

October 9, 2009

To: All Squash BC Members  
From: John Roche, President

Subject: Squash BC Financials for the 2009/2010 Fiscal Year

I am writing to inform you about the impacts of recent provincial government announcements on Squash BC. As you may know, the provincial government has chosen to reduce funding to charities, arts and culture organizations and sport organizations. Approximately three weeks ago, we received final notification of the funding we would receive and the Executive Committee immediately met to begin the process of re-drafting the budget that was approved at our Annual General Meeting (AGM) in May.

The Squash BC financial accounts are a complex mixture of a variety of funding sources for our income and a number of programs where we spend our money. Our primary funding sources are the provincial government (Gaming Branch, Sport BC, Team BC & Sportsfunder), membership dues from both individuals and clubs and tournament sanctioning fees. We also collect and record tournament entry fees for most sanctioned tournaments but all the funds are transferred to the host club (minus the credit card processing fee).

### How was our Income impacted?

In May, the AGM approved a total budget expenditures of \$337,000. At the time, we did not anticipate the significant cuts the government would make to amateur sports. We were informed 3 weeks ago about the actual amounts we would receive. We have now redrafted the Squash BC budget and reduced our expenditures to \$257,000 which is a 24% reduction. Clearly, this is a reduction with significant impacts on our programs and services. The Executive Committee has approved this budget with a \$18,000 deficit. We have about \$60,000 in cash assets. The Executive feel that this significant drop in revenues justifies drawing down on our cash reserves to fund our programs for this year.

In the budget approved at the AGM in May 2009, we had assumed our government funding sources would fund us at the same level. This did not happen. The following table shows the sources of the reductions.

As you can see, from the table, the reduction is significant. The Sportsfunder Lottery was cancelled this year. This largely funded our Junior Canada Winter Games team forcing us to

<i>Funding Source</i>	<i>AGM Approved May 2009</i>	<i>Revised October 2009</i>	<i>Difference</i>	<i>%</i>
<b>Sportsfunder</b>	14,000	2,000	-12,000	-86
<b>Direct Access</b>	55,000	12,000	-43,000	-78
<b>Memberships</b>	80,000	80,000	0	0
<b>Sport BC</b>	40,000	34,000	-6,000	-15
<b>Program/Tourn</b>	138,000	112,000	-26,000	-19
<b>Totals</b>	<b>327,000</b>	<b>240,000</b>	<b>-87,000</b>	<b>-27</b>

cancel any Winter Games training.

The reduction in Direct Access funds is the most significant item. This money funds a number of programs such as out-of-province travel for athletes, coaches and officials. It also subsidizes program costs for coaching, officiating clinics both singles and doubles, publications, web site, ranking program, junior camps, university program. We were

also going to update the web site and newsletter.

### Which programs were impacted?

While reviewing and redrafting the budget, the Executive had developed priorities:

1. We had to honour any expenses already made.
2. We would be athlete focused and strive to protect programs that benefit the athletes in particular
3. We had to maintain our office and 1 full time staff member.

The following table shows the impact of the budget cuts on our programs:

Juniors are the future of our sport so we tried to protect that program as much as possible. The

<i>Program</i>	<i>AGM Approved May 2009</i>	<i>Revised October 2009</i>	<i>Difference</i>	<i>%</i>
Junior Development	57,000	40,000	-17,000	-30
Player Development	22,000	10,000	-12,500	-57
Coaching	7,000	4,500	-3,000	-33
Officiating	11,000	5,500	-6,000	-55
Doubles	46,000	30,500	-16,000	-35
Publications	42,000	26,500	-15,500	-37
University Programs	4,000	2,000	-2,500	-62
Operating Expenses	148,000	138,500	-10,500	-7
<b>Total</b>	<b>337,000</b>	<b>257,000</b>	<b>-83,000</b>	<b>-25</b>

The Player Development budget could be reduced this year as we will not have any expenses for travel to the Canadian Nationals. They will be held in Vancouver. Coaching and Officiating were viewed as a lesser priority for at least one year. Operating Expenses include staff, office rent, ranking system, credit card charges, Sport BC dues and Squash Canada dues. These items are not discretionary thus difficult to cut.

### Summary

Squash BC will survive. We are fortunate that we are not completely dependent on government funding. Our membership dues provide a stable source of funds each year. The Executive will continue to closely monitor our expenditures and reallocate any savings as quickly as they become known.

If you are a member of Squash BC, thank you for your continued support. If you know anyone who regularly plays squash and is not a member, encourage them to join Squash BC and support us so we can build on our past successes. If you are not a current member, please consider joining Squash BC.

Thank you.

