

Comments on the 2012 Accounts

Although income rose by £10,200 (to the nearest £100) in 2012 compared to the previous year, expenditure increased by £16,000, thus turning a surplus before tax of £3,000 into a deficit of £2,700.

The situation could have been bleaker, since the largest increase in income came from a technical adjustment – writing off an outstanding sponsorship cost from the previous year. Moreover Shop turnover fell by nearly 6% in weak trading, so the £4,700 *increase* in the surplus was achieved despite unfavourable underlying conditions. To add to the gloom, there was a combined fall of £1,300 in the surplus from CA tournaments and levies from club events, no doubt due in part to the poor weather conditions of last summer.

Subscriptions remain the major source of revenue for the CA. Although individual subscriptions fell by £1,100, this was a result of introducing discounted rates for new members paying by direct debit. If the newcomers had paid the full rate, the total would have risen. Club subscriptions continued to increase, but the 2% growth was smaller than in recent years.

Increased expenditure was dominated by an extra £8,500 for international activities, £5,500 of which was the cost of the WGC Team Championship. The 2012 figure is slightly below the estimated average expenditure over the next few years, so it should be noted that this high level is likely to continue. It was fortunate that the WGCTC cost could be met from interest accrued to the Duffield Bequest (see Note 5; £18,300 capital cannot be used), but that source is now severely depleted.

Grants reached their highest ever level of £31,200. Development grants were awarded to 12 clubs, equipment given to 7 newly registered clubs, and continuing support provided to federations for the invaluable work of their development officers. Two clubs also received interest-free loans totalling £3,000 during the year (see the Balance Sheet).

Gazette costs returned to previous levels following the end of the trial arrangement with an outside publisher in 2011; this added £3,800 to the cost of publications. Similarly, staff costs were abnormally low in 2011, due to a period of understaffing, and increased by £3,000 in 2012. Otherwise, central administration expenditure rose by only 1.3%.

As the above comments indicate, the CA was fortunate in ending the year with only a slight deficit. Indeed, the planned budget for the year was for a substantial shortfall. With this background and the likelihood that Shop trading would remain depressed, Council felt that the case for increasing subscriptions in 2013 was compelling.

As Jeff Dawson explained in the Gazette (pages 18-19, June 2012), Council is firmly committed to the grants programme and to increased support for international activities. These were key features in a review of the CA's reserves which led to significant changes to the Special Funds (see Note 5). The Benefactors Fund has been closed and the amounts held in the Development and International Funds have been reduced significantly. None of these changes go against the wishes of past donors to the CA.

A more detailed commentary on the 2012 Accounts will be published on the CA website and distributed at the AGM.

Roger Bray, Honorary Treasurer