

# ***Treasurer's Report***

## ***2018-19***



*AGM: 04 June 2019*

*Graham Barber*

*Treasurer & Membership Secretary*

## Introduction

In summary, 2018-19 was another solid and successful year – in financial & membership terms – for the Society. Our bottom line number is that the Society made a surplus of £1016.80 compared with last year's surplus of £312. However, we had set a plan for the last two years of making a calculated deficit in order to draw on some surplus funds that we hold in our savings accounts, so we failed to meet that challenge for the second consecutive year; I'll outline the reasons why shortly.

## Membership

Regarding Membership numbers, we are operating at our self-imposed cap of 202 members (including 2 non-attending remote members). Although average attendance remains below 50%, we have no plans to increase this cap for next season. Results from the recent membership survey indicate a desire from members not to grow any further. As of 31<sup>st</sup> March, we had 21 people on our waiting list, the longest wait without an offer being around 5 months. As we approach the end of this season, I will be again quite "pushy" in requesting those intending to leave the Society to let me know so that we can offer places to as many of those as possible.

## Chart 1 (Simplified I&E)

Moving on to financial matters: the key columns to focus on - in the Income & Expense chart - are the 2018-19 Net figure, and the Budget figure to its immediate right.

## Lectures & Programme Events

Most of the Lecturer & Programme Costs were roughly in line with expectations, although strong sales for the Joe McNally event plus an under-run in other Lecturer costs did result in an unexpected surplus over budget of just over £500. Our major annual expenditure is the cost of hiring the Discovery Centre on a weekly basis and the rental rise of 32% a year ago was predicted in the budget. I did negotiate some extra services to be included in the rate, so we did come in slightly under budget. This factor together with higher subscriptions and visitor income resulted in our Programme net surplus coming in around £550 better than budget.

## Extra-Curricular Meetings

The normal Wednesday evening Special Interest Groups remain successful and, as a whole, achieved their financial objective of breaking even over the fiscal year. The two significant investment areas, (called out by last year's Business Plan) namely Training & Workshops, came in well below their budgets of £1200 each with the net effect of an £1800 surplus over budget. Both team leaders have indicated that a successful & popular programme can be run without a large budget, so this will be reflected in future years' plans.

## Exhibitions

Financially, the members' Print Exhibition (2018 in these accounts) was in line with expectations with a deficit of £468. The Winchester National Exhibition continues to be a good source of income for the society, achieving a surplus of over £2000 against a plan of £1500.

## Catering, Miscellaneous, Fixed Assets & Interest

From the Income & Expense chart, you will see that there are no major surprises in these areas with income and expenditure being well in line with the set budget. Asset Depreciation was £750 below plan which was the result of delaying a new projector purchase from 2018-19 to the current year.

## Bottom Line

As already indicated, the above factors resulted in a Net Surplus of £1016.80 against a planned Deficit of £3360.

So again, the Society was unsuccessful in drawing on its surplus reserves in our Savings accounts, so we will have a slightly modified plan for next year which I will cover in a moment.

## Chart 2 (Simplified Balance Sheet)

### Balance Sheet

For financial completeness, the Society Balance Sheet is included for information but I do not plan to spend time on discussing it unless there are any questions. The only factor that I wish to highlight is that our Accumulated Fund (that is all of our assets less all our liabilities) has now grown to £27,473.77, significantly more than the Society actually needs.

## Chart 3 (Budget & Forecast)

### Budget & Forecast

The Society established Business Plan 3 years ago and it is updated annually to reflect our Business & Financial Priorities over the next 5 years. Normally, I would be presenting an updated Business Plan at the AGM for member approval. However, the committee felt that it was important to have the time to analyse the comments from the recent membership survey before updating the plan. Hence I'll be updating the plan in the forthcoming season and will likely present its next revision at next year's AGM. However, it is important to set a budget for the forthcoming season, so that aspect alone has been updated and will be presented for approval today.

As a reminder, there are two important drivers in the Budget & Forecast:

1. Firstly, The Society has an surplus of money sitting unused in our Bank and Building Society accounts. The Society retains a certain amount for unforeseen circumstances and that figure is set aside safely in our Savings. The remainder (referred to as our "Surplus Reserves") will be invested for member benefits, although with the difficulty of spending this sum over the last two years, a modified approach is being made next year. That sum is estimated at around £15,000.
2. The largest expenditure item out of our control is the rental rates for the Discovery Centre. Over the last 2 years, we have been subjected firstly to a 100% rise, then a 32% rise, which had a significant effect on our consequent membership subscription fees. We have recently received details of the rates for next season and, with some surprise, I am happy to report that the rates are being kept flat year on year: i.e. a 0% increase.

Hence our financial intentions have been adapted for the coming seasons:

1. Last year's Business Plan assumed a 5% increase in DC rental. The fact that this rise is now zero, together with the fact that the Society made an unplanned surplus last year together with the challenge that the Society seems unable to make a Deficit even when it tries to all come together for the committee to propose that we will freeze our subscription rates for the coming season.
2. Last year's Business Plan predicted a 10% increase for 2 years before coming in line to the rises imposed by HCC in our DC Booking. This would have taken the subs rate to over £100 by 2022-23 as you can see in the light blue shaded row in the Budget & Forecast. We now plan a more conservative rise in subscriptions as you can see by the green shaded rows above the blue prediction. That approach is not without risk, however, as you cannot in the long term continue to subsidise membership fees from Savings (as at some

point those Savings will run out). So, it is not out of the question that higher rises may be needed in future years, so it's a situation that will be monitored carefully.

3. Our Lecture Programme remains the Society's key benefit and continued above-inflation investment of 5% per annum is planned. In addition, the incoming programme secretary will be made aware that a budget exists for a one-off big-name speaker should an opportunity arise. That would spend the available money to the benefit of the maximum number of members, rather than those that attend Wednesday events,
4. Investments in the Training & Workshops Programme will therefore be scaled back whilst aiming to maintain the quality of the current programmes. The Training Budget will be reduced to £250 within 2 years and the Workshops Budget set at Break-even, with £200 set aside to underwrite any unexpected situation.
5. Finally, on the 17<sup>th</sup>. November 2023, it will be the centenary of Winchester Photographic Society. Although some way away, planning will start shortly to commemorate the event and hence funds will be made available from our surplus funds in order to do the event justice.

The net effect of all of the above is that, all things being equal, the Society may incur a planned & controlled deficit of £1,449. From the very bottom row, you can see that the Society has surplus reserves of almost £15,000 to draw on to cover this plan. Over the next few years, a similar deficit of a little over £1,000 per annum is planned to draw down those reserves. Clearly, future committees and – dare I say – future treasurers will monitor these figures carefully to ensure that all keeps to a realistic plan.

Returning to the 2018-19 fiscal year, a full set of Accounts which have been independently verified, is available on request to the Treasurer.

Open questions at the AGM are always welcome, however if answers are likely to require research, I would appreciate an advance e-mail so that I can provide a comprehensive answer without holding up the meeting.

## **Chart 4 (Motions)**

### **AGM Vote**

At the Annual General Meeting, on behalf of the committee, I will hence be proposing:

1. Agreement to keep the Subscription Fees unchanged as follows:
  - Standard: £75
  - Joint: £132
  - Student: £10
  - Visitor: £5.
2. Society Approval of the 2019-20 Budget.

*Graham Barber LRPS AICB*

### **Treasurer & Membership Secretary**

*Four charts follow:*

1. *Simplified Income & Expense for 2018-19*
2. *Simplified Balance Sheet for 2018-19.*
3. *Budget for 2019-20 & Forecast for 2020-24.*
4. *Motions Proposed by the Treasurer.*

## WINCHESTER PHOTOGRAPHIC SOCIETY SIMPLIFIED VIEW - I&E - 31st March 2019

	2018-19				2017-18	Notes
	Income	Expense	Net	Budget		
<b>Lectures</b>						
Standard Lecturers		£ 1,522.10	-£ 1,522.10		-£ 621	~£550 extra surplus over budget: Strong Autumn Lecture (Joe McNally) sales together with Lecturer costs under plan
Spring or Autumn Lecture	£ 1,190.00	£ 646.00	£ 544.00	-£ 1,665	£ 30	
Ticketed Lectures	£ 36.00	£ 333.00	-£ 297.00		-£ 871	
WPS Visitors	£ 299.00		£ 299.00	£ 200	£ 224	
			-£ 976.10	-£ 1,465	-£ 1,238	
<b>Programme</b>						
Subscriptions	£ 14,238.00		£ 14,238.00	£ 13,904	£ 12,514	~£550 surplus over Budget: Technician costs absorbed by HCC, Subs under-estimated
Judges		£ 398.60	-£ 398.60	-£ 507	-£ 499	
Discovery Centre		£ 8,375.20	-£ 8,375.20	-£ 8,525	-£ 4,320	
Handbook		£ 800.00	-£ 800.00		-£ 800	
Competition Expense		£ 218.00	-£ 218.00	-£ 1,090	-£ 167	
Other Room Hiring		£ 118.75	-£ 118.75		-£ 118	
			£ 4,327.45	£ 3,782	£ 6,611	
<b>Extra-Curricular Meetings</b>						
AV Group	£ -	£ -	£ -		-£ 13	~£1800 surplus over Budget: Training & Workshops under-run Subsidies
Beginners Group	£ 150.00	£ 219.90	-£ 69.90		-£ 55	
Distinctions Group	£ 186.00	£ 116.96	£ 69.04		£ 74	
Enhanced Reality	£ 141.00	£ 95.00	£ 46.00		-£ 54	
SmartPhone Group	£ -	£ -	£ -		£ 11	
Improvers Group	£ 357.00	£ 258.17	£ 98.83		£ 68	
Panels Group	£ 273.00	£ 221.84	£ 51.16		£ 23	
Training	£ 1,654.00	£ 2,351.40	-£ 697.40	-£ 1,200	-£ 1,080	
Workshops	£ 1,248.00	£ 1,348.25	-£ 100.25	-£ 1,200	-£ 1,010	
			-£ 602.52	-£ 2,400	-£ 2,036	
<b>Print Exhibition 2018</b>						
Exhibition 2018 Income	£ 1,570.20		£ 1,570.20		£ 1,464	On Budget
Exhibition 2018 Expense		£ 2,038.83	-£ 2,038.83		-£ 1,839	
Software Apportionment		£ -	£ -		-£ 250	
			-£ 468.63	-£ 500	-£ 626	
<b>PDI Exhibition 2018</b>						
WNE 2018 Income	£ 5,158.50		£ 5,158.50		£ 5,634	Surplus of ~£500 over Budget
WNE 2018 Expense		£ 3,095.49	-£ 3,095.49		-£ 3,707	
Software Apportionment		£ -	£ -		-£ 250	
			£ 2,063.01	£ 1,500	£ 1,677	
<b>Catering</b>						
Tea & Coffee	£ 1,303.21	£ 483.57	£ 819.64		£ 873	On Budget
Other Catering		£ 897.79	-£ 897.79		-£ 741	
			-£ 78.15	£ -	£ 132	
<b>Miscellaneous</b>						
Miscellaneous Income	£ 5.60		£ 5.60		£ 22	On Budget
Fees		£ 1,180.11	-£ 1,180.11	-£ 2,077	-£ 1,057	
Office Supplies		£ 84.73	-£ 84.73		-£ 136	
Miscellaneous Expense		£ 671.27	-£ 671.27		-£ 845	
			-£ 1,930.51	-£ 2,077	-£ 2,016	
<b>Fixed Assets</b>						
Depreciation		£ 1,489.00	-£ 1,489.00	-£ 2,250	-£ 2,095	~£750 under Budget (Projector purchase delay)
Fixed Asset Expenses		£ -	£ -		-£ 148	
Fixed Asset Income	£ -		£ -		£ -	
			-£ 1,489.00	-£ 2,250	-£ 2,243	
<b>Interest Income</b>	£ 171.25		£ 171.25	£ 50	£ 51	~£120 Surplus over Budget
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>£ 27,980.76</b>	<b>£ 26,963.96</b>	<b>£ 1,016.80</b>	<b>-£ 3,360</b>	<b>£ 312</b>	~£4400 Surplus over Budget

**WINCHESTER PHOTOGRAPHIC SOCIETY**  
**SIMPLIFIED VIEW - Balance Sheet - 31st March 2019**

		2017-18	<u>Notes</u>
<b><u>FIXED ASSETS</u></b>			
Trophies	£ 5,462.94	£ 5,214.00	
Equipment	£ 2,827.99	£ 4,779.88	
Exhibition Software	£ -	£ 500.00	
Depreciation for the year	-£ 1,489.00	-£ 2,595.00	
<b><u>TOTAL FIXED ASSETS</u></b>		<b>£ 7,898.88</b>	
<b><u>CURRENT ASSETS</u></b>			
Prepayments	£ 744.24	£ 536.71	
Creditor (Hall Bookings & Deposits)	£ 23.50	£ 97.50	
Cash, PayPal, Bank & B.Soc. Accounts	£ 21,043.90	£ 18,413.16	
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>£ 21,811.64</b>	<b>£ 19,047.37</b>	
<b><u>LESS CURRENT LIABILITIES</u></b>			
Accruals	£ 468.00	£ 402.67	
Adjustment for 2019 Exhibition	£ 672.00	£ 204.81	
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>£ 1,140.00</b>	<b>£ 607.48</b>	
<b><u>NET CURRENT ASSETS</u></b>		<b>£ 18,439.89</b>	
<b><u>NET ASSETS</u></b>		<b>£ 26,338.77</b>	
<b><u>REPRESENTED BY:</u></b>			
Accumulated Fund at 1 April 2018	£ 26,456.77	£ 26,027.08	
Surplus/(Deficit) for the year	£ 1,016.80	£ 311.69	
Accumulated Fund c/f 31 March 2019	<b>£ 27,473.57</b>	<b>£ 26,338.77</b>	

### Winchester Photographic Society Budget & Forecast

		Completed Year		Budget	Forecast					
		2018-19		2019-20	2020-21	2021-22	2022-23	2023-24	Assumption	
		Actual	Budget					Centenary	17th Nov 2023	
<b>Membership</b>										
	Number (@ YE)	202	200	200	200	200	200	200	Flat (excluding Remotes)	
	Individual Subs	£75	£75	£75	£78	£82	£86	£90	Manually set until 22/23 then proportionally linked to DC rent	
	<i>Last Business Plan Outlook</i>			£82	£91	£97	£101		May 2018 projection	
	Subs per Member	£70	£62	£70	£73	£77	£81	£85		
<b>Lectures</b>										
	Lecturers	-£2,501	-£2,900	-£3,455	-£3,628	-£3,809	-£4,000	-£4,200	Assume increase (Investment):	5%
	Income from Ticketed Events	£1,226	£1,235	£1,225	£1,225	£1,225	£1,225	£1,225	Flat	
	WPS Visitors	£299	£200	£300	£300	£300	£300	£300	Flat	
	<b>Subtotal</b>	<b>-£976</b>	<b>-£1,465</b>	<b>-£1,930</b>	<b>-£2,103</b>	<b>-£2,284</b>	<b>-£2,475</b>	<b>-£2,675</b>		
<b>Programme</b>										
	Subscriptions	£14,238	£13,904	£14,097	£14,661	£15,394	£16,164	£16,972	As above	
	Discovery Centre	-£8,375	-£8,525	-£8,321	-£8,737	-£9,174	-£9,633	-£10,114	Assumption post 2019/20:	5%
	Judges	-£399	-£507	-£407	-£415	-£423	-£432	-£441	Inflation Assumption:	2%
	Handbook	-£800	-£800	-£816	-£840	-£866	-£883	-£901	Inflation Assumption:	3%
	Other Programme Expense	-£337	-£290	-£344	-£354	-£365	-£372	-£379	Inflation Assumption:	3%
	<b>Subtotal</b>	<b>£4,327</b>	<b>£3,782</b>	<b>£4,209</b>	<b>£4,314</b>	<b>£4,566</b>	<b>£4,844</b>	<b>£5,137</b>		
<b>Extra-Curricular</b>										
	Special Interest Groups	£195	£0	£0	£0	£0	£0	£0	Break even target	
	Training	-£697	-£1,200	-£750	-£500	-£250	-£250	-£250	Phase back subsidies to £250	
	Workshops	-£100	-£1,200	-£200	-£200	-£200	-£200	-£200	Underwriting Budget	
	<b>Subtotal</b>	<b>-£602</b>	<b>-£2,400</b>	<b>-£950</b>	<b>-£700</b>	<b>-£450</b>	<b>-£450</b>	<b>-£450</b>		
<b>Exhibitions</b>										
	Print Exhibition 2018	-£469	-£500	-£500	-£500	-£500	-£500	-£500	Uncertain HCT strategy	
	WNE 2018	£2,063	£1,500	£2,000	£2,000	£2,000	£2,000	£2,000	Actual target is £2200	
	<b>Subtotal</b>	<b>£1,594</b>	<b>£1,000</b>	<b>£1,500</b>	<b>£1,500</b>	<b>£1,500</b>	<b>£1,500</b>	<b>£1,500</b>		
<b>Other</b>										
	Catering Net	-£78	£0	-£100	-£100	-£100	-£100	-£100	Minor subsidy target	
	Fees (PayPal, SCPF, PLI, Website)	-£1,180	-£1,089	-£1,215	-£1,252	-£1,289	-£1,328	-£1,368	Inflation Assumption:	3%
	Miscellaneous Expense	-£750	-£988	-£773	-£796	-£820	-£845	-£870	Inflation Assumption:	3%
	Asset Depreciation & Expense	-£1,489	-£2,250	-£2,350	-£2,350	-£2,350	-£2,350	-£2,350	New Projector Effect	
	Interest	£171	£50	£160	£130	£100	£100	£100	Decreasing with Surplus	
	<b>Subtotal</b>	<b>-£3,327</b>	<b>-£4,277</b>	<b>-£4,278</b>	<b>-£4,368</b>	<b>-£4,459</b>	<b>-£4,523</b>	<b>-£4,588</b>		
	<b>Overall Surplus / Deficit</b>	<b>£1,016</b>	<b>-£3,360</b>	<b>-£1,449</b>	<b>-£1,357</b>	<b>-£1,127</b>	<b>-£1,103</b>	<b>-£1,075</b>	Head towards Zero	
<b>Balance Sheet</b>										
	Accumulated Fund	£27,473								
	Non-Cash Assets	£5,661								
	Liquid Assets (Money) Available	£21,812								
	Reserved for Risks	£6,904								
	<b>Surplus Reserves Remaining</b>	<b>£14,908</b>		<b>£13,459</b>	<b>£12,102</b>	<b>£10,975</b>	<b>£9,872</b>	<b>£8,797</b>	Target Zero over time	

# 4. Motions Proposed by the Treasurer

## 1 2018-19 Accounts

The Committee propose that the 2018-19 Accounts are approved by the Membership.

Motion proposed by Treasurer: Graham Barber AICB LRPS

## 2 Membership Fees

The Committee propose that the Membership Subscription Fees for 2019-20 remain unchanged at:

- Standard: £75
- Joint: £132
- Student: £10
- Visitor: £5

Motion proposed by Treasurer: Graham Barber AICB LRPS

## 3 2019-20 Budget

The Committee propose that the presented Budget for 2019-20 is approved by the Membership.

Motion proposed by Treasurer: Graham Barber AICB LRPS