

## **Open Morris Treasurer's Report 2018-19**

This is my second year as Treasurer, so this is the second set of accounts I have produced for the AGM. I have again this year adjusted the expenditure headings so that it is clearer how much various activities have actually cost.

Once again, I have included the full accounts to show detailed income and expenditure, see Appendix 1

### **Expenditure**

The total expenditure in 2018-9, £2,512.45, is about half the total expenditure in the previous year, £5010.11. As may be seen from the accounts almost half the difference, £1023.34, is because no issues of the magazine Dancing On were published during the year.

The budget headings have been adjusted between the two sets of accounts which is why the Officers Expenses heading is so much lower. Even so the main meetings, the Annual Officers Meeting (AOM), the Annual general Meeting (AGM) and participation in the JMO day of dance all cost less in 2018-19, £745.76 less between them. In May 2018 the AOM was linked to the JMO day of dance which was organized by Open Morris and did incur additional costs, including an overnight stay for Officers.

### **Income**

As may be seen from Appendix 2 this year we are able to balance the income expected from the membership with the actual income shown in the accounts. Although the membership has increased by a net 7 adult sides and 1 individual, £252 of additional income, this is not reflected in the amounts shown as subscription income in the accounts as compared to last year. Last year there were more refunds and 10 sides and 1 individual that paid the full subscription rate because of late payment, unlike this year where all payments were made on time.

In addition to the subscription income there were 2 £10 subscription overpayments given as donations and a significant donation of £250 in memory of Doug Pickering. As members will be aware Doug, a very long-standing member and active supporter of Open Morris, died suddenly in June this year. The donations from his funeral have been very generously given to Open Morris to set up a fund in his memory.

### **Financial Out-turn**

The amount shown in the accounts at year end, £15,226.71 including the balance of the Sue Dyke Donation, matches the amount in the bank on 31<sup>st</sup> August 2019 and the Independent Reviewer has signed off the accounts, See Appendices 3 and 4 of this report.

In the financial year to 31<sup>st</sup> August 2019 there was a surplus of £2,518.55.

### **Level of Financial Reserves**

Excluding the balance of the Sue Duke donation and the Doug Pickering donation, the Open Morris bank balance stands at £14,542.56. There has never been a policy decision about how much money should be kept in reserve and therefore how much is potentially available for initiatives.

Advice has been sought from the Independent Financial Reviewer about how much Open Morris should prudently keep in reserve. The Morris Federation has about 2.8 x annual income as a reserve and the Morris Ring has substantially more. The Independent Reviewer said that a small business would normally aim for 2-3 x annual income as reserve. The Open Morris income, excluding donations, for 2018-19 was £4,761.00. A reserve of 2.8 x income would be £13,330.80, giving £1,211.76 available for initiatives.

The AGM might decide that this is too high a reserve and aim for the lower end of the recommended range, 2 x income, which would be £9,522, allowing £5020.56 over.

Given the reasons for the surplus this year, particularly the lack of Dancing On publications, it is unlikely that such a big surplus will be achieved in subsequent years. Open Morris is breaking even but without significant additional membership, it is likely there will be no significant surpluses in years to come. Any money available over the reserve should only be used on one-off initiatives rather than recurring expenditure.

The Treasurer recommends that the AGM adopts the policy of 2 x annual income as a reserve and allocate a fund of £5000 for possible initiatives.

## Subscription Rates for 2019-20

Given the financial outturn above and the level of reserve proposed above, it is recommended the subscription levels for UK members remain the same.

It had been proposed that any surplus funds could be used to reduce the subscription rates, but a £10 reduction would potentially cost over £1300 per annum. The available money, £5000, would last less than 4 years. It is unlikely that such a reduction would attract many additional members.

The recommended rate table is shown below:

<b>Membership Category</b>	<b>Rate</b>
Adult side 'Early Bird' rate	£35.00
Adult side full rate	£45.00
Junior side 'Early Bird' rate	£15.00
Junior side full rate	£25.00
Individual 'Early Bird' rate	£7.00
Individual full rate	£17.00
Overseas side 'Early Bird' rate	£25.00
Associate side "Early Bird" rate	£25.00
Overseas side full rate	£35.00
Associate side full rate	£35.00