

BHSO Treasurer's Annual Report for the year ending 31-Jul-2019

Summary

As last year, I am presenting both our statutory and subjective accounts:

- Our statutory accounts, as provided to the Charity Commission, show **income** of £23,211 and **expenditure** of £18,766 resulting in a **surplus** of £4,455 (19.2% of our income).
- Subjective accounts have also been produced which adjust for income and expenditure relating to other financial years. The subjective accounts give a more accurate view of our true financial position and show **income** of £21,991 and **expenditure** of £19,738 resulting in a **surplus** of £2,253 (10.2% of our income).

The main reason for the surplus was that our claims for historic Gift Aid tax refunds for Members' subs and Patrons' donations, totalling £2840, were received in the financial year 2018-19. We expect to receive around £1,100 Gift Aid income per year from now on.

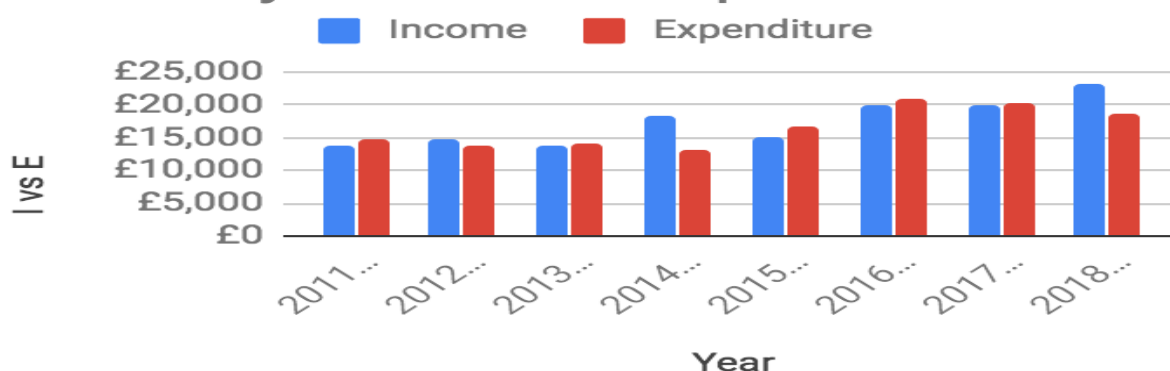
Analysis of our statutory accounts

On a statutory basis, the orchestra recorded a **SURPLUS** of £4,455 for the year 2018-19, compared to a **DEFICIT** of £270 for the previous year.

- **Total income** was **up** by £3,248, mainly due to the historic Gift Aid claim being received.
Other than that:
 - o Income from concerts; the grant from the HRT Trust; members' subs; and patrons' subs were little changed compared to last year.
 - o Miscellaneous income dropped, mainly because the figure for 2017-18 was inflated by the income for the annual Xmas dinner going through the current account.
 - o The "other" grant of £500 received in 2018-19 was from the Vaughan Williams Trust to offset some of the cost of hiring his fifth symphony.
- **Total expenditure** was **down** by £1,467. The significant changes were:
 - o Miscellaneous expenditure was down mainly because the previous year's figure was inflated by the expenditure for the annual Xmas dinner going through the current account.
 - o Printing expenditure was down because we have stopped providing programmes for players.
 - o Music hire/purchase expenditure varies according to the programmes we perform.
 - o The other categories of expenditure changed relatively little between the 2 years.

- **Cash in the bank** - at year-end, the orchestra held a total of £12,442 in cash compared to £7,997 at the start of the year. This represents 62% of our projected expenditure for the current year (2019-20), a healthy improvement on the 42% position last year and exceeding the target of 50% that we had set ourselves.
- Terry Leese has audited the accounts and he will feedback any comments and recommendations separately.
- The following graphs show how our income and expenditure has changed over the last 8 years. While our income and expenditure has increased significantly over this period, our expenditure has been fairly similar for the last 3 years and our income has been similarly stable if the historic Gift Aid is excluded.

Statutory income vs expenditure



Subjective analysis of our income and expenditure

As outlined above, I have created a subjective analysis of our accounts which adjusts the raw figures presented in our formal annual accounts to allow for income and expenditure incurred in the years either side of 2018/19 to be accounted for so that a true position of our financial health can be determined. The main adjustments made were:

- £1150 of the historic Gift Aid claim was allocated to the 2017-18 financial year so as to smooth the impact of this historic income over 2 years.
- Adjustments were made for expenditure on music incurred in one year but relating to the following year's November concert. The impact of this adjustment is to add expenditure of £1360 for music hire, purchase and arrangement relating to the Nov'18 concert and to deduct £318 relating to the Nov'19 concert; a net additional expenditure of £1042.

Other comments

The most significant points to consider are:

- Without the grant received from the Humphrey Richardson Taylor Charitable Trust (HRTCT) we would have a significant deficit and Members' subs would need to be increased by about

£80 a year per person to cover it. The committee would like to express our continued gratitude to the Trust for this grant.

- Ticket and programme sales (including Patrons' subs) peaked at £4900 for the John Williams concert in May'17 and were down to £3635 for the Nov'18 concert. Roughly every 38 tickets sold avoids an increase of £10 in Members' subs so it is critical that we all keep pushing ticket sales as much as we can. Put another way, if we all sold 1 more ticket per year, we would raise an additional £600 income.
- Our future income will now be boosted by an annual reclaim of tax paid on Members' subs and Patrons' donations. Please ask for a Gift Aid form if you pay sufficient tax (it only takes 1 minute to complete) and, if you have completed one, notify the Treasurer if you stop paying sufficient tax to prevent us making an invalid claim.

The Member subs have been held again this year. Member subs are reviewed annually along with the price of Patrons' subs, concert tickets and the fees that we pay players etc in the light of our financial position and the various factors affecting the items concerned.

Our projected budget for 2019-20 has been set assuming that inflation at 2% will affect much of our expenditure and with the aim of generating a small surplus to build up funds for a rainy day. For this year, we are projecting a surplus of £46.

Robyn Morgan, BHSO Treasurer, 6 October 2019