Management Accounts for the year to 30 April 2013

Overview

Members of the choir have asked me to provide greater 'transparency' of the choir's finances for this AGM. I have therefore produced some useful 'management accounts' for the choir as well as the official financial statements. A summary table of those management accounts is provided below, and the full overview/individual concert information is attached.

Money in the bank

The choir had £64,000 invested in banks at the end of the year. The choir has a healthy cash flow and bank balance situation and can therefore confidently plan ahead.

The bottom line – surpluses or deficits?

The deficit this year was £21,367 (as compared to a surplus of £27,960 for the previous year which was due to the £24.7k surplus on the Royal Albert Hall concert). The receipt of a generous £15,000 legacy this year from a former member of the choir, Enid Weston, means that the deficit published in the official accounts is £6,367 for this year This legacy is however being set aside for specific projects at this time and therefore these management accounts refer to this year's deficit as £21,367.

Income/Expenditure Category	Previous year £	This year £	Incr./ (decr).£	Incr./ (decr).%	Main Reason
Annual income from Choir members, Patrons and Supporters	22,157	22,870	713	3.2%	More choir members this year (subscription rate did not increase). Would like to increase no. of Patrons
Investment Income	1,124	1,246	122	10.8%	Higher average cash balance –rate always 1.75 gross
One-off dividend from choir's investment in hired out staging	2,500	0	(2,500)	(100%)	Dividend has been received at 5 year intervals so far.
Fundraising and Events	3,604	4,432	828	23%	Strasbourg surplus + tour DVD + tour CD
Net income of the choir	**29,385**	**28,548**	**(837)**	**(2.8%)**	**Dividend is the major difference**
Costs of running the choir	17,132	19,224	2,092	12.2%	Write off of CD stock (£1,376) plus inflation generally
Amount available to support concerts and other ventures	**12,253**	**9,324**	**2,929**	**(23.9%)**	**Reducing choir surplus** – we need to respond to cost inflation when setting subs rate annually.
Concert surplus/(deficit)	15,707	(30,691)	(46,398)	(295%)	Concerts will always be the main driver of choir surplus/deficit
Surplus/(deficit) for year	**27,960**	**(21,367)**	**(49,327)**	**(176%)**	**Driven by concert results**

Financial Overview of Concerts

During the year the choir had a membership of around 140 and produced three concerts.

The choir's direct income (fundraising, together with subscriptions from members and patrons), funds the full cost of running the choir and makes a contribution towards covering the net cost of concerts, as concerts generally make a small loss. The Mahler 8 concert, held in the Royal Albert Hall in the previous year, was a major exception, as it made a very welcome and hard-won surplus of £24.8k. This enabled the choir to subsidise an ambitious and unusual concert programme for 2012/13 – the Rachmaninov programme and Britten's War Requiem, which had greater financial shortfalls, due to the constant challenge of selling sufficient tickets to cover the cost of the full orchestra needed for these magnificent works, in a major venue. Individual concert results for the last two years were as follows:

This Year (£)	**Income**	**Expenditure**	**Surplus/(Deficit)**
Rachmaninov (Cathedral)	7,672	21,632	(13,960)
Britten's War Requiem (Cathedral)	10,782	25,128	(14,346)
Elgar at G Live	26,904	29,589	(2,685)

Previous Year (£)	**Income**	**Expenditure**	**Surplus/(Deficit)**
Mahler 8 (Royal Albert Hall)	81,059	56,300	24,759
Brahms Requiem	7,868	14,593	(6,725)
Night at the Opera	16,018	18,355	(2,337)

Conclusions

The choir's underlying finances are currently healthy, but need constant attention and balancing. We need to plan for the future in a way which recognises the dynamics of finance – balancing costs with income.

- We deeply appreciate the efforts of our fundraisers – both those who constantly and faithfully serve us week by week, and those who creatively respond to opportunities such as the tour CD and DVD and the current garden party. Everyone, please continue to 'bring on' the ideas and let's put them into action.
- We need to keep our subscription rate competitive, so as to respond to the reality of cost inflation. Increasing the number of patrons will also help considerably.
- Royal Albert Hall concerts represent both high risk and potentially high return. We know we have the 'launch pad' funding to undertake the 2014 concert. Success however, will depend upon the whole choir putting their own promotion ideas and sponsorship contacts into practice. Let's all 'own' this challenge and go for it together.

MANAGEMENT ACCOUNTS FOR 2012/13

	Unrestricted £	Designated £
Annual Income from Choir members, Patrons and Supporters		
Guildford Borough Grant for the Arts	2,640	
Donations (gifts, legacies)	10	15,000
Patrons' subscriptions	2,208	
Choir Members' Subscriptions	14,343	
Gift Aid refunds from HMRC	3,669	
	22,870	
Investment income on Choir's savings account	**1,246**	

Choir Members' Fundraising and Events which raise valuable funds for the choir

Fundraising:	**Income/result**	**Costs**	**Net**
100 Club	1,210	650	560
Drinks and cakes at rehearsals	399		399
Books and plants sold at rehearsals	267		267
EasyFundRaising online	247		247
Christmas party and raffle	477	53	424
DVD from Strasbourg tour	131		131
CD from Strasbourg tour	385		385
Christmas puddings	175		175
Others (prev year adj, loose change fund, AGM etc)	28		28
Events:			
Come and Sing 2013	1,321		1,321
Strasbourg 2012	494		494
	5,135	703	**4,432**

			Unrestricted	Designated
Net Income of the Choir			**28,548**	**15,000**

Costs of Running the choir	**Permanent**	**Stand-in helpers**	**Total**
Rehearsals venue			2,365
Conductor	8,610	180	8,790
Piano Accompaniment	3,753	440	4,193
Special guest tuition Sept 12			216
Mileage, postage, stationery, telephone, presentation gifts			310
Internet/domain names/etc			499
Insurance/making music subscription/Guildford Arts Sub.			495
Choir publicity - Adverts, postage, posters, stationery			680
Retrospective invoice rec'd for publicity in prev. year			300
Write off of CD stock, pending selling what we can			1,376
			19,224

	Unrestricted	Designated
Amount available to support our Concerts and Other Ventures	**9,324**	**15,000**

Concerts:

	Rachmaninov *May 12*	*Britten's War Requiem* *Nov 12*	*Elgar* *Mar 13*	
Concert income*	7,672	10,782	26,904	45,358
Concert expenditure*	21,632	25,128	29,589	76,348
Financial Loss of concerts	**-13,960**	**-14,346**	**-2,685**	-30,991
J Baker grant received towards concert in previous year				300
Net loss on Concerts				**-30,691**

Financial Loss for the Year excluding £15k 'designated purpose' legacy	**-21,367**

(loss to be offset against £25k profit of previous year, from Mahler 8 concert)

*Concert inc and expenditure shown net of direct costs (progr and tkt printing, commission and discounts)

Britten's War Requiem November 2012 concert (Guildford Cathedral)

Category Description	ACTUAL £		BUDGET £		VARIANCE	COMMENT
Concert Income						
Grants		0		0	0	
Programme sales	724		600			
Adverts income programmes	323		357			
Cost of Programmes	-593		-525			
TOTAL Programmes		454		432	22	
Sponsors		1,150		1,000	150	Grant for TV screens + £150 grant for soloists
Ticket sales	9,921		8,044			
Cost of Tickets	-97					
Commission on ticket sales	-232		-600			
Discounts on sales of tickets	-415					
TOTAL Ticket Sales		9,177		7,444	1,733	Ticket sales higher than expected
TOTAL Concert Income		10,782		8,876	1,906	
Concert Exp:						
Conductor		1,000		1,000	0	
Flowers		4		30	-26	
Instruments (Harmonium)		252		150	102	
Misc		4		30	-26	
Orchestra		14,950		14,950	0	
Organist		150		150	0	
Choral Support				400	-400	Tiffin boys - no charge?
Royalties		534		463	71	
Scores		744		300	444	Score costs higher than anticipated
Soloists		1,342		1,350	-8	
Staging		1,043		910	133	Larger build required
Video Screens		2,500		2,500	0	
Talks		120		120	0	
Venue		1,435		1,350	85	
TOTAL Concert Exp		24,078		23,703	375	
TOTAL Publicity		1,049		850	199	
TOTAL EXPENSES		25,128		24,553	575	
OVERALL TOTAL		-14,346		-15,677	1,331	Lower loss than anticipated

Notes: Income is shown net of programme and ticket costs in order to show net contribution.

Rachmaninov May 2012 concert (Guildford Cathedral)

	ACTUAL £		BUDGET £		VARIANCE	COMMENT
Concert Income:						
Grants		0			0	
Programme sales	437		600			
Adverts in programmes	178		357			
Cost of Programmes	-334		-525			
TOTAL Programmes		**281**		432	-151	
Sponsors		0		450	-450	No sponsors
Tickets	7,877		9,237			
Ticket costs	-77					
Discounts given	-254					
Commission on ticket sales	-156		-600			
TOTAL Ticket sales		**7,391**		8,637	-1,246	Fewer tickets sold, so fewer programmes sold
TOTAL Concert Income		**7,672**		**9,519**	**-1,847**	
Concert Expenditure:						
Conductor		1,000		1,000	0	
Flowers		33		30	3	
Instruments (Celeste/piano)		1,444		1,409	35	
Orchestra		12,499		13,400	-901	Fewer players than anticipated
Pianist		750		750	0	
Royalties		430		532	-102	
Scores		878		500	378	Score costs underestimated
Soloists		949		900	49	
Staging		1,173		825	348	Interstage staging £336, over and above normal costs
Talks		100		100	0	
Venue		1,385		1,350	35	
TOTAL Concert Exp		**20,640**		**20,796**	**-155**	
TOTAL Publicity		**992**		850	142	
TOTAL EXPENSES		**21,632**		**21,646**	**-14**	Overall costs similar to budget
						Higher loss than expected.
OVERALL TOTAL LOSS		**-13,960**		**-12,127**	**-1,833**	This is down to fewer ticket sales than expected

Notes: Income is shown net of programme and ticket costs in order to show net contribution.

March 2013 Elgar Concert (Glive)

	ACTUAL £		BUDGET £		VARIANCE	COMMENT
Concert Income:						
Grants		1,500		1,500	0	
Programme sales	1,025		1,314			
Adverts income programmes	613		480			
Cost of Programmes	-849		-844			
TOTAL Programmes		**790**		**950**	-160	Fewer programmes sold than budgeted
Sponsors		238		0	238	Very welcome sponsorship
Tickets	24,894		24,177			
Discounts	-517		-1,775			Different ways of accounting for discounts?
TOTAL Ticket sales		24,377		22,402	1,975	Sold 'full house' of available seats (-3)
TOTAL Concert Income		**26,904**		**24,851**	2,053	
Concert Expenditure:						
Conductor		1,000		1,000	0	
Flowers		10		30	20	
Hospitality		14		15	1	
Misc		23		15	-8	
Orchestra		10,001		10,152	151	One orchestral player was ill so cost was less
Royalties		1,171		1,393	222	Glive calc for PRS unclear (4.8%). Less than expected
Scores		460		350	-110	Higher scores costs than budgeted
Soloists		7,710		7,880	170	Substituted soloist at greater cost
Grant from JB Trust for soloist				-300	-300	Grant funded soloist cancelled due to illness
Ticket Sales Commission		3,401		2,688	-713	10% box office charge, 3.5% credit card comm + VAT
Staging		335		0	-335	G Live charged separately for addnl staging
Venue		4,200		4,298	98	
TOTAL Concert Exp		**28,324**		**27,520**	-804	
TOTAL Publicity		**1,264**		**1,200**	-64	
TOTAL EXPENSES		**29,589**		**28,720**	-868	
OVERALL TOTAL LOSS		**-2,685**		**-3,869**	1,185	**Overall loss less than budgeted**

BALANCE SHEET AS AT 30th APRIL 2013

	Note	2012 Unrestricted Funds £	2013 Unrestricted Funds £
Current Assets			
Stock	5	2,698	1,223
Debtors & Prepayments	6	35,670	20,790
Cash at bank and in hand	7	89,885	64,004
Total Current Assets		**128,253**	**86,017**
Creditors: Amounts falling due within one year	8	(41,587)	(5,719)
Net Current Assets		**86,666**	**80,298**
Total assets less current liabilities		**86,666**	**80,298**
Net assets		**86,666**	**80,298**
Unrestricted income funds		**86,666**	**65,298**
Designated funds (Enid Weston legacy)		**0**	**15,000**
Total Funds		**86,666**	**80,298**

Basis of preparation

These accounts have been prepared under the historic cost convention on an accruals basis and are based on the Statement of Recommended Accounting Practice for Charities 2005 insofar as it applies to the accounts of unincorporated charities with up to £250,000 annual income, and the Charities Act 2011

Gillian Palmer
Acting Hon. Treasurer

19 June 2013