

2021 Finance Review

The 2021 financial statements were approved by the Association's Executive at the June 13, 2022 Executive meeting. The statements reflect our four primary activities: the operations of the Bingham Park Community Rink, the publication of the Echo newspaper, events and administration.

OPERATIONS OF THE BINGHAM PARK RINK

The city grant of \$5,325 for operating the Bingham Park rink remained the same as in the previous season. Rink maintenance expenses were up compared to 2020 because of the purchase of a snow blower for \$1,700 to aid in rink maintenance. Rink Attendant wages declined since COVID lockdowns affected rink operating hours. The surplus from the rink operations declined to \$2,873 from \$3,854 in 2020 because of the aforementioned snow blower purchase. In 2022, the rink was open for 50 days, so the surplus will decline as a result of increased rink attendant wages. The Association is always looking for volunteers to supervise and assist operating this valuable winter asset.

PUBLICATION OF THE LOWERTOWN ECHO NEWSPAPER

The Echo had a full publication year with 5 issues. In 2021, the average revenue from advertisers per issue declined to \$3,542 from \$3,697 in 2020 due to decreased business activity because of the ongoing pandemic related shutdowns and restrictions. The average cost per issue declined slightly to \$3,673 in 2021 from to \$3,707 in 2020. Costs included the design software licence, printing, distribution and credit card processing fees. Publication of the Echo incurred a deficit of \$705 compared to a surplus of \$1,618 in 2020. The 2020 surplus was a result of a \$2,000 federal government grant for community newspapers which was not available in 2021. In 2022, the operating deficit is anticipated to continue as production costs increase due to inflation and advertising revenue is challenged due to an uncertain business environment. The Echo is always looking for volunteers whether it's for the design, writing articles, distribution, collection, sales, etc.

ADMINISTRATION

Administration costs were \$705 in 2021 compared to \$737 in 2020. Costs included the Post Office box rental, the LCA website hosting and a subscription to ZOOM to support our online meetings. In 2022, our administration costs are anticipated to be in the similar range but our Commercial General Liability insurance premiums are set to increase from \$550 to \$920 in 2022-23 because of a universal increase to the city's Community Partner Insurance Program.

EVENTS

In 2021, the LCA held an online fundraising auction that netted \$1,950. The LCA received the following grants from: Marchés d'Ottawa Markets for the William Street Plaza mural by Jimmy Baptiste, Government of Canada Summer Jobs for the Lowertown History Pin project and Ottawa Bilingue for the Cundell Stables Art Exhibition by Karen Bailey. In 2022, the LCA will continue to support community events as pandemic restrictions are being lifted.

CONCLUSION

In 2021, the Association had an increased its surplus to \$4,581 from \$3,417 in 2020. Cash flow was positive, \$1,362 compared to a negative \$2,411 in 2021. At the end of 2021, our cash balance was \$18,014 compared to \$16,652 at 2020 year-end. Our cash flow was positively impacted by reducing our accounts receivables by \$3,522. On the other side of the ledger, the LCA's effort to pay its bills in a timely manner has resulted in negative accounts payable balance of \$79 because the CRA reversed a late penalty which will be credited against future payroll deductions. Overall, the LCA is in a good financial position to fund the Lowertown Echo and the Association's other operations in 2022.