

BIRD STAMP SOCIETY

FINAL ACCOUNTS FOR FINANCIAL YEAR ENDED 31 JULY 2019

Year End 31/07/18

Year End 31/07/19

INCOME

	£	£		£	£
Subscriptions:			Subscriptions: (note 1)		
UK	1170		72 x UK @ £15 rate	1080	
Overseas	343		1 x UK @ ¼ £15 rate	4	
E-Mail Rate	265		8 x Europe £22 rate	174	
			4 x Rest of World £27 rate	108	
			49 x E-Mail £5 rate	245	
			1 x E-Mail rate FY17/18	5	
			Refund postage back issues (note 7)	17	
Donations	71		Donations	222	
Interest	5		Interest	7	
			Packet: (note 2)		
			Excess I/E:		
			FY2014/15	197	
			FY2015/16	414	
			FY2016/17	220	
			FY2017/18	512	
			FY 2018/19	415	
			E_Packet (note 3)		
			FY2014/15	28	
			FY2015/16	340	
			FY2016/17	298	
			FY2017/18	326	
			FY2018/19	97	
			Transfer of Retained Balance	350	
			Ashworth Donation:		
			Sales	364	
			Less Printing	109	255
			Compensation Santander Bank (note 4)	60	
Total Income		<u>1854</u>	Total Income		<u>5374</u>

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FINAL ACCOUNTS FOR FINANCIAL YEAR ENDED 31 JULY 2019

Year End 31/07/18

Year End 31/07/19

EXPENDITURE

	£	£		£	£
			Subscriptions refund (note 1)		
			FY17/18	15	
			FY18/19	42	
Flight (printing)	1272		Flight (printing)	1116	
Flight (postage)	472		Flight (postage) (note 7)	553	
			Address labels/envelopes	13	
			Prizes	29	
			Contact List:		
			Printing	65	
			Postage	56	
			Printing subs renewal form	23	
AGM Hire of Hall	48		AGM Hire of Hall	48	
Postage and stationery	38		Committee meeting - Hire of Hall	222	
			Committee Members expenses	441	
			Sep 18 AGM – Treasurer’s expenses	25	
			Committee member’s expenses		
			Postage, envelopes etc	47	
BTA Subscriptions	20		BTA Subscriptions	20	
			Website Fees FY17/18 (note 5)	39	
			FY18/19	39	
			Packet – loss of books (note 2)	67	
Total Expenditure		1850	Total Expenditure		2860
		4	EXCESS OF INCOME OVER EXPENDITURE		2514

BALANCE SHEET AS AT 31 JULY 2019

		<u>ASSETS</u>			
	£	£		£	£
Cash at Bank	12243		Cash at Bank	19611	
Postage Stamps (stock @ cost)	50				
(note 7)					
Sundry Debtors	-		Sundry Debtors (note 5)	116	
		12493			19727
			<u>LIABILITIES</u>		
Subscriptions paid in advance:			Subscriptions paid in advance: (note 6)		
UK Members @ £15 rate	315		UK Members @ £15 rate	285	
Overseas Members	246		European Members @ £22 rate	44	
E-Mail rate @ £5	45		Rest of World Members @ £27 rate	27	
			E-Mail rate @ £5	105	
			Packet	5065	
		606			5526
		<u>11687</u>			<u>14201</u>
			<u>ACCUMULATED FUNDS</u>		
Balance 1 Aug 17	9916		Balance 1 Aug 18	11687	
Transfer on closure of auction	1767				
Income over Expenditure	4		Income over Expenditure	2514	
		<u>11687</u>			<u>14201</u>

Notes:

1. **Subscriptions:** Quite a few members renew their subscriptions and in doing so 'donate' money to the Society. These donations are not included in the subscription total for each postal Zone however those with an 'eagle eye' will note that the total for the European rate is not divisible by £22 as one member only paid £20. The total number of paying members once all subscriptions had been received was 134. We have 9 x Life members, 2 x Associate members and 1 half of a family membership; none of these pay subscriptions (total 146 x members). The total membership at that time was 146. Under expenditure members will note a refund to 2 x 'ex members' for £42 (£15 + £27) for this FY and £15 for the previous FY. This was due to a member who had resigned in May 2017 not cancelling their S/O so they were refunded a total of £30. Another member who lives overseas, has his subs paid by a UK member and their cheque was banked. Subsequent to this the overseas member resigned his membership.

2. **Packet:** Members will be aware that the packet account is now operated via the main account. When the bank balance was transferred earlier this year I had to reduce this balance by transferring out the excess of Income over Expenditure for Financial Year (FY) 2014/15 to 11 Dec 18. Many years ago the Packet Secretary would have been authorized to retain an amount to pay for the Insurance renewal and for purchase of necessary stamps and stationery items. The current Packet Secretary has provided me with a set of accounts that is £370 more than was the balance in the main account and this difference would have been a 'retained' balance. £350 of this balance has now been transferred out of the packet account; the remaining £20 will be used by myself over time to pay for posting of vendor's cheques to our Packet Secretary.

Under 'Expenditure' members should note that a loss of books for £67 has been recorded. This loss was investigated and the Packet Secretary recommended that the loss not be recovered from our Insurance. As members will be aware claims made against insurers invariably result in an increase in premiums and as packets rarely go missing it was felt that any increase in premiums as a result of a claim would, over time, be more than the claim itself.

3. **E_Packet:** Our current Packet Secretary (Philip Cant) introduced his E_Packet scheme in FY 14/15. Our previous Packet Secretary did a risk assessment as to the possible impact on packet sales if members bought their stamps from the E_Packet scheme. An agreement was reached whereby Philip would pay the Society 10% on E_packet sales made to BSS members. The Committee, in light of the continued success of our packet scheme, decided that the risk, that may well have reduced packet sales and thus was valid, has not resulted in the packet operating at a loss. The payment of E_packet commission to the Society has therefore been discontinued.

4. **Santander:** The Society received £60 compensation for failure of service when they consistently failed to return 'booked' phone calls.

5. **Website Fees:** Our website host is an American based company and the fees are paid by a member of our Society who is then refunded. I have no documentation for this policy but the renewal is due sometime in June each year. Due to unforeseen circumstances in June 2018 the website fee could not be paid so our website was temporarily closed down. For those who accessed Flight via the website we had to e_mail a pdf copy of Flight. Our Chair managed to establish contact with this company and paid 5 years worth of fees. I have recorded the fees for FY17/18 & FY18/19 and 3 x years worth of fees are shown as a debtor. I see no prospect of recovering any of this money should we change hosts in the next 3 years and that being the case any outstanding debt will be written off.

6. **Subscriptions paid in advance:** The subscriptions recorded as 'income' are only those that apply to the current FY. When the subscription renewal form is included in the June issue of Flight many members takes the opportunity to renew before 31 July. Some members who pay their subscription by Standing Order have set this up for a date earlier than 1 Aug. The effect of this is that the bank account is increased by an amount that is not for the current FY so the liability decreases the overall worth of the Society until 1 Aug when this liability is automatically cleared.

7. **Flight postage:** The total shown (£553) includes £15 for stock of postage stamps already paid for, £17 for back issues to be sent to members who have since paid for this postage. It also includes £13.14 for back issues that were to the Membership Secretary.

These accounts need to be approved. Please do not hesitate to ask questions. If you happy with these accounts then please contact me to let me know and I will pass on the numbers approving the accounts to our Chairman & Secretary. The approval will appear in our December Flight.

GP Horsman FCIS , ACMA - Treasurer.

TREASURER'S REPORT FOR FINANCIAL YEAR (FY) ENDING 31 JULY 2019

1. This year probably saw more transactions for many a year. The accounts when compared to those for the previous FY prove this point. Members **SHOULD NOT** just look at the 'bottom line' and think that just because we made a substantial excess of income over expenditure that everything is fine.

2. **The 5 Year Plan.** For the benefit of all those members who joined after 1 Aug 13 and those whose memories of this period are somewhat 'lost in the mists of time' I will briefly summarize how this plan came about and its purpose. In June 2012 it was noted that the invoice for the printing of Flight had increased substantially. At this time Flight was only issued as a hard copy, as was the Auction catalogue. In September the invoice for Flight once again rose by a rate well above inflation. The AGM, held in that month, tabled ideas of introducing colour into Flight and also distributing Flight electronically. A quote for 4 x pages with some colour was obtained and the quote was very high. Shortly after, the invoice for our December flight was received and again another 'above inflation' increase was noted. Action needed to be taken so we switched printers whose quote for some colour resulted in the subscription being insufficient to cover the cost of Flight, its postage and net day to day running expenses. It was however almost half the price that we were being charged by the previous printer.

3. It was proposed in our March 2013 that an increase in subscriptions be made and that an e_mail rate of £5 would be introduced for those who wished to receive Flight electronically. The increase in our subscription rate was effective 1 August 2013. It was also mandated that the 5 year plan would be subject to an annual review and a new plan be formulated and introduced on 1 August 2013; regrettably that never happened.

4. The Committee has decided to create a new 5 year plan which will come into effect on 1 August 2020. This plan will include any projects that the Society wishes to pursue as well as a new proposal on subscriptions. I **MUST** stress that any proposals on subscriptions will be published in Flight and members will be asked to comment. In the past comments from members on proposals number less than 3. **It's your Society – you need to respond.**

5. **CURRENT SUBSCRIPTIONS.** The current rates are:

UK	£15
Europe	£22
Rest of World (Zones 1 & 2)	£27
E_Mail rate	£5

All of the E_mail rate is used to offset day to day running expenses. £5 was the 'most sensible' rate to charge.

6. Our printer's invoice is based on cost per page. Our March 2019 Flight was 36 x pages @ 0.086p per page, June 2019 was 32 x pages @ 0.092p per page. However it is still important to note that the March 19 Flight was £3.10 per member ; the June 2019 Flight £2.94 per member. Our printer has advised that their consumables are priced in \$US so any dramatic fluctuation in the exchange rate may give cause for them to review their prices. Notwithstanding their annual price increase of about 5% takes effect in January. On 30 July 2019 the exchange rate of the £1 to the \$US plummeted; if this does not recover then our printer may have to increase their prices sooner than January 2020.

6. Postage for the period September 2018 to March 2019 was

UK	£1.26 (2 nd Class large Letter rate)
Europe	£3.85
World Zone 1	£4.85
World Zone 2	£5.15

The annual increase in postal charges took effect on 25 March 2019 and the above rates were increased by 6p for UK members and 15p for the other 3 x postal zones. We have at least 1 x member who lives in one of the 4 postal zones and who receives a hard copy Flight.

7. The overall cost of Flight and postage by postal Zone based on June 2019 printing costs and current postal charges is:

UK Flight £2.94 + £1.32 postage = £4.26 x 4 = £17.04 less £15.00 subs results in a deficit of **£2.04** per UK member.

Europe Flight £2.94 + £4.00 postage = £6.94 x 4 = £27.76 less £22.00 subs results in a deficit of **£5.76** per Mainland European member.

ROW Zone 1 (Members living in North America, Canada & South Africa).

Flight £2.94 + £5.00 postage = £7.94 x 4 = £31.76 less £27 subs results in a deficit of **£4.76** per member.

ROW Zone 2 (Members living in Australasia).

Flight £2.94 + £5.30 postage = £8.24 x 4 = £32.96 less £27 subs results in a deficit of **£5.96** per member.

Your subscription should cover these costs plus or minus the net day to day running expenses.

8. Income is, and always will be, variable. From the accounts the income used to calculate net day to day running expenses is £649. In FY the same income types generated £588 (£71 + £5 = £512).

Donations £227 – usually high in this FY as we had a one-off donation of £100.

Bank Interest £7

Packet Excess of I/E £415

Total £649

All other incomes are deemed to be 'one-offs' and thus cannot be included in our calculations. The packet account holds a large balance (£5065). This is what is owed to vendors less 10% commission, Insurance contribution & P & P. The commission will be in the region of £450.

9. Expenses are less variable and from the accounts these expenses were £878 and comprised.

Labels/Envelopes for Flight	£13
Printing - Subs Renewal form	£23
Hire of Halls	£270 note 1
British Thematic Association (BTA) subs	£20
Travel expenses	£441 note 2
Membership Sec & Treasurers postage	£72 note 3
Website Fees	£39

Total £878

Although we incurred a £29 cost for prizes the responses to our competitions was so poor it has been decided not to award prizes for any future competitions.

Note 1. For the Committee meeting held at York the hire of the hall was £222. This was deemed to be excessive and the Secretary will seek cheaper options for any future meetings.

Note 2. Our Constitution now allows for Committee members to reclaim travel and accommodation expenses for any meetings.

Note 3. The postage for the Membership Secretary and Treasurer, whilst shown as £72 does not include £23 for postage to send stamps to members who bought stamps from the Ashworth donation. This was paid up front by the buyers.

It is not possible to estimate future expenses as much is dependent on how many Committee meetings are held each year but 2 per annum is not unreasonable. If we assume that the hire of hall for York is halved (£111) then the average expenditure will be in the region of £767 (£878 – £111).

10. Net running expenses is therefore £878 less £649 = £229. I do anticipate that the packet excess of income over expenditure will be higher in the next FY due to amounts we still have to pay to our vendors. It is anticipated that the increase excess will wipe out the deficit of £229. Net day to day running expenses will be part of the annual review for the new 5 year plan.

11. I appreciate that members may have lost the will to live with all these figures however it is important to note that **even if we were to ignore net day to day running expenses** then the subscription **still does not** cover the basic costs of Flight. The E-Mail rate is all used to offset their share of the running expenses. It **should not** be used to subsidize those on the hard copy rates. Ironically if nearly everyone were on the E-mail rate then the income to offset net day to day running expenses would be way in excess of the £229.

12. Members may well point out that with so much in the bank then why would we even consider increasing subscriptions. This has been already noted and a counter argument to this is 'if we were to start over with little or nothing in the bank would we have subscriptions at their current level?' – the answer is clearly NO. However, if and when, proposals are submitted to the membership to comment on then the Committee under the stewardship of our Chair will consider all comments and react accordingly.

13. The 5 year plan should also establish what the minimum amount we need to retain in the bank to cover any emergencies or the cost of future projects. If every member gave me a figure we would probably have 100 x different amounts!!

It is our intention however to revamp our website as it is dated and uninspiring. This will come at a cost which the Committee are currently investigating.

14. Please do not hesitate to ask questions and/or make comments. I appreciate that this document is lengthy & possibly confusing. One of my tasks is to report facts & to comment on the net effect of those facts. I am always available to clarify and explain.

Graham