

Basingstoke - Old Basing u3a

Budget for 2023 - 24

Where we are.

The budgeted plan for 22-23 was based on difficult situations in May 2022, knowing that the costs of heating, and therefore venues, and possibly inflation, could be considerably higher than in the previous year. The Trustees recommended a subscription of £45, up £5, and this was agreed at the AGM with no dissension.

What has actually happened is that many venues have obtained grants to offset the huge rise in heating costs, and the increases in the venue charges to us have not been as much as anticipated. We also did not have all of our groups back up and running in the summer of 2022, and though we have added about 10 new groups during the year, these did not cost us as much as in a full year. The annualised cost of all venues at present is around £31,500.

We also aimed to increase the number of members to 788, but have achieved 827 as of 1st April, so have received about £1,700 more in subscriptions than planned. We might get to 844 by the 31st of May, our year end.

Thus our performance has been better than planned and expected, and a planned deficit of £9,600 is likely to be a surplus of at least £5,000 by the year end of 31st May. Then, with nearly £51,000 in the bank, we have about £36,000 that we should be gradually returning to our members, after a £15,000 required reserve.

Budget for 23-24.

If we plan for a further increase in members of 12.5% to 950 from the expected 844, it would be realistic to need another 17 Groups next year, of which 15 are likely to need venues. The net increase of members of 106 would not necessarily go into the new Groups. These would require new Group Leaders, although some may just be splits of existing Groups, rather than completely new subjects. It would be prudent to increase the amount for capital expenditures, and to allow a further increase of 10% for inflation.

It is suggested that we should again try to reduce our surplus by £9,000 next year, but with better experience of actual conditions, we should be able to reduce the subscription to £40 next year, ie to where it was last year. This will leave £27,000 available in our reserves for deficit financing in the next three years. I have also shown the effect of reducing the fee to £35, and keeping it at £45. In the latter case, we shall end up next year with more in the reserves than we started with this year. If we reduce the fee to £35, although we can afford to lose £13,790 next year, I suggest that this is not desirable at this stage.

We can and should spend more on speakers for our monthly meetings, which are now attracting around 100 each month, and, although most of the speaking in Groups is done by the Group Leaders, we could allow them the occasional expert speaker. The plan is to allow £3,500 to cover

these, about £3,000 more than this year. We should also allow Groups to meet in August - some did this year but it is unlikely that most will, and the extra cost is included.

I have therefore produced a comparative budget using the premises above, and another showing what would be the result of keeping the subscriptions at £45 and £35. Given that 75% of our costs are venue related, it is only large movements in these costs which will affect the outcome, and we have cash to spare. What we do need to do is to refund some of our cash to our members.

Tony
5th April 2023