Scope FAC

- Review Annual Budget 2013/2014 for approval
- Ensure Financial statements prepared timely
- Monitor the annual audit process
- Develop Investment policy to guide Canto’s investment
- Provide Financial advice when needed
Scope FAC

- Review Annual Budget 2013/2014 for approval
  - Budget 2014 is realistic and accurate
  - Small profit projected of approx US $71k in 2014
  - Budget ensures Canto can cover its operational expenses from its annual revenues
  - Budget indicates a financially healthy non-profit organization
Scope FAC

- Ensure Financial statements prepared timely
- Monitor the annual audit process

- December 2013 internal unaudited statements submitted within 1 month
- Unqualified auditors opinion over the past years which means that Canto’s administration and books are in good order and meeting auditing standards
- Financials 2013 show that the organization is financially healthy (liquidity and solvability are good) and a minor profit of US 3,664 is reported.
Scope FAC

- Develop Investment policy to guide Canto’s investments
  - Investment policy has been completed
  - Asset Allocation very conservative (focus mostly on Cash and fixed income classes)
  - Limits per transactions (US$50,000) and strict reporting to the Board
  - Investments not exceeding 2 years
  - Sufficient diversification
  - Credit ratings of countries are taken into account
Scope FAC

- Provide Financial advice when needed

  - Canto’s existence depends mainly on Membership fees and Annual Conference
  - Staff cost close to 50% of operational costs
  - Diversification of revenues is needed
  - Fixed costs to be monitored
  - Close to break even profits confirms non profit status but also makes the existence on the long run vulnerable
  - Members support and ideas needed to add value to the organization and assist with revenue generating ideas
Conclusion FAC

- Canto is a financially healthy NON-PROFIT organization
- Financial Management of Canto is excellent
- Costs are properly Managed and at its minimum
- Diversification of income is needed to make the organization financially less vulnerable.