

Treasurer's Report – AGM 29th July 2017

Key points and Actions arising from the Final Accounts for the Year Ended 31st August 2016:

Most of the activities of the EBEA are carried out no or little cost. The trustees themselves are volunteers but many other members undertake other activities for which we are all grateful. There are however costs involved particularly in the production of the publication Teaching Business and Economics and in the administration of the organisation and because of this the efficient management of income is essential.

Income and Expenditure

Income from subscriptions fell from £58,431 in 2015 to £37,763 in 2016. Some of this fall was due to a reduction in membership fees for trainees but some reflected a significant fall in actual membership which has continued albeit at a slower pace this year. Actions to stem this fall include the introduction of a new website and the commissioning of a marketing specialist. The impact of the reduction in membership in 2016 was mitigated partly by the reduction in the cost base. The closure of the Shoreham office in 2015 enabled the loss in 2016 to be limited to £4001.

Reserves

The long term objective of the reserves is to maintain member benefits and services to the profession in a sustainable way. At the time of the last Annual report on 31 August 2016, the EBEA held unrestricted reserves of £59,413. The reserves are invested in three investment trusts which have been held for many years and which have performed well over the period. They are monitored by the Treasurer and Chair and fund values are reported to the Trustees at the regular meetings. No withdrawals were made from reserves during the year to 31st August 2016 although in Spring 2017 £8000 was withdrawn to pay for the new website design and build. The long term objective of the reserves is to maintain member benefits and services to the profession in a sustainable way. The value of the reserves on 28th July 2017 was £64,448. This is a very healthy level and represents a coverage of approximately 18 months of expenses for the Association. It may be necessary to continue to draw on reserves to maintain income and to develop our marketing operation but it is thought that this expenditure will be worthwhile in the long run.