

## TREASURER'S REPORT

Dear FWCC Representatives,

Change is in the air. You will notice some changes in the financial reports this year as a result of much hard work on the part of our staff and committee members. We have implemented a new system of tracking the Section's income and expenses so that we can determine more accurately the costs of our various programs. More on that later. We are also presenting two different budgets for your consideration at this Annual Meeting, a change from our usual practice.

One change is critical to the future of FWCC: We must find a way to eliminate our deficits before our financial reserves are used up. This problem cannot be solved in one year, and a number of steps we have taken over the past several years are starting to have an impact. We still need to make more changes, however.

For the fiscal year that is about to end on April 30, 2010, we once again will have a loss. The budget approved last year allowed for a loss of just over \$51,000, but we project at this point, three-quarters of the way through the year, that our actual loss will be closer to \$82,000. The shortfall from the budget is due primarily to a significant drop in our contribution income as the global recession hit our donors hard.

We have already made several changes to reduce our expenses. We significantly cut our staff over the past several years. (Finance Committee believes that further staff cuts would be unwise.) We froze salaries for the remaining staff last year and propose to do the same next year. Staff are now paying more of their own health insurance costs. Last year at Annual Meeting we restructured our committees to become more efficient and reduce the amount of time spent on running the organization.

This year our Philadelphia staff moved to a much smaller office in Friends Center. Their working conditions are not ideal, but the move will save us over \$10,000 annually on rent. We are blessed to have dedicated employees who work hard and are willing to make personal sacrifices.

As mentioned, we revised our accounting system this year so that we can better determine the true costs of our various programs. One result of that change is the new financial reports you are receiving this year. Our staff are keeping timesheets so that we can charge the cost of their time to the programs on which they are working. With better information, we will be able to make informed decisions about future priorities for the Section.

We are also bringing you two budgets this year, Budget A and Budget B. Executive Committee is bringing a major proposal to this Annual Meeting which, if approved, will have budgetary implications. Budget A represents "business as usual" and Budget B corresponds to the changes proposed by Executive Committee.

Facing changes can be scary, but it can also be invigorating. With God's grace, we will be able to find the right changes to make so that we can continue doing the work we are called to do.

Cathy Habschmidt, Treasurer  
March 1, 2010

**FWCC, SECTION OF THE AMERICAS**  
**Treasurer's Report on General Operating Fund for**  
**Fiscal Year Ending April 30, 2010**

As of December 31, 2009

**UNRESTRICTED INCOME:**

Contributions  
Investment Income  
Administrative fees and Misc. Income  
Release from Stewardship Fund  
**Total Unrestricted Income**

Income		
Approved Budget	Actual for 8 Months	Projected for 12 Months
290,000	189,148	262,500
22,357	14,846	21,548
1,270	57	1,337
56,910	38,652	56,910
<b>370,537</b>	<b>242,703</b>	<b>342,295</b>

**PROGRAMS SUPPORTED BY UNRESTRICTED INCOME:**

World Office & Other Sections  
News & Info Sharing  
Annual Meeting  
Events, Gatherings & Conferences  
Other Quaker Orgns within SoA  
Reps and YMs within SoA  
Latin America  
Visitation  
Young Adult Friends  
Wider Quaker Fellowship  
**Total Program Costs**

Expenses			Restricted Program Income			Net Program Costs		
Approved Budget	Actual for 8 Months	Projected for 12 Months	Approved Budget	Actual for 8 Months	Projected for 12 Months	Approved Budget	Actual for 8 Months	Projected for 12 Months
114,703	107,353	108,447				114,703	107,353	108,447
30,857	33,480	44,298		95	95	30,857	33,385	44,203
39,293	29,055	39,195	32,095	1,628	31,495	7,198	27,427	7,700
14,263	4,787	4,734	5,000	18	18	9,263	4,769	4,716
4,860	6,212	6,588	1,100	452	879	3,760	5,760	5,709
14,172	5,856	10,585	1,300	264	264	12,872	5,592	10,321
47,345	30,529	44,098	7,500	10,456	10,328	39,845	20,073	33,770
3,548	4,398	4,398	3,548	2,470	3,069	-	1,928	1,329
1,341	30	30				1,341	30	30
30,531	15,214	26,556	19,900	21,704	12,833	10,631	(6,490)	13,723
<b>300,913</b>	<b>236,914</b>	<b>288,929</b>	<b>70,443</b>	<b>37,087</b>	<b>58,981</b>	<b>230,470</b>	<b>199,827</b>	<b>229,948</b>

**ORGANIZATIONAL COSTS:**

Office & Occupancy  
Financial Administration  
Administrative Committees  
Staff Communication/Admin  
Development  
**Total Organizational Costs**

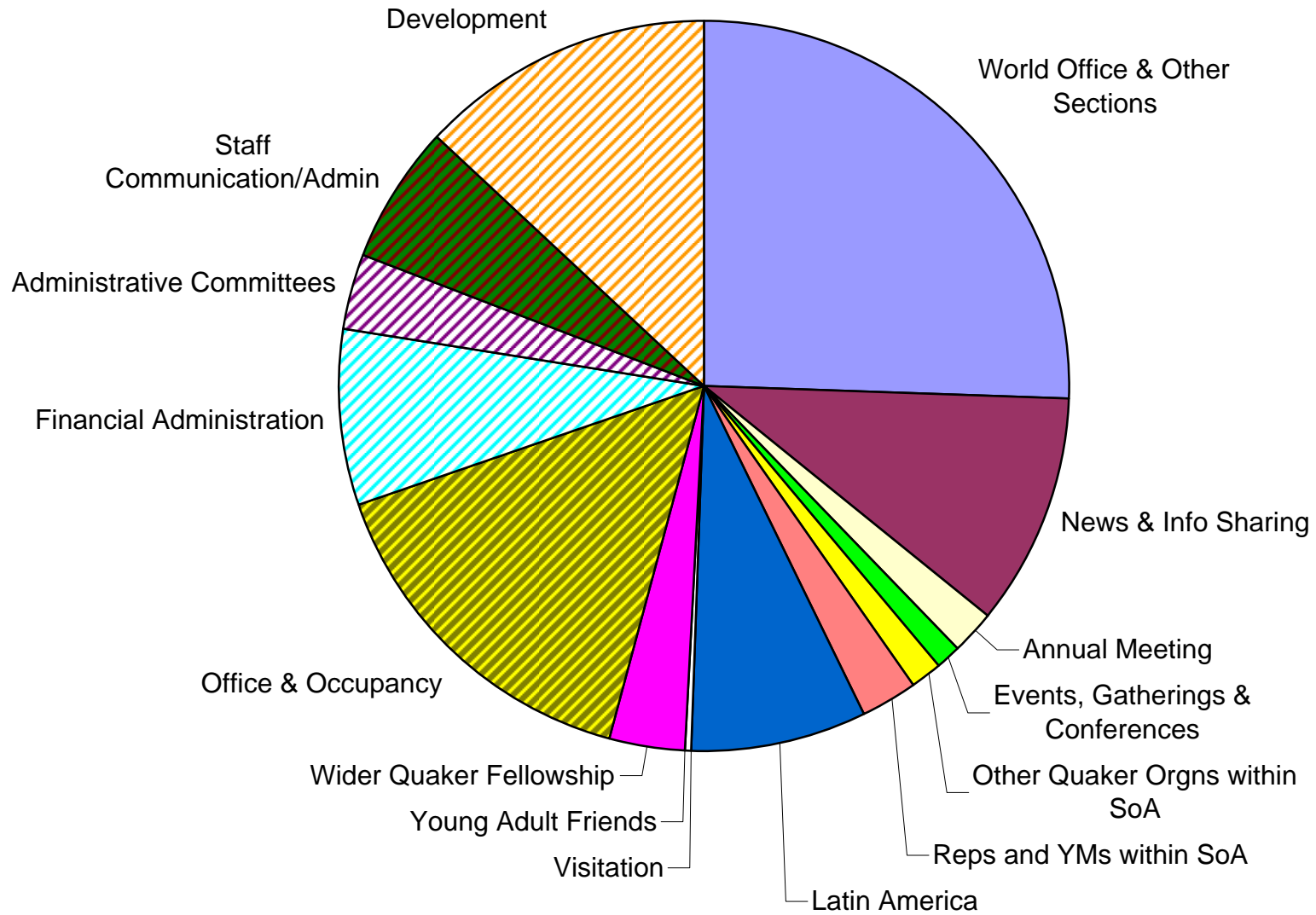
Expenses			Releases from Separate Funds			Net Organizational Costs		
Approved Budget	Actual for 8 Months	Projected for 12 Months	Approved Budget	Actual for 8 Months	Projected for 12 Months	Approved Budget	Actual for 8 Months	Projected for 12 Months
60,331	56,214	66,642				60,331	56,214	66,642
28,917	21,505	32,006				28,917	21,505	32,006
18,716	31,676	36,011	20,271	12,503	21,011	(1,555)	19,173	15,000
30,970	20,995	25,695	1,750	126	500	29,220	20,869	25,195
80,536	42,141	60,771	6,050	2,956	5,000	74,486	39,185	55,771
<b>219,470</b>	<b>172,531</b>	<b>221,125</b>	<b>28,071</b>	<b>15,585</b>	<b>26,511</b>	<b>191,399</b>	<b>156,946</b>	<b>194,614</b>

**GENERAL OPERATING FUND:**

Net Program Costs  
Net Organizational Costs  
TOTAL COSTS (net of restricted income)  
Total Unrestricted Income  
**NET (DEFICIT) in GENERAL OPERATING FUND**

Summary		
Approved Budget	Actual for 8 Months	Projected for 12 Months
230,470	199,827	229,948
191,399	156,946	194,614
421,869	356,773	424,562
370,537	242,703	342,295
<b>(51,332)</b>	<b>(114,070)</b>	<b>(82,267)</b>

**FWCC, SECTION OF THE AMERICAS**  
**Projected Expenses, Fiscal Year Ended April 30, 2010**



**Friends World Committee for Consultation, Section of the Americas**  
**Statements of Financial Position**

As of Fiscal Year Ends: April 30, 2009 and 2008  
Plus Interim: December 31, 2009

	<u>12/31/2009</u>	<u>4/30/2009</u>	<u>4/30/2008</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 141,108	\$ 231,688	\$ 109,908
Investments (Fiduciary, Schwab, Calvert)	558,342	539,710	883,881
Unconditional promises to give	34,572	34,572	35,000
Other assets (Accrued investment income, prepaid expenses)	4,567	35,477	34,394
Total Current Assets	738,589	841,447	1,063,183
<b>Property and Equipment</b>			
Office Equipment	26,179	22,711	22,711
Less: Accumulated depreciation	(21,585)	(21,585)	(18,820)
Net Property and Equipment	4,594	1,126	3,891
<b>Non-Current Assets</b>			
Beneficial interests in perpetual trusts (Elkinton & Cadwallader)	370,599	370,599	538,902
Investments held for endowment purposes (Applegate)	25,517	25,517	37,105
Long-term unconditional promises to give	-	-	32,560
Investment in group health plan	4,750	4,750	4,750
Total Non-Current Assets	400,866	400,866	613,317
<b>TOTAL ASSETS</b>	\$ 1,144,049	\$ 1,243,439	\$ 1,680,391
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Loans payable	\$ 14,500	\$ 14,500	\$ 42,500
Accounts payable	5,485	34,255	3,959
Other liabilities	4,702	43	5,852
Total Current Liabilities	24,687	48,798	52,311
<b>Net Assets</b>			
Unrestricted:			
Undesignated	(636,378)	(527,140)	(346,920)
Designated	919,114	870,836	912,799
Total Unrestricted Net Assets	282,736	343,696	565,879
Temporarily restricted	702,317	453,224	484,589
Permanently restricted	134,309	397,721	577,612
Total Net Assets	1,119,362	1,194,641	1,628,080
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 1,144,049	\$ 1,243,439	\$ 1,680,391

**FWCC, SECTION OF THE AMERICAS**  
**Proposed General Operating Fund Budget for**  
**Fiscal Year Ending April 30, 2011**

**UNRESTRICTED INCOME:**

Contributions  
Investment Income  
Administrative fees and Misc. Income  
Release from Stewardship Fund  
**Total Unrestricted Income**

Income		
Projected for Current Year	Fiscal 2011 Budget	
	A	B
262,500	245,000	260,000
21,548	18,931	18,931
1,337	1,053	1,053
56,910	48,152	48,152
<b>342,295</b>	<b>313,136</b>	<b>328,136</b>

**PROGRAMS SUPPORTED BY  
UNRESTRICTED INCOME:**

World Office & Other Sections  
News & Info Sharing  
Annual Meeting  
Events, Gatherings & Conferences  
Other Quaker Orgns within SoA  
Reps and YMs within SoA  
Latin America  
Visitation  
Young Adult Friends  
Wider Quaker Fellowship  
**Total Program Costs**

Expenses			Restricted Program Income			Net Program Costs		
Projected for Current Year	Fiscal 2011 Budget		Projected for Current Year	Fiscal 2011 Budget		Projected for Current Year	Fiscal 2011 Budget	
	A	B		A	B		A	B
108,447	95,740	95,740				108,447	95,740	95,740
44,298	34,215	33,140	95			44,203	34,215	33,140
39,195	57,020	7,225	31,495	42,557	7,225	7,700	14,463	-
4,734	5,510	52,140	18	1,000	43,500	4,716	4,510	8,640
6,588	6,235	5,335	879	1,500	600	5,709	4,735	4,735
10,585	14,044	8,700	264	1,000	1,000	10,321	13,044	7,700
44,098	44,971	44,971	10,328	7,500	7,500	33,770	37,471	37,471
4,398	780	780	3,069	780	780	1,329	-	-
30	600	600				30	600	600
26,556	20,450	19,200	12,833	20,450	19,200	13,723	-	-
<b>288,929</b>	<b>279,565</b>	<b>267,831</b>	<b>58,981</b>	<b>74,787</b>	<b>79,805</b>	<b>229,948</b>	<b>204,778</b>	<b>188,026</b>

**ORGANIZATIONAL COSTS:**

Office & Occupancy  
Financial Administration  
Administrative Committees  
Staff Communication/Admin  
Development  
**Total Organizational Costs**

Expenses			Releases from Separate Funds			Net Organizational Costs		
Projected for Current Year	Fiscal 2011 Budget		Projected for Current Year	Fiscal 2011 Budget		Projected for Current Year	Fiscal 2011 Budget	
	A	B		A	B		A	B
66,642	58,592	58,592				66,642	58,592	58,592
32,006	29,620	29,620				32,006	29,620	29,620
36,011	25,650	19,475	21,011	13,150	8,850	15,000	12,500	10,625
25,695	7,925	7,925	500	600	600	25,195	7,325	7,325
60,771	58,565	47,090	5,000	6,000	6,000	55,771	52,565	41,090
<b>221,125</b>	<b>180,352</b>	<b>162,702</b>	<b>26,511</b>	<b>19,750</b>	<b>15,450</b>	<b>194,614</b>	<b>160,602</b>	<b>147,252</b>

**GENERAL OPERATING FUND:**

Net Program Costs  
Net Organizational Costs  
TOTAL COSTS (net of restricted income)  
Total Unrestricted Income  
**NET (DEFICIT) in GENERAL OPERATING FUND**

Summary		
Projected for Current Year	Fiscal 2011 Budget	
	A	B
229,948	204,778	188,026
194,614	160,602	147,252
424,562	365,380	335,278
342,295	313,136	328,136
<b>(82,267)</b>	<b>(52,244)</b>	<b>(7,142)</b>