

## Treasurer's Report 2011, 2012, 2013

The years of 2011 and 2012 contain several assumptions and conclusions, the result of which is that there is insufficient detail regarding certain costs.

### 2011

All of the costs associated with the Board of Directors are lumped together inasmuch as there were insufficient records to determine the detail. There was reasonably accurate accounting with respect to the results of the five regional tournaments and I was able to determine the status of the balance sheet items (cash and liabilities) at the end of the year. By comparing the balance sheet at the end of the year to that at the beginning of the year, I was able to determine the overall loss for the year. By comparing the overall loss to the income from the tournaments, I was able to come up with a figure that represented all other non-tournament activity. These other areas include any income or loss from GNT, NAP and costs associated with the Board of Directors.

### 2012

I was able to extract most of the records for this year. This allowed me to recreate virtually all of the activity. The district authorized the use of Quick Books Online and all of the information was entered using a detailed chart of accounts.

There was insufficient detail to determine the source of many of the small deposits to the bank account forcing me to lump those deposits together. The main source of these deposits were from unit and club advertising in the Forum and from GNT entrance fees.

With respect to the expenses related to various activities, I was able to reconstruct all but a few transactions. Although there may be some duplication, some omissions and some misclassification, the collective monetary impact of these items are immaterial to the operations of the district.

### 2013

The books and records are complete and accurate. All federal and state tax returns for the years 2010, 2011 and 2012 have been filed.

At the end of 2013, the district had a net worth (Net Fund Balance) of \$159, 806.

The district had a net loss for the year of \$4,196 as compared to a net gain of \$18,326 in 2012. The main factors impacting the drop were the elimination of the Riverside tournament for the year and a drop of about 10% in the table count at Palm Springs thought to have been caused by the tournament having been immediately preceded by the NABC in Phoenix.

A significant change was made at the Palm Springs tournament. The district acquired its own supplies. Consequently, there was a reduction in the amount paid to the outside contractor to deliver, set up and remove the supplies and there was also the addition of depreciation as a cost.

The individual tournament managers have significant flexibility and control over discretionary spending on such items as prizes and giveaways, food and beverage and advertising. In all cases, such expenses for our 2013 tournaments were well controlled.

However, the tournament managers have little control over the venue. For example, the Hyatt in Orange County provides fewer complimentary rooms than some venues. Consequently, we have to pay for rooms for the tournament managers and others whereas at other tournaments, there are no costs for these rooms.

The Board of Directors has no reason to expect any significant changes in 2014. While the Riverside tournament will be back on at a unique time in June, there is no way of predicting the profit/loss that will result.

David Lodge  
January 17, 2014