

North American Flyball Association
Balance Sheet
March 31, 2020 and 2019

	2020	2019
ASSETS		
Current Assets:		
Cash	\$208,346	\$217,325
Other current assets	1,264	2,008
Total Current Assets	209,610	219,333
Equipment	500,120	499,134
Less accumulated depreciation	(469,528)	(455,844)
Net equipment	30,592	43,290
Intangibles net of accumulated amortization of \$19,753 and \$19,182, respectively	2,459	2,894
Total Assets	\$242,661	\$265,517
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$17,232	\$9,695
Total Current Liabilities	17,232	9,695
Net Assets:		
Unrestricted	225,429	255,822
Total Net Assets	225,429	255,822
Total Liabilities and Net Assets	\$242,661	\$265,517

North American Flyball Association
Income Statement and Changes in Unrestricted Net Assets
For the Six Months Ended March 30, 2020 and 2019

	2020	2019	Variance Fav (Unfav)	% Variance Fav (Unfav)
Changes in unrestricted net assets:				
Revenues excluding CanAm event:				
Tournament fees	\$45,929	\$49,100	(\$3,171)	(6)%
Registrations and applications	10,286	8,601	1,685	20 %
Plaques, patches, pins	2,531	2,668	(137)	(5)%
Other income	4,440	260	4,180	1,608 %
Total revenues	<u>63,186</u>	<u>60,629</u>	<u>2,557</u>	
Expenses excluding CanAm event:				
Participant awards	17,945	18,824	879	5 %
Shipping	17,868	13,733	(4,135)	(30)%
Travel	12,731	18,745	6,014	32 %
Honoraria	9,182	12,350	3,168	26 %
Professional fees	6,318	15,694	9,376	60 %
Supplies	4,880	3,711	(1,169)	(32)%
Research & development	1,155	1,340	185	14 %
Bank fees	394	1,249	855	68 %
Other expense	5,999	2,828	(3,171)	(112)%
Rentals	1,476	1,899	423	22 %
Repairs & maintenance	1,663	807	(856)	(106)%
Exchange loss (gain)	(1)	329	330	100 %
Utilities	40	40	0	0 %
Total expenses	<u>79,650</u>	<u>91,549</u>	<u>11,899</u>	
Excess (deficit) of revenues over expenses excluding Can Am event	(16,464)	(30,920)	14,456	
Event revenues CanAm	5,530	6,579	(1,049)	
Event expenses CanAm	78,342	110,483	32,141	
Excess (deficit) of event revenues over expenses CanAm	<u>(72,812)</u>	<u>(103,904)</u>	<u>31,092</u>	
Excess (deficit) of revenues over expenses	(89,276)	(134,824)	<u>45,548</u>	
Unrestricted net assets:				
Beginning of period	314,705	390,646		
End of period	<u>\$225,429</u>	<u>\$255,822</u>		

CanAm revenues and expenses are separately identified because NAFA reports on a cash basis. The event's beginning-of-fiscal-year date results in revenues being recorded in the fiscal year prior to the event, while most expenses are recorded in the fiscal year of the event. In certain months this method of recording would be more distortive to the financial statements if the event revenues and expenses were presented within the other financial statement line items.

NORTH AMERICAN FLYBALL ASSOCIATION
INCOME STATEMENT FLUX ANALYSIS
SIX MONTHS ENDED MARCH 31, 2020 AND 2019
SCOPE: GREATER THAN \$1,000 AND 5 PERCENT

REVENUES

Tournament fees decreased approximately \$3,000, or 6 percent, as the result of two offsetting events:

- Day adjusted entries decreased 350 and resulted in an approximately \$6,000 reduction in entry fees. Three hundred eleven of this decrease is attributable to the suspension of racing mid-March amidst the coronavirus outbreak.
- This was offset partially by \$2,000 additional revenue generated by the 9 percent recording fee increase implemented January 1, 2020.

The remaining \$1,000 is a timing difference in recognition of revenue for this cash basis organization.

Registration and applications increased approximately \$2,000, or 20 percent. While the number of CRNs issued decreased to 248 from 336 for the same period last year, the fee increase to \$40 from \$25 still netted this overall increase in revenue.

Other income includes fees and expense reimbursement generated by our participation in ESPN Dog Day.

EXPENSES

Shipping costs have increased \$4,000, or 30 percent, mostly due to increased charges by Purolator and UPS for transportation of EJS systems. Policy regarding shipment of lights is being reviewed.

Travel expense is down \$6,000, or 32 percent. Four thousand dollars less was allocated from CanAm into general board activities as a result of heightened expense control for this year's event. The remaining \$2,000 is a timing issue where the prior year included some costs recognized for our third quarter board meeting based on their payment in the second quarter.

Honoraria appears to have decreased \$3,000, or 26 percent, however the entire change is a timing one because our books are maintained on a cash basis. Prior year-to-date included a late payment, and the current year excludes one that is due. No changes have been made to the recipients or rates of honoraria.

Professional fees decreased approximately \$9,000, or 60 percent, with three factors contributing to that decrease:

- Special project work performed by attorneys last year at a cost of \$8,000 did not recur.

- Fees for database work related to ongoing cleanup of handler records as well as new initiatives on dog points did not recur, generating a reduction of \$3,000.
- Accounting fees paid in the current period for preparation of our tax return for the prior year offset these savings \$2,000.

Supplies increased approximately \$1,000, or 32 percent, most of which is attributable to shipping of awards and the CanAm cup.

Other expense is up \$3,000, or 112 percent. Five thousand dollars of expense represented here is at the discretion of the executive director and relates to entry fees and apparel purchases for teams to attend the FCI World Cup. This was offset \$2,000 by the elimination of a prior year reconciling item that lapped two fiscal years and related to the establishment of our PayPal account.

CANAM EVENT PERFORMANCE

The CanAm event laps fiscal years and, accordingly, is fluxed separately based on event year compared to budget.