance Sheet and a Statement of Income and Expenses for the year ending August 31, 2005. The financial statements are unaudited.

There were several notable financial events during this financial year. First, the down side.

- Individual membership renewals are down sharply, yielding \$2000 less income than expected. Note that any reduction in membership numbers causes an increase in the Society's costs per member.
- Costs continue to rise faster than inflation.
- Both the *Journal* and the magazine appeared late, delaying membership and grant revenue.
- The SOCAN grant for 2003 (\$1500) has not yet arrived. The reason is being investigated.
- The SOCAN grant for 2004 (\$1000) did not arrive during the financial year.
- One of the two GST rebates did not arrive during the financial year.
- The budgets (see below) will anticipate the arrival of these three amounts during the coming year.

Second, the up side. • No up side this year.

Third, the financially neutral side.

• We only printed and mailed three magazines during the financial year just ended, so publication costs were lower than they would otherwise have been. In the coming financial year six magazines would need

to be printed and mailed in order to catch up. The budgets (see below) have been designed to reflect this.

*I present two budgets.* Both budgets include page count reductions for both the *Journal* and the magazine.

First, a budget that assumes no change in membership rates. For the financial year 2005-2006 the following budget is proposed for administration and publications (that is, including neither the AGM nor the Mail Order Service, both of which are assumed to break even).

• Membership fees of \$6100 plus donations of \$250 plus SOCAN grants for 2005 of \$1000 plus single issue.

Sales of \$50 plus GST rebate of \$200 plus fund-raising of \$100 gives us income of \$7700.

• Administration and general publication expenses \$1000. This leaves us \$6700 to spend.

• One 60 page *Journal* for December 2005, printing expenses \$1250 plus mailing expenses \$1090. This leaves us \$4360 to spend.

• Four magazines, all 40 pages, printing expenses \$3880. Assuming that the December issue is mailed with the *Journal*, mailing expenses of \$1995. This results in an operating deficit of \$1515.

• The fifth and sixth magazines (both 40 pages) are treated as an extraordinary charge, rather than as a

regular expense. Assuming that both of these magazines can be mailed together with other magazines at some time during the coming financial year, the cost of printing and mailing the additional magazines is \$2790. I would also strongly recommend producing some double issues.

- The opening balance of \$2900 plus the \$2500 SOCAN grants for 2003 and 2004 in arrears plus \$100 GST rebate in arrears minus the extraordinary charge for the additional magazines of \$2790 minus the deficit of \$1515 plus closing the reserve account of \$1100 will leave us with a closing balance of \$2295.

Note that due to a lack of synchronisation between income and expenses (i.e. cash flow variations), a balance this low will result in occasional inabilities to pay bills on time, with the potential for creating a poor relationship with our printers. It will also attract additional bank charges due to not maintaining a required minimum monthly balance at all times. We would be operating without any financial reserve (a prudent financial reserve would be about \$3000), and would be at the mercy of unexpected situations and cost increases. For example, there is no certainty that there will be any SOCAN grant for 2005. The situation would become much worse in the following financial year. *I consider this budget unacceptable.*

Second, a budget that assumes substantial increases in membership rates. For the financial year 2005-2006 the following budget is proposed for administration and publications (that is, including neither the AGM nor the Mail Order Service, both of which are assumed to break even).

- Membership rates are increased by an average of about 30%. Organisation rates become \$60 in Canada, and \$75 elsewhere. Individual rates become \$40 in Canada, and \$55 elsewhere. Concession rates become \$25 in Canada, and \$35 elsewhere. I project 208 paying members. Note that it takes a year for the full financial benefit of an increase to be felt, so membership revenues for the first year are lower.
- Membership fees of \$7900 plus donations of \$250 plus SOCAN grants for 2005 of \$1000 plus single issue sales of \$50 plus GST rebate of \$200 plus fund-raising of \$100 gives us income of \$9500.
- Administration and general publication expenses \$1000. This leaves us \$8500 to spend.
- One 60 page *Journal* for December 2005, printing expenses \$1250 plus mailing expenses \$1090. This leaves us \$6160 to spend.
- Four magazines, all 40 pages, printing expenses \$3880. Assuming that the December issue is mailed with the *Journal*, mailing expenses of \$1995. This results in an operating surplus of \$285.

- The fifth and sixth magazines (both 40 pages) are treated as an extraordinary charge, rather than as a regular expense. Assuming that both of these magazines can be mailed together with other magazines at some time during the coming financial year, the cost of printing and mailing the additional magazines is \$2790. I would also strongly recommend producing some double issues.

- The opening balance of \$2900 plus the \$2500 SOCAN grants for 2003 and 2004 in arrears plus \$100 GST rebate in arrears minus the extraordinary charge for the additional magazines of \$2790 plus the surplus of \$285 will leave us with a closing balance of \$2995 plus the reserve account of \$1100.

- In subsequent years the membership revenues would be \$9400. If printing and postage costs are assumed to increase by 5% per year, this gives operating surpluses for the following four years of \$1370, \$940, \$480, and \$0. This would enable the Society to have a closing balance in 2010 of \$3885 plus a prudent financial reserve account of \$3000. *I consider this budget to be reasonable.*

## **CSTM Balance Sheet (as of 2005-08-31)**

### **Accounts Balance 2004-08-31—2005-08-31**

#### **Assets**

Cash and Bank Accounts		
Chequing-CIBC (see Note 1)	\$2,925.57	\$3,756.49
Mail Order Service Chequing-Scotiabank (see Note 1)	\$164.98	\$438.35
Mail Order Service Direct Sales Float	\$40.00	\$40.00
Mail Order Service Petty Cash-if negative, owed to Dave Fisher	\$22.88	\$26.46
Mail Order Service Sales	\$145.64	\$242.00
Petty Cash-if negative, owed to John Leeder	-\$24.84	-\$43.64
Reserve Account-CIBC Money Market Mutual Funds	\$1,121.73	\$1,106.39
<b>Total Cash and Bank Accounts</b>	<b>\$4,395.96</b>	<b>\$5,566.05</b>
<b>Other Assets</b>		
Mail Order Service Equipment-at cost	\$1,198.00	\$1,198.00
Mail Order Service Inventory-at cost, LPs at zero	\$18,687.95	\$17,746.90
<b>Total Other Assets</b>	<b>\$19,885.95</b>	<b>\$18,944.90</b>
<b>Total Assets</b>	<b>\$24,281.91</b>	<b>\$24,510.95</b>

#### **Liabilities & Equity**

<b>Liabilities</b>	
<b>Other Liabilities</b>	
Mail Order Service Accounts Payable	\$1,136.28
	\$1,038.28

Mail Order Service Loan-owed to Dave Foster  
 \$4,149.00 \$4,406.00  
 Total Other Liabilities \$5,285.28 \$5,444.28  
 Total Liabilities \$5,285.28 \$5,444.28  
 Equity \$18,996.63 \$19,066.67  
**Total Liabilities & Equity \$24,281.91 \$24,510.95**

**CSTM Income and Expenses** (2003-09-01 through 2005-08-31)

**Income**

Donations \$250.00 \$787.00  
Earned Income:  
 Mail Order Service \$4,258.85 \$3,663.00  
 Royalties from ACCESS \$70.52 \$0.00  
 Royalties to authors -\$13.52 \$0.00  
 Single Issue Sales (see Note 2) -\$6.50 \$100.25  
 Total Earned Income \$4,309.35 \$3,763.25  
 Fund-Raising \$128.00 \$736.00  
 Gifts, Other \$0.00 \$47.25  
 GST Rebate \$152.75 \$270.39

Income, Other:

AGM Registrations \$0.00 \$350.00  
 Grants (e.g. SOCAN) \$0.00 \$1,500.00  
 Total Income, Other \$0.00 \$1,850.00  
 Interest \$15.34 \$15.68

Memberships:

Concession \$370.00 \$619.00  
 Individual \$2,380.46 \$3,141.70  
 Organisation \$2,932.72 \$2,810.24  
 Total Memberships \$5,683.18 \$6,570.94  
**Total Income \$10,538.62 \$14,040.51**

**Expenses**

Administration:

Bank Charges \$75.93 \$234.64  
 Licences and dues \$30.00 \$30.00

Office Expenses:

PO Box Rental \$149.80 \$139.10  
 Postage & Courier \$306.65 \$313.32  
 Supplies \$0.90 \$51.10  
 Other \$0.00 \$0.37

Total Office Expenses \$457.35 \$503.89  
 Travel \$0.00 \$3.75  
 Total Administration \$563.28 \$772.28  
Mail Order Service:  
Bank Charges:  
Visa:  
 Discount \$102.48 \$133.82  
 Imprinter Rental \$11.77 \$12.84  
 Monthly Fee \$76.44 \$57.33  
 Transaction Fees \$5.55 \$7.55  
 Total Visa \$196.24 \$211.54  
 Bank Charges - Other \$108.16 \$48.00  
 Total Bank Charges \$304.40 \$259.54  
 Commission \$298.00 \$256.00  
Office Expenses:  
 PO Box Rental \$104.86 \$104.86  
 Postage & Courier \$80.15 \$35.85  
 Supplies \$13.43 \$5.96  
 Total Office Expenses \$198.44 \$146.67  
 Stock Purchase \$3,862.71 \$2,579.42  
 Total Mail Order Service \$4,663.55 \$3,241.63  
Publications:  
Office Expenses:  
 Postage & Courier \$2,102.81 \$2,107.65  
 Supplies \$84.55 \$189.18  
 Total Office Expenses \$2,187.36 \$2,296.83  
 Publication Printing \$4,228.23 \$4,785.09  
 Travel \$36.29 \$0.25  
 Total Publications \$6,451.88 \$7,082.17  
**Total Expenses \$11,678.71 \$11,096.08**

**Total Income/Expenses -\$1,140.09 \$2,944.43**

**Notes**

1. These two chequing account balances have been adjusted to correct for the fact that some membership money paid by VISA has not yet been transferred from the Mail Order Service account to the general account.
2. This year there were few single issue sales, and we had to refund money paid for a Festival Directory that was not produced.