



Chemical Institute of Canada | **For Our Future**
Institut de chimie du Canada | **Pour notre avenir**

CIC Treasurer's Report - AGM June 2024

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2023 Fiscal Year (Jan–Dec)

Executive Summary

The Chemical Institute of Canada (CIC) continues its mission to support chemical professionals and students in Canada and beyond as an umbrella organization for its constituent societies, the Canadian Society for Chemistry (CSC) and the Canadian Society for Chemical Engineering (CSChE). The CIC's National Team (NT) provides a diverse range of services with skills including marketing, communications, event planning, and accounting, to effectively manage the operations of these societies.

The CIC's costs, associated with the NT and other ancillary services, are charged to each constituent society as a "Management Fee". This fee is calculated based on a formula that accounts for each society's total membership and the allocation of time spent by the NT on activities for the benefit of each society. Consequently, the CIC presents an annual financial report with neither surplus nor deficit, as it is mandated to present a balanced budget to its board each year.

The 2023 fiscal year has been characterized by change and growth. One notable change is the hiring of Robert Bisonette, Director of Finance and Operations, in July 2023. Bob is an experienced senior financial administrator with over 30 years of experience with non-profit corporations in the aerospace and aboriginal sectors. I would like to extend our warmest welcome to Bob and look forward to his contributions to the CIC and the NT.

As for myself, Kevin McCracken, I have almost completed my first-year term as Treasurer of the CIC. It has been an interesting year with plenty of learning. A little bit about my background. A University of Alberta alumnus since 2006, I obtained my CPA designation in 2010, and have been navigating the accounting landscape since 2007. I have experience in the Oil and Gas sector (production chemicals), non-profit corporations, and am currently CFO for a mid-size instrumentation company.

I would also like to welcome Edward Lai and Alex Rousina-Webb to the finance committee of the CSC, CSChE, and CIC. We are excited to have you join our team, especially as you both commenced your journey with us in June 2023. I look forward to working with both new members and would like to thank them for volunteering their services.

The CIC's financial performance in 2023 marked significant changes from the initial budget. The total actual revenue for 2023 was \$1,410,126, which is higher than the budgeted revenue of \$1,296,305. Major contributors to this increase were:

- Sublet rent revenue, which amounted to \$143,595.
- Interest & other revenues, which totaled \$22,243.

As for expenses, the organization had budgeted for total expenses of \$1,296,305 for 2023. The actual total expenses for the year were higher, coming in at \$1,379,980.

This was largely due to the following factors:

-General and administration expenses, which amounted to \$191,536 against a budget of \$78,175 due to sub-rent costs.

-Salaries and benefits, which totaled \$1,057,605, 4% lower than the budgeted amount of \$1,094,700.

Despite the increased expenses, the organization maintained a balanced budget, as intended, with the increase in revenue matching the rise in expenses, leading to a net surplus result of \$30,393. Interested readers are encouraged to review the audited financial statements for additional details.

A Look to the Rest of 2024

Regarding revenue, the CIC has budgeted a total income of \$1,430,529 for the year 2024. The key contributors to this revenue are:

- Society fees from the CSC totaling \$291,048
- Society fees from the CSCHE totaling \$111,141
- CSCHE conference administration fees totaling \$321,077
- Canadian Journal of Chemical Engineering (CJChE) management fee totaling \$250,000
- Marketing allowance totaling \$75,000
- CSC conference administration fees totaling \$251,263

Other notable revenues include fund management fees (\$10,000), administration fee from awards (\$15,000), and program sponsorships (\$5,000). Also, relatively smaller amounts have been budgeted from sources like newsletter & online advertising (\$15,000), IUPAC affiliate fee (\$2,500), and miscellaneous revenue (\$2,000).

In terms of expenses, the CIC has budgeted an equal amount of \$1,427,412. The major expense is allocated to salaries/RRSP (registered retirement savings plan) & benefits, which amounts to \$1,167,737. Other significant expenses include:

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| - General and Administrative costs at \$97,250 | - Local Section Expense at \$15,000 |
| - IT Support at \$20,000 | - Travel Expenses at \$12,500 |
| - Software Upgrades & Licenses at \$15,000 | - Board Meeting & Consulting Expenses at \$26,500 |

As has been the practice in previous years, the CIC has budgeted for a net surplus/loss of \$0, thus maintaining a balanced budget. The balanced budget reflects the CIC's commitment to prudent fiscal management and ensuring that all revenues are effectively utilized to deliver on the CIC's mandate.

Best wishes,
Kevin McCracken
CIC Treasurer