

# **Section C:**

# **Finance**

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## THE BUDGET

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The purpose of the budget is to identify and measure the club's financial expectations and commitment to the Event.

- What will the Event cost?
- What up-front money is expected?
- What level of profit can be planned?

The main budget items are as follows:

<u>REVENUE:</u>	Budget	Actual
Sponsorship	\$	\$
- cash		
- product/service		
Registration Fee		
Spectator Admissions		
Program Sales		
Advertising		
Concessions/Draws		
Boutique/Vendors	\$	\$
	=====	=====
	\$	\$
	=====	=====

### EXPENSES:

Hosting (Judges/Coaches/Athletes/Volunteers)		
Facility Rental (if applicable)		
Judging Fees (Honorarium, Mileage and Accommodation)		
Equipment Rental Costs (if applicable)		
Transporting of equipment (if applicable)		
Concession		
Boutique		
Awards - ribbons, medals, trophies		
Athlete/Coach/Judge Gifts (if applicable)		
Program Printing (if applicable)		
Administration - Mail		
- Copying etc.		
Miscellaneous		
	\$	\$
	=====	=====
	\$	\$
	=====	=====

When preparing a preliminary budget, try to be as accurate as possible. Speculate on the liberal side for expenses and on the conservative side for revenues. If the make or break profitability is based on inflated

expectations of gate receipts financial disaster is highly probable. Conservative estimates of revenue should dictate what is available for expenses. Never strike a budget where the expenses demand how much revenue must be generated. The budget should be made available to all committee chairpersons and should highlight their areas of responsibility clearly. Once the budget has been prepared you should try to determine how to eliminate all of your expenses.

- If the Event is a qualifying competition or a provincial competition, the host club should fully understand the areas of expense for which the host club is responsible, as well as the areas for which GO is responsible. Refer to current Technical Rules and Regulations/Hosting Agreement.
- Judging fees include honorarium, travel and accommodation. Standard honorarium rates are set by Gymnastics Ontario. Forms may be accessed from the appropriate Program Manager or on the GO website.

## **HANDLING THE FINANCES**

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The Finance Chairperson should open a separate bank account to handle all revenue and expenses for that particular event.

An initial operating cash float should be provided by the host club and repaid from event profits.

Individual sub-committees may incur pre-event expenses and require reimbursement, but all expenses, revenues and cheques should pass through the control of the Finance Chairperson, once established.

At the event, the Chairperson should ensure that sub-committees handling cash have a cash float, a cash box for securing and holding cash and is aware that they are fully accountable for the monies handled. Throughout the day, money should be collected from each area, counted, recorded and put in a secure place.

## **CONCESSIONS**

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Food, souvenir and boutique concessions can be a profitable endeavor for host clubs. Concessions operate throughout most of the event, therefore, requiring committed manpower.

An operating committee should be established and should then decide on the concessions to operate. Ensure that adequate space is available and that the operation of concessions does not pose any problems with the facility authorities. Also check to see that the power sources of the facility are adequate to handle what you have planned.

Set budgets and item prices.

### **Food Concession:**

Food sales are probably the most profitable concession area. Approach your local businesses requesting donations for food items to sell or feed judges/coaches/athletes/volunteers. It is also a good idea to approach local restaurants to donate napkins, cups, etc. You may choose to request donations of sandwiches, donuts, cakes, cookies, soft drinks, wieners and buns, fruits etc. from your club members as well.

McDonalds often supplies orange coolers, ice, and cups if you buy the concentrate. Tim Horton's often supplies coffee. Request this early and follow up to make sure it will be available on the day.

More donations and less out of pocket costs result in a more profitable concession.

Please note that some venues do not allow concessions outside of their own they currently have at the venue. If this is the case, get creative as the venue may allow you to sell products that they do not sell.

**Boutique/Souvenir Concessions:**

Items such as pins, posters, t-shirts, cards, hats, etc. usually sell quite well. You could also sell your own club items handmade crafts or souvenirs. Remember, the more items that are made or donated the more profit to your club.

**Vendors:**

Specific vendors will often want to take part in your event. They could be selling items such as gymsuits, gymnastic related clothing, pictures, etc. Set up a contract ahead of time detailing the amount of profit (usually a percentage) you will obtain from their sales.

**Draw or Raffle Table:**

Raffle tickets and/or draw tables are a great moneymaking venture. You may approach local businesses to donate prizes or ask your members for donations as part of their commitment to the competition. Be sure to set up your table in a high traffic area, have lots of signage and publicize through your announcer. Check with your city for any required licensing.

**CHECKLIST: FINANCE**

Budget preparation, monitoring of all monies received and paid out, preparation of final statement of results.

ACTION	RESPONSIBILITY	DEADLINE	✓
Revenues: <ul style="list-style-type: none"> <li>• entry fees - registration</li> <li>• admissions</li> <li>• concessions</li> <li>• boutique/vendors</li> <li>• program sales</li> <li>• program advertising</li> <li>• sponsorship</li> <li>• special prizes</li> <li>• donations</li> </ul>			
Expenses: <ul style="list-style-type: none"> <li>• facility rental</li> <li>• awards</li> <li>• officials</li> <li>• equipment costs</li> <li>• scoring program</li> <li>• concession</li> <li>• program printing</li> <li>• transportation</li> <li>• mailings</li> <li>• publicity</li> </ul>			
Receive all monies submitted prior to the event			
At the Event: <ul style="list-style-type: none"> <li>• with the cooperation of the Equipment and Floor manager, set up admission desk for registration</li> <li>• collect registration fees not submitted prior to event from registrar</li> <li>• collect admission monies</li> <li>• collect concession monies</li> <li>• collect boutique monies</li> <li>• collect program sales monies</li> <li>• prepare Judges payment</li> <li>• deposit revenues or pass along to club treasurer</li> </ul>			
After Event: <ul style="list-style-type: none"> <li>• pay all expenses</li> <li>• prepare financial statement</li> <li>• provide receipts and a copy of the program to advertisers</li> <li>• follow up and invoice unpaid advertisers</li> </ul>			