

## FINANCIAL REPORT FOR THE YEAR 2018

First of all, can I offer my apologies for not being able to attend the AGM.

Copies of the annual Income and Expenditure Statement are available around the hall and have been published in the May newsletter. I hope that you have been able to have a look the report. If you have any questions, please e-mail [treasurer@exmouthu3a.org.uk](mailto:treasurer@exmouthu3a.org.uk), or address them to Keith Phillips, who will record the question for me. I will publish my answers/comments in the June newsletter.

In order to pre-empt some of the more obvious questions I would like to make the following observations.

During the year we recorded an excess of expenditure over income amounting to £2467.10 compared with a surplus of £ 1690.91 in the previous year.

This difference is caused, partly by normal increases in costs charged to the U3A, for example the charge to hire the Pavilion rises every January, and the payments the Third Age Trust were higher, because of an increased number of members compared to last year.

In addition to these cost increases there are several items I would like to comment on specifically. They are:

Membership – even though we had more members the income this year is lower than last year because the renewal cycle started later this year than last. During the next year I will be looking at ways to improve this situation.

Beacon – Beacon is the computer system we use for membership and finance. The Third Age Trust charge us a small fee for its use. The fee per member doubled this year and will increase again for the next year. The system is seen by the Third Age Trust as a valuable resource but is not considered to be maintainable in its current form with its current funding model. An initiative has been started to replace the current version with 'Beacon 2', which will be more easily developed, supported and funded in the future. When details of the replacement system are announced your committee will consider the proposals and decide if they meet our needs, or whether we need to investigate alternatives.

Social events – the surplus in the 'Social' Fund is caused by payments being made for the trip to the Customs House in Exeter, for which the expenditure will be in the financial year 2019.

Coop fund – the income from the grant awarded by the Coop last year, was included in the Income and Expenditure Statementt for 2018, but the expenditure occurred in

this financial year. Using this grant, we have improved the audio-visual presentation at the monthly meetings, by purchasing two head microphones and contributing a sum of money towards the purchase of the new projector at the Pavilion. I hope you will agree that both have been significantly beneficial.

At the end of March 2019, the last day of the Financial Year our bank balance stood at £ 12630.94.

Prior to last year's AGM concerns had been raised that we were holding a larger than required level of reserves. In order to address these concerns, I have put in place a 'Reserves' Policy, which can be found on our website. Detailed in this policy is the process we will go through on an annual basis to review our level of reserves and make any adjustments your committee feel is necessary. The first of such reviews will take place in the autumn of 2019. The feeling of your committee is that the level of reserves we are holding currently, is appropriate to cover expected cost increases (eg the cost of hiring the Pavilion rises annually) and unexpected events without having to raise the membership fee.

Finally, I would like to remind you that the new policy on 'Financing Group Activities' came into force on the 1<sup>st</sup> April (and it is not a joke contrary to what you might think!). I do not want to go into detail here, but can I encourage all group organizers to read the policy and comply with its requirements.

Richard Morgan ACMA, CGMA  
Hon. Treasurer,  
Exmouth & District U3A