

HKVCA
ANNUAL GENERAL MEETING
TREASURER'S REPORT
DECEMBER, 2016, OTTAWA, ONTARIO

Available are copies of the audited financial statements for the Hong Kong Veterans Commemorative Association for the year ending December 31, 2015. I would like to read some of those numbers into the records and offer a few comments along the way.

The Commemorative Association operates with 2 bank accounts, a General Account and a Book Account.

Each month I prepare a statement for the national executive which shows the status of each account---where the money came from and where the money went---plus a consolidated summary of those accounts to complete a monthly snapshot of our financial position.

The audited statement I referred to is prepared each year by the Winnipeg accounting firm of Heisinger & Montgomery, and they do so for a very small fee which I doubt covers their expenses. I truly appreciate the service provided by Jim Montgomery as I value the opportunity to have our books examined from the outside.

I am going to mention a few items in the audited statement for your

clarification. I should point out that the drive for funds for our Memorial Wall has been underway for over 5 years and the donations received have had a significant impact on how our financial statements appear. This drive for funds has truly been remarkable. It last impacted our year end financial statement in 2014 but you will see from the current statement that most of the repairs have now been completed and wall expenses dropped from over \$84,000 in 2014 to just over \$3,000 last year.

First, let us examine the Balance Sheet:

- Under Current Assets, we have the two bank accounts with the General Account somewhat less than last year as we finalized repairs to the Memorial Wall. The Book Account is now closer to normal levels of activity which unfortunately, is nearly zero as we have sold very few of our products (books etc.) in the last couple of years.**
- The balance sheet also shows our cash position and on December 31, 2015, we had \$18,070 in the General Account and \$939 in the Book Account.**
- Next we show \$3,447 in Inventory, about the same as the previous year and includes books that we have for sale but also videos, crests and pins. The new supply of gravestone markers we were able to secure from a new manufacturer accounts for much of our inventory.**

- So, for the end of the year 2015, we show Current Assets of \$22,456, slightly less than the previous year.
- We have no Current Liabilities as we almost always pay cash for all our expenditures.
- Over on the Statement of Income, our numbers are significantly less than the previous year with donations down dramatically due to the end of the Memorial Wall fund drive. The slight increase in dues is a very good sign while the new supply of gravestone markers accounts for that surge in sales. Our income is derived almost entirely from the collection of dues and donations with the sale of merchandise playing a much smaller role.

- Under Expenses, a major item is our newsletter which we usually publish 4

times a year but some problems arose in 2015 and fewer issues were sent out to our members. New arrangements have since been made and hopefully we will return to our usual publishing schedule. Each Region supplies the Editor with news and information and we are able to print and mail about 800 copies to our members this year at a cost of about \$2,000. A growing number of our members now receive the newsletter online and that saves us considerably in both printing costs and postage.

- A significant continuing expense was the establishment of a new set of by-laws as required by a new Corporations Act. We hired some legal expertise to

assist us with this challenging transition and that is shown as a significant expense of \$3,742 in 2015.

In summary, the Commemorative Association has had a reasonable year financially from the standpoint that we have been able to meet all our obligations and pay our bills in a timely fashion. However, we relied on previous year's earnings as our expenses exceeded our revenue. The HKVCA has the ongoing challenge of keeping itself viable from a financial standpoint but the BOD is aware of this and efforts are continually underway to seek ways to grow our membership and seek other sources of revenue. We submit a report to the Canada Revenue Agency each year as a Registered Charity and each year we have met our expenditure requirements.

I think that when our organization has a focus on a major project such as the wall, we have tremendous energy, ingenuity and generosity to make meaningful things happen. Our veterans are very proud of this achievement and I'm sure that all those who have passed would feel the same way.

Mr. Secretary, I present to you the December 31, 2015 audited statement for the HKVCA, to be entered into the Minutes of the Annual General Meeting.

Barry C. Mitchell

National Treasurer

