

JAGUAR CLUBS OF NORTH AMERICA
Board of Directors' Meeting
August 27, 2021
Treasurer's Report
Respectfully Submitted by William W. Sihler

Overview

The financial statements for the first half of 2021 are not yet available. This discussion therefore reviews the first quarter of 2020 and 2021.

Attached are the first quarter income statements 2020 and 2021 with balance sheets as of March 31, 2020 and 2021. In addition, there is a reconciliation of the cash flow for the first quarter. Overall, for the first quarter, JCNA showed income of \$64,924 in 2021 compared to income of \$63,985 in 2020 despite the absence of a \$25,000 contribution from JLR.

Revenues Review

Revenue from membership was up 5.9% even though several clubs had unexpectedly sent in their 2021 dues late in 2020 and that to July membership is only up by 2%. This suggests dues were forwarded sooner than in 2020. The objective of Special Revenue activities is typically to avoid losses but not to expect significant income from them because they are a service to members. In the first quarter of 2021, these contributed net income of about \$1,900, largely because the tool loan program (which typically runs a small loss) was not used as much in the first quarter of 2021 as in 2020.

Net revenue was down by \$17,800. Adjusting for the lack of a \$25,000 contribution from JLR in 2021 shows that on a comparable basis, net revenues from continuing operations were actually up about \$7,000.

Operating Expenses

JCNA's operating expenses, which are largely fixed, were \$8,000 during the first quarter, a decline in 2021 of about \$2,000 from the 2020 level. This was largely the result of dropping a Facebook administrator's fee.

Membership Benefits

These are products and services provided to members and clubs without further charge, such as Championship Trophies, the website, and insurance. Because of the pandemic, there was a considerable saving in cost of these benefits in 2021 versus 2020. Likewise, the postponement

of the AGM from the first quarter provided a reduction in Membership Benefit costs for that quarter. Thus, for the first quarter 2021, the cost of Membership Benefits was almost \$12,000 less in 2021 than in 2020. Although some of the cost savings (such as not printing membership cards as such) will continue, other costs will return later in the year and may even be much higher as Club activities pick up later in 2021 compared to 2020 levels.

Jaguar Journal

The Journal benefited from almost an additional \$8,000 in advertising revenue in the first quarter of 2021, but this was because two issues were booked in 2021 versus 2020 in that quarter. On a comparable basis, the advertising revenue for the quarter was virtually the same. Overall, total Jaguar Journal revenues for the first quarter 2021 were down by \$6,000 because JLR had not yet asked for the copies they usually receive. I understand this situation has been resolved.

On the expense side, total costs were down about \$3,000 in 2021 versus in 2020. The largest reductions were in Bank Charges and in Printing/Layout, offset by increased mailing costs.

The next result was a reduction of Jaguar Journal's loss by \$5,635. Most of this reduction was because the postage costs for the second edition included in 2021 first quarter's figures was not yet completely available at the end of the quarter.

Balance Sheet

The investment and bank accounts were down by \$1,139 from March 31, 2020 to March 31, 2021 despite overall net increase in income of \$939 in the first quarter 2021. A drop in accounts receivable generated \$10,288 in cash. The increase in inventory (trophies) of \$4,400 and the website costs of \$5,000 that were capitalized used up the cash generated from the reduction in receivables.

Cash Flow

During the first quarter of 2021, JCNA's increase in cash of \$76,559.150 was primarily the result of dues. These receipts predominately come in the first quarter of the year. Additional sources of cash came from an increase in liabilities, primarily accounts payable. There was also an increase in accounts payable, although this was offset by an increase in other assets, primarily in the trophy inventory.

Jaguar Clubs of North America Inc
Profit and Loss
 January - March

	Total		
	2021	2020	Change
REVENUE			
General Revenue			
Club Dues	\$ 105,445.00	\$ 99,599.00	\$ 5,846.00
Members at Large	2,194.00	2,278.00	(84.00)
Life Member Income			-
Total General Revenue	\$ 107,639.00	\$ 101,877.00	\$ 5,762.00
Special Revenue (net)			
AGM Event Income			-
Event Registrations	165.00	125.00	40.00
Events Contribution	\$ 165.00	\$ 125.00	\$ 40.00
Hard Regalia Sales	363.85	546.65	(182.80)
Regalia Expense	(16.52)	(7.58)	(8.94)
Regalia Contribution	\$ 347.33	\$ 539.07	\$ (191.74)
Publications	1,042.06	1,099.00	(56.94)
Publications Expense		(390.48)	390.48
Publication Contribution	\$ 1,042.06	\$ 708.52	\$ 333.54
Regalia/Publications S & H Collected	252.87	257.94	(5.07)
Regalia Shipping Costs	(88.00)	(32.48)	(55.52)
Publication Shipping Costs	(280.18)	(584.78)	304.60
Net Regalia/Publications Shipping	\$ (115.31)	\$ (359.32)	\$ 244.01
Net Regalia and Publications Contribution	\$ 1,274.08	\$ 888.27	\$ 385.81

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	Total			
	2021	2020	Change	
Trophy Sales		1,309.00	(1,309.00)	1
Trophies Shipping Collected		45.00	(45.00)	
Trophies Expense		(1,326.26)	1,326.26	
Trophies Shipping Costs	(40.48)	(122.06)	81.58	
Net Trophy Contribution	\$ (40.48)	\$ (94.32)	\$ 53.84	
Tool Loan Program	(205.00)	(1,268.00)	1,063.00	
Tool Loan Shipping	(75.63)	(410.19)	334.56	
Net Tool Loan Contribution(Expense)	\$ (280.63)	\$ (1,678.19)	\$ 1,397.56	
Total Special Revenue	\$ 1,117.97	\$ (759.24)	\$ 1,877.21	
Other Income				
Interest Income	1,052.24	1,506.27	(454.03)	
Jaguar Cars Club Sponsorship		25,000.00	(25,000.00)	2
Tech Line Advertising (no Jaguar Journal)			-	
Miscellaneous Income			-	
Total Other Income	\$ 1,052.24	\$ 26,506.27	\$ (25,454.03)	
Net Revenue	\$ 109,809.21	\$ 127,624.03	\$ (17,814.82)	
Operating Expenses				
Accounting Expense	1,197.50	710.00	487.50	
Archival Storage	1,500.00	1,020.60	479.40	
Legal	-	-	-	
Processing PayPal Fees	209.07	276.37	(67.30)	
Bank Charges	53.00	58.50	(5.50)	
Credit Card Service Charges	947.82	870.58	77.24	
Interest	-	-	-	
License & Tax	25.00	25.00	-	

	Total		
	2021	2020	Change
Postage - Administrative	20.76	428.26	(407.50)
Printing/Copying	-	-	-
Office Supplies	-	128.79	(128.79)
Telephone	179.85	179.85	-
Other Administrative Expenses	196.46	592.73	(396.27)
Dues and Subscriptions	111.30	74.20	37.10
Administrative Manager	3,300.00	3,200.00	100.00
Donations	-	-	-
Awards/Gifts	257.96	193.47	64.49
Facebook Administrator Fees	-	2,188.00	(2,188.00)
Meals Expense	-	-	-
Total Operating Expenses	\$ 7,998.72	\$ 9,946.35	\$ (1,947.63)
 Membership Benefits			
Insurance	3,383.76	2,148.47	1,235.29
Website	4,018.17	2,589.17	1,429.00
Website Amortization Expense	1,766.75	-	-
Website Manager	4,800.00	4,800.00	-
Slalom Timing Equipment Rebate	-	-	-
Sponsored Events	-	710.00	(710.00)
Events - AGM	-	6,423.14	(6,423.14)
Events - Trophies Given	-	2,773.00	(2,773.00)
Events - Trophies Given Shipping Costs	-	1,037.43	(1,037.43)
Meetings-Board	-	-	-
Travel Expense	-	975.85	(975.85)
 Membership Expenses			
Other Membership Expenses	110.22	-	110.22
Membership Card Mailing	395.70	1,361.06	(965.36)
Membership Mailing Supplies	299.28	958.77	(659.49)
Membership Postage	833.72	2,273.01	(1,439.29)

	Total			
	2021	2020	Change	
Membership Card Printing	63.37	2,013.33	(1,949.96)	
Membership Contractor Services	3,381.25	2,037.50	1,343.75	
Life Membership Expense	-	33.90	(33.90)	
Total Membership Expenses	\$ 5,083.54	\$ 8,677.57	\$ (3,594.03)	
Total Membership Benefits	\$ 19,052.22	\$ 30,134.63	\$ (11,811.73)	
Jaguar Journal Profit and Loss Statement				
Revenue				
Advertising	\$ 15,745.00	\$ 7,793.75	\$ 7,951.25	3
Jaguar Cars	4,500.00	4,500.00	-	
Web Banner Advertising	1,516.00	1,219.00	297.00	
Holiday Gift Guides			-	
JOA Anniversary Badges			-	
Jaguar Journal Copies	285.00	6,273.00	(5,988.00)	4
JJ Thumb Drive Archive	49.00		49.00	
Archive Sales Shipping	7.99		7.99	
Total Thumb Drive Archive	\$ 56.99	\$ -	\$ 56.99	
Subscriptions	120.00	25.00	95.00	
Total Jaguar Journal Revenue	\$ 22,222.99	\$ 19,810.75	\$ 2,412.24	
Expenses				
JJ Bank Charges	-	1,191.40	(1,191.40)	
JJ Miscellaneous Expense	-	-	-	
JJ Editor Expense	11,400.00	11,790.00	(390.00)	
JJ Associate Editor	700.00	700.00	-	
JJ Commission Expense	1,809.69	2,614.03	(804.34)	Timing
JJ Mailing	9,094.59	7,935.10	1,159.49	
JJ Printing/Layout	16,659.06	18,043.70	(1,384.64)	

	Total		
	2021	2020	Change
JJ Design Fee	-	-	-
Publisher's Liability Insurance	-	499.75	(499.75)
JJ Accounting Expense	393.75	506.25	(112.50)
Total Jaguar Journal Expenses	\$ 40,057.09	\$ 43,280.23	\$ (3,223.14)
Jaguar Journal Net Income(Loss)	\$ (17,834.10)	\$ (23,469.48)	\$ 5,635.38
Other Income(Expense)			
Temporary Account			-
CD Exchange Gain or Loss Realized	-	(88.55)	88.55
Total Other Income(Expense)	\$ -	\$ (88.55)	\$ 88.55
Jaguar Clubs of North America Inc Net Income(Loss)	\$ 64,924.17	\$ 63,985.02	\$ 939.15

NOTES:

All reports are produced on the accrual basis of accounting not cash basis of accounting.
(Accrual - recognizing revenue when invoiced and expenses when entered as an accounts payable).

- 1) No trophy revenues recorded for 1st qtr 2021
- 2) Jaguar was invoiced for the \$25,000 sponsorship in 2020 and was later credited out
- 3) Jaguar Journal billing in 2021 was for 2 issues versus 1 issue in 2020
- 4) Jaguar Journal issues were invoiced to Jaguar in 2020 but have not been paid for

Jaguar Clubs of North America Inc
Balance Sheet
As of March 31, 2021

	Total			
	As of Mar 31, 2021	As of Mar 31, 2020	Change	
ASSETS				
Current Assets				
Bank Accounts				
101-5 PayPal	\$ 687.98	\$ 775.21	\$ (87.23)	
101-6 BB&T Checking (3938)	2,108.78	48,762.97	-46,654.19	
101-7 BB&T Checking (3954)	93,995.43	26,288.90	67,706.53	
101-8 BB&T Money Savings (3970)	10,029.30	31,526.86	-21,497.56	
104-0 Cash in Brokerage Account	25,536.49	4,143.18	21,393.31	
104-9 Merrill Lynch-Goldman Sachs BK USA (01/06/21)		32,000.00	-32,000.00	
105-1 Merrill Lynch-Goldman Sachs BK USA (05/04/21)	8,000.00	8,000.00	0.00	
105-2 Merrill Lynch-DN JP Morgan Chase BK NA Callable (04/29/22)		8,000.00	-8,000.00	
105-4 CD Capital One BK (05/03/22)	2,000.00	2,000.00	0.00	
105-5 CD Synchrony Bank (10/20/22)	10,000.00	10,000.00	0.00	
105-6 CD Synchrony Bank (05/11/23)	27,000.00	27,000.00	0.00	
105-7 CD Capital Bank (08/15/22)	20,000.00	20,000.00	0.00	
105-8 CD Comenity Capital Bank Draper (05/15/24)	26,000.00	26,000.00	0.00	
105-9 CD Sallie Mae Bank (08/29/22)	4,000.00	4,000.00	0.00	
105-10 CD Morgan Stanley PVT (08/29/23)	19,000.00	19,000.00	0.00	
105-11 CD Morgan Stanley BK NA (04/02/25)	50,000.00	50,000.00	0.00	
105-12 CD BMO Harris BK Natl NA (03/31/21)		10,000.00	-10,000.00	
105-13 DN JP Morgan Chase BK NA (03/31/21)		5,000.00	-5,000.00	
105-14 CD TIAA FKA Everbank (01/21/26)	13,000.00		13,000.00	
105-15 CD Luana Savings Bank (01/22/24)	20,000.00		20,000.00	
Total Bank Accounts	\$ 331,357.98	\$ 332,497.12	-\$ 1,139.14	
Accounts Receivable				
200-1 Accounts Receivables	31,763.61	42,051.78	-10,288.17	1
Total Accounts Receivable	\$ 31,763.61	\$ 42,051.78	-\$ 10,288.17	
Other Current Assets				
208-0 Undeposited Funds			0.00	
250-0 Prepaid Advertising			0.00	
301-0 Inventory - Regalia/Publications	1,250.00	1,500.00	-250.00	
302-0 Inventory - Trophies	28,178.47	24,461.31	3,717.16	2
305-0 Inventory - E-Type Badges/Pins	912.65		912.65	
Total Other Current Assets	\$ 30,341.12	\$ 25,961.31	\$ 4,379.81	
Total Current Assets	\$ 393,462.71	\$ 400,510.21	-\$ 7,047.50	
Other Assets				
400-0 Prepaid Insurance	2,532.88	2,676.60	-143.72	
400-1 Prepaid Insurance-JJ		1,499.25	-1,499.25	
400-1 Prepaid Website Development		19,400.00	-19,400.00	
450-1 Website Development Costs	21,200.00		21,200.00	
Accumulated Amortization	(5,299.73)		-5,299.73	4
Total Other Assets	\$ 18,433.15	\$ 23,575.85	-\$ 5,142.70	
TOTAL ASSETS	\$ 411,895.86	\$ 424,086.06	-\$ 12,190.20	

Jaguar Clubs of North America Inc
Balance Sheet
As of March 31, 2021

	Total		
	As of Mar 31, 2021	As of Mar 31, 2020	Change
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
500-1 Accts Payable	\$ 15,636.07	\$ 16,480.46	\$ (844.39)
502-0 Deferred Club Dues			0.00
503-0 Deferred MAL Dues			0.00
504-0 Deferred Subscriptions			0.00
Total Accounts Payable	\$ 15,636.07	\$ 16,480.46	-\$ 844.39
Credit Cards			
507-1 BB&T Credit Card	1,890.94	2,515.84	-624.90
Total Credit Cards	\$ 1,890.94	\$ 2,515.84	-\$ 624.90
Other Current Liabilities			
508-0 Advertisers Prepaid Billings	1,125.00		1,125.00
509-0 Due to Affiliate Clubs			0.00
Total Other Current Liabilities	\$ 1,125.00	\$ 0.00	\$ 1,125.00
Total Current Liabilities	\$ 18,652.01	\$ 18,996.30	-\$ 344.29
Total Liabilities	\$ 18,652.01	\$ 18,996.30	-\$ 344.29
Equity			
600-00 Net Assets -Unrestricted	259,193.10	259,193.10	0.00
699-9 Retained Earnings	69,126.58	81,911.64	-12,785.06
Net Income	64,924.17	63,985.02	939.15
Total Equity	\$ 393,243.85	\$ 405,089.76	-\$ 11,845.91
TOTAL LIABILITIES AND EQUITY	\$ 411,895.86	\$ 424,086.06	-\$ 12,190.20

3

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(Accrual - recognizing revenue when invoiced and expenses when entered as an accounts payable).

- 1) A/R increase in 1st Qtr 2020 due to JLR annual billing done in March 2020 (\$32,464);
A total of \$7,464 in 2021 balance includes the Land Rover billing from 03/30/2020 for Dealer Copies and Shipping not paid;
The Jaguar Journal Billing for March/April 2020 issue was billed in April 2020 for a total of \$11,593.75
- 2) Purchased Trophies from Nilusa in January 2020 at a cost of \$7,250; Record Cost of Goods Sold \$1,286.69 for Trophies sold
Information for Cost of Goods Sold provided by Dave McDowell.
A deposit of \$4,200 for Trophies from Quality Design Industries was made on 02/16/21
- 3) In December 2020, a prepayment of \$1,350 (discount for 6 issues) for advertising was made to begin
with March/April 2021 issue - recognized \$225 in March.
- 4) Amortization of Website Developments costs total \$7,067 for the year with a quarterly expense of \$1,766.75.

Cash Flow Dec 31, 2020 to March 21, 2021

Cash and Investments, December 31, 2020	254,790.70
Plus: Net income, First Quarter	64,924.17
Plus: Net increase in liabilities	12,562.22
Less: Net increase in assets	(927.24)
Trial balance, cash and investments, March 31, 2021	331,349.85
Actual balance, cash and investments	331,357.98
Adjustment in Equity account	8.13