

2022 AGM TREASURER'S REPORT

For the first half of this financial year our u3a offering to members was impacted by Covid. Even when we were able to re-introduce activities, attendance was understandably impacted by members' concerns about the threat to their wellbeing.

For the previous four years, our account balance was deliberately brought down by an artificially low fee for attending premises-based activities. On resumption of activities from July 2021, the attendance fee was revised and now varies based upon the hourly hire charge, the duration of the session and the typical number of attendees to approximately cover the room hire cost.

Over the last year, I have been involved in a number of conversations regarding the way the session fee is set. We could have set a new fixed fee of say £1.50 across all groups. We could introduce an hourly charge.

However, the chosen approach offers the advantage that the session fees for a given group change in line with say a significant change in the number of attendees for a given activity, without impacting upon the session fee paid by other groups. For the 2021-2022 financial year, the room hire subsidy is around £2,500; an amount easily covered from members' annual subscriptions.

We started the year with £53,844 in the bank and ended the year with £64,302. For those of you who simply want some headlines:

- We received membership subscriptions of around £23,000, half of which was paid by debit/credit card. This was topped up with £2,000 of Gift Aid from HMRC.
- We received £27,000 in session fees for premises-based activities. We spent £30,000 on hiring premises.
- We spent around £27,000 on tutors. This was covered by contributions from members.

A switch to internet-based communication to members, with an associated reduction in spend on printing and postage, was the

biggest single factor underpinning the increase in our bank balance. Others were the prepayment (March 2020) of the July–September 2021 cost of hiring the Scouts and Guides headquarters and a significantly reduced spend on equipment. Once things stabilise, I will be looking to sustain a u3a bank balance of circa £50,000. This figure is based upon annual payments and is in line with Charity Commission and Third Age Trust guidelines.

The premises we hire are not immune to the significant rise in energy costs. There are indications that premises will need to raise hire costs to remain viable. Our membership numbers and, more critically, attendance levels remain below historic levels. Our bank, HSBC, has withdrawn free banking for charities. The deposit of large amounts of cash and a high volume of low-value cheques leaves us particularly exposed to the introduced bank charges. The move to another bank is hampered by the limitations on free banking for charities' accounts being imposed across all the big retail banks. With our financial position being so strong, we are well-positioned to accommodate these challenges.

Derrick Fewings
Hon. Treasurer

30th June 2022