

Financial Report for Fiscal Year 2017

IN THIS ISSUE, WE PROVIDE OUR ANNUAL FINANCIAL REPORT. *This report covers our Fiscal Year 2017, which includes October 1, 2016, through September 30, 2017. Following are highlights and more in-depth explanation of some line items.*

REVENUE

1. Overall income decreased by nearly \$50,000.
2. This decrease comes from three primary sources:
 - Membership dropped by 4%. The majority of memberships dropped in the regular membership category while our sub-membership option increased by nearly double.
 - Music publishing sales decreased by just over \$17,000, when including Cost of Goods Sold.
 - Event registration was the largest area of decline. This is due primarily to the cancellation of Distinctly Bronze East due to Hurricane Matthew. In addition, we had the lowest registration for National Seminar in seven years.
3. We did have some areas increase in revenue:
 - Through your generosity and support, contributions to general operating increased by nearly \$20,000.
 - Event Other Income is higher because of the excursion to Disney World that was part of National Seminar.
 - Event sponsorship increased because of one new sponsor at National Seminar.
4. The change in Cost of Goods Sold is due to the change in our arrangement with our music publishing distributor explained in this report last year. This change has also improved our cash flow situation dramatically.
5. By redesigning our membership renewal invoice to a one-sided page with fewer color blocks, we reduced our printing costs which are covered under the Membership Services line item. In addition, the decline in membership leads to lower dues rebates going back to the Areas.
6. There was an increase in the Board of Directors line item because we had a board election last year. There are expenses related to the election and training new board members before they started their board term on October 1.
7. The increase in event expenses is due primarily to the excursion to Disneyland (covered by the extra "other event income") and higher travel costs for staff and planning committee to Anaheim versus Rochester (our 2016 location.)

EXPENSES

1. Overall expenses were reduced by just over \$37,000.

BOTTOM LINE

With the reductions in membership dues, publishing, and event registrations, and despite additional savings and reductions in expenses, we ended the year with a loss of \$35,417.

Continued on page 33



Handbell Musicians of America

Profit & Loss

	FY2016	FY2017	Variance
Income			
Membership Dues	349,345.75	334,803.50	(14,542.25)
Misc Administrative	26,513.93	24,986.44	(1,527.49)
Music Publishing	96,478.37	73,275.17	(23,203.20)
Event Registrations	209,914.50	162,847.50	(47,067.00)
Event Sponsorships	4,800.00	10,645.00	5,845.00
Event Other Income	11,668.05	18,141.00	6,472.95
Contributions to Operating	48,585.79	68,367.32	19,781.53
Total Income	747,306.39	693,065.93	(54,240.46)
Cost of Goods Sold			
Cost of Goods Sold	6,636.23	720.88	(5,915.35)
Total COGS	6,636.23	720.88	(5,915.35)
Gross Profit	740,670.16	692,345.05	(48,325.11)
Expense			
Personnel Costs	338,119.46	312,993.63	(25,125.83)
Office Operations	49,407.87	42,193.32	(7,214.55)
Marketing Expenses	6,944.44	1,936.88	(5,007.56)
Membership Services	47,682.16	44,696.07	(2,986.09)
Overtones	37,827.77	29,930.36	(7,897.41)
Board of Directors	19,296.87	25,359.20	6,062.33
Past Presidents/Honorary Life	2,256.56	1,880.04	(376.52)
Committees	7,823.01	10,619.92	2,796.91
Depreciation Expenses	8,858.80	2,836.92	(6,021.88)
Royalties	27,588.46	29,850.22	2,261.76
Music Publishing	27,429.80	26,444.93	(984.87)
Event Expenses	187,805.90	192,331.28	4,525.38
General Fundraising	3,938.84	6,689.56	2,750.72
Total Expense	764,979.94	727,762.33	(37,217.61)
Net Ordinary Income	(24,309.78)	(35,417.28)	(11,107.50)

Other Income & Expense Not Reported Above				
Other Income	Donations	19,707.77	16,473.66	(3,234.11)
	Investment Income	43,401.62	55,994.59	12,592.97
Total Other Income		63,109.39	72,468.25	9,358.86
Other COGS	Inventory Adjustment	32,492.94	-	(32,492.94)
Other Expense	Grants & Scholarships Given	8,517.72	11,432.43	2,914.71
	Investment Fees	5,996.44	5,909.65	(86.79)
	Loss on Disposition of Asset	(101,208.19)	1,799.60	103,007.79
Total Other Expense		(86,694.03)	19,141.68	105,835.71