



DERWENT VALLEY ORIENTEERS

TREASURER'S ANNUAL REPORT – SEPTEMBER 2016

The Club's financial year is from 1 September to 31 August. This Annual Report provides an analysis of the Club's finances for the financial year 2015/16. In addition, it makes two recommendations for review and approval at the Club's AGM.

Overview

The table below details the year end balances in the Club's various accounts over a five year period:

Balance at	31 August 2012	31 August 2013	31 August 2014	31 August 2015	31 August 2016
Current Account	£7,024	£12,266	£5,982	£9,631	£3,559
Business Bank Instant	£4,934	£4,938	£10,944	£10,948	£10,952
Perm Course Float	£25	£25	£25	£25	£25
Equipment Account	£250	£250	£250	£250	£201
Registration Team Float				£200	£200
TOTAL	£12,233	£17,479	£17,201	£21,054	£14,937

The Current Account balance has fallen by £6,072 (63%) over the year to £3,559 due to several significant investment/expenditure areas and a reduced net income from events (detailed below). There have been no withdrawals from the Business Bank Instant (Savings) Account.

During the year, the Permanent Course Float and the Equipment Account were kept 'topped up' as necessary by transfers from the Current Account. In addition, a £200 float is provided for use by the Registration Team which is kept 'topped up' from the income on the day from each event.

At year end, the total cash available to the Club totalled £14,937, a decrease of £6,117 (29%) over the previous year (2014/15).

Business Bank Instant (Savings) Account

There were no withdrawals from or deposits to the Club's Business Bank Instant (Savings) Account. The year-end balance stood at £10,952 which included accrued interest of £4.

Current Account

- Over the year, the Club's gross income totalled £17,319, versus its gross expenditure of £23,391, resulting in a net expenditure of £6,072 (see over). As a result, the Current Account balance fell by the same amount to £3,559 at year end.

Opening Balance - 1 September 2015	£9,631
Income	£17,319
Expenditure	-£23,391
Net Income	-£6,072
Balance at end August 2015	£3,559

- There were no significant outstanding receipts or costs at the end of the financial year.

So where's it come from and where's it gone?

An analysis of the Club's income and expenditure over 2014/15 is detailed in **Attachment 1** and an analysis is provided below:

Income

Gross income over the year totalled £17,319. This was offset by gross expenditure of £23,391, resulting in a net expenditure of £6,072. In terms of net income:

- Events were, as usual, by far the largest net income contributor of £2,827 (see below). This compares to a net event income of £6,956 in 2014/15.
- Permanent Courses contributed a net income of £735.

Expenditure

Gross expenditure totalled £23,33,391 (versus £17,195 in 2014/15), the main components of which were:

- **Mapping**, the most significant category of net expenditure at £3,778 and which included the following areas - Shining Cliff (£1,850), Chinley Churn (£900), Grangewood & Top Plantation (£500) and Staunton Harold (£500). Costs of £300 for the mapping of Shirebrook Academy were fully recovered.
- **Equipment** net expenditure totalled £3,077, the major components of which were:
 - **Purchase of new/replacement equipment** (£1,401), particularly, 20 new SI-active Timing Cards (£1020) and a new splits printer (£274).
 - **Rent/Insurance** (£972), comprising the annual land rental payment to Network Rail for the Club hut (£584) and the annual All Risks Insurance Policy premium (£388).
 - **Repair and maintenance** of existing equipment (£501).
 - **Annual software licences** (£184).
- **Newstrack** expenses of £1,123.

- As in previous years, the **50% entry fee subsidy** (£974) for entrants to the JK, British, White Rose relays, the CompassSport Cup and the Yvette Baker Trophy.
- Expenditure on various **Training** activities of £360.

Events

Excluding the Club Champs, over the year, the Club held 30 events, versus 22 in 2014/15, attracting over 2,650 competitors (**Attachment 2**), versus 3,126 in 2014/15:

Type of Event	Number	Competitors
District/Regional (Levels B & C)	8	1830
Local (Level D)	15	684
Summer Series	7	137
TOTAL	30	2651

Overall, the events held during the year generated a net income of £3,278:

Class of Event	Income	Expenditure	Net
Regional & District (Levels B & C)	£11,380	-£8,568	£2,812
Local (Level D)	£1,616	-£1,163	£453
Summer Series	£240	-£227	£13
TOTAL	£13,236	-£10,894	£3,278

Including net costs associated with running the Club Champs (£394) and miscellaneous minor costs (£58), Events' overall net contribution was £2,827, versus almost £7k in 2014/15.

Of the nine major (Level B and C) events planned, eight were held with one, Eyam Moor, being cancelled at the last minute due to extreme weather conditions (and is rescheduled for December this year). Of these eight events, two made losses – Chinley Churn (£263) and Longstone Moor (£465) – primarily because of disappointing entry numbers, with the resultant entry fees unable to offset the relatively high costs of both events.

The 15 local (Level D) events generated a net income of over £450, with the 7 Summer League events breaking even. Note that the final event at Ilam was held on 31 August. As such, its income and costs were not transacted before the end of the financial year and will, therefore, be reported in the 2016/17 accounts.

The lower event income versus last year is essentially due to three factors:

1. Last year we had a Level A event at Longshaw which alone generated a net income of £3.7k.
2. An overall 15% fall in the entry numbers.
3. The cancellation of the Eyam Moor event which could have resulted in a £500 net income.

Had we have broken even at Chinley Churn and Longstone and had the event at Eyam not been cancelled, the net income from Level B and C events would have been roughly in line with that achieved in 2014/15.

Income and Expenditure Account

The Club's Income and Expenditure Account for 2014/15 is provided in **Attachment 3**. Further explanatory Notes to The Accounts are provided in **Attachment 4**.

Attachment 6 provides an inventory of the Club's computer related equipment which, for insurance (replacement) purposes, is valued in excess of £23k.

Scrutiny of Accounts

In line with the Club's Constitution, the accounts have been subject to external scrutiny by Mr G E Marchant FCCA who has concluded that: *'I have examined the accounts and no matter has come to my attention which gives me cause to believe that in any material respect the requirements to keep accounting records have not been met'* (**Attachment 6**).

In Conclusion – Financial Overview

Available funds in the Club's two bank accounts fell by over £6k during the year, primarily due to:

- A high level of investment in new equipment and mapping.
- A significant reduction in net income from major events.

Nonetheless, the Club's finances remain robust, with available funds of almost £15k.

Recommendations

In the light of the above, the following two recommendations are made by the Committee for consideration and approval at the AGM:

1: Event Entry Fees

It should be remembered that we need to generate an annual net income in excess of £4k to 'break even' i.e. to cover the Club's basic, on-going operating costs - essential equipment replacement/maintenance, equipment insurance, land rental for the Club hut, attendance at training courses, relay entry fee support etc. This net income is generated by major events. As such, in the coming financial year, it will be essential that all Level B and C events are profitable, more than covering costs from entry fee income. **To this end, it is recommended that:**

- **The standard senior entry event fee for the coming financial year is increased from £6 currently to £7, with the family entry fee increasing correspondingly to £17.50, from £15.**
- **The Committee has the flexibility to adjust these fees, if it deems appropriate, to ensure that any high cost, higher risk events generate a positive net income.**

3: Financial Risk Management

A detailed analysis of the Club's approach to financial risk management has been undertaken by the Committee. As a result, and based upon experience, it is estimated that the largest financial risk that the Club would need to be in a position to cover from its reserves in the event of serious problems with/disruption of a single major (Level A) event is of the order of £8k.

In addition, the Club would need to have further funds to cover its ongoing operating costs – say £2k.

- **It is, therefore, recommended that the Club maintains a minimum level of reserves in its bank accounts of £10k.**

Roger Keeling
Club Treasurer

September 2016

ATTACHMENT 1

INCOME v EXPENDITURE 2015/16

	Income	Expenditure	Net Income/ Expenditure
Net Income			
Events	£13,177	-£10,350	£2,827
Perm Courses	£1,097	-£362	£735
Sub Total	£14,274	-£10,712	£3,562
Net Expenditure			
Mapping	£300	-£4,078	-£3,778
Equipment	£60	-£3,137	-£3,077
Newstrack		-£1,123	-£1,123
Relays/CSC	£1,910	-£2,884	-£974
Training		-£360	-£360
Clothing Sales	£657	-£791	-£134
Misc/Other	£118	-£306	-£188
Sub Total	£3,045	-£12,679	-£9,634
TOTAL	£17,319	-£23,391	-£6,072

ATTACHMENT 2

ALL EVENTS SUMMARY

Events	Competitors			Finances		
	Juniors	Seniors	Total	Income	Expenditure	Balance
Level B and C						
Chinley Churn	28	153	181	£572	£835	-£263
Matlock Urban	17	160	177	£937	£505	£432
Birchen Edge	83	274	357	£3,178	£1,714	£1,464
Longstone Moor	31	151	182	£457	£922	-£465
Ashbourne Urban	18	111	129	£612	£323	£289
Eyam Moor		Cancelled			£194	-£194
Longshaw	81	277	358	£3,418	£3,003	£415
Calke	54	233	287	£1,396	£697	£699
Carsington Pastures	24	135	159	£810	£375	£435
Sub Total	336	1494	1830	£11,380	£8,568	£2,812
Level D						
Darley Park	20	24	44	£107	£62	£45
Hardwick Informal	33	16	49	£117	£111	£6
Longshaw NT	25	41	66	£488	£206	£281
Hardwick Military	0	65	65	£248	£114	£134
Darley Park	13	33	46	£110	£73	£37
Broomfield	20	58	78	£0	£81	-£81
Repton	7	33	40	£94	£94	£0
Swadlincote Woodlands	5	28	33	£68	£68	£1
QEGS - Ilam				£0	£21	-£21
Staunton Harold	7	43	50	£152	£79	£73
Rosliston	29	17	46	£27	£76	-£49
John Port School	8	19	27	£55	£57	-£2
Foremark	6	21	27	£66	£54	£12
Longshaw Try-O	40	19	59	£85	£40	£45
Ilam	41	13	54	£0	£28	-£28
Sub Total Level D	254	430	684	£1,616	£1,163	£453
Summer Series						
The Arc	7	5	12			
Cambridge Woods	13	7	20			
Acre Woods	9	7	16			
Farley Moor	12	9	21	£240	£227	£13
Bottom Moor	12	12	24			
Oker	14	8	22			
Whitworth	14	8	22			
Sub Total Summer Series	81	56	137	£240	£227	£13
Total All Events	671	1980	2651	£13,236	£9,958	£3,278

ATTACHMENT 3

DERWENT VALLEY ORIENTEERS INCOME AND EXPENDITURE ACCOUNT 2015/16

INCOME

		Income	Expenditure	Net Income	Notes (see Attachment 5)
Events					
	Level B & C Events	£11,380	-£8,568	£2,812	
	Level D (Local) Events	£1,532	-£1,124	£453	
	Summer Series	£240	-£227	£13	
	Club Champs		-£394	-£394	
	Other		-£57	-£57	
	Total Events	<u>£13,152</u>	<u>-£10,370</u>	<u>£2,827</u>	Note 1
Permanent Courses		£1,097	-£362	£735	Note 2
NET INCOME				<u>£3,562</u>	
EXPENDITURE					
Mapping		£300	-£4,078	-£3,778	Note 3
Equipment	Purchase of new equipment		-£1,401		
	Club Shed Land Rental		-£584		
	All Risks Insurance		-£388		
	Repair and Maintenance		-£501		
	Annual Software Licences		-£186		
	Miscellaneous		-£77		
	Hire of Equipment	£60			
		<u>£60</u>	<u>-£3,137</u>	<u>-£3,077</u>	Note 4
Newstrack Expenses			-£1,123	-£1,123	Note 5
Relay & CSC Entry Fees		£1,910	-£2,884	-£974	Note 6
Training			-£360	-£360	Note 7
Clothing Sales		£657	-£791	-£134	Note 8
Other		£118	-£306	-£188	Note 9
NET EXPENDITURE				<u>-£9,634</u>	
TOTAL NET INCOME (NET INCOME LESS NET EXPENDITURE)				<u>-£6,072</u>	

ATTACHMENT 4

NOTES TO ACCOUNTS FOR 2014/15

Note 1: The net positive event income of £3,278 resulted from:

- 8 'major' (B and C) events which attracted 1830 entrants and generated a net income of £2,812.
- 15 'local' (Level D) events which attracted 571 entrants and generated a net income of £453.
- 7 Summer Series events which attracted 137 entrants and financially broke even.
- The above net income of £3,279 was offset by:
 - Costs of £258 to fund the Club Champs.
 - Miscellaneous costs of £58.

An analysis of costs associated with events is:

Maps	Access	Expenses	Levies			Toilets	Other	Total
			BO	EMOA	Total			
21%	15%	11%	20%	5%	25%	13%	15%	100%

Note 2: Permanent Course gross income of £1,097 was offset by expenditure of £362, primarily on maps and markers, resulting in a positive net contribution of £735. The most significant contributors to the income were fees received from reviving the West Park permanent course and establishing a new course for the Waingrove Community Woodland Trust.

Note 3: Net mapping costs of £3,778 included the following areas - Shining Cliff (£1,850), Chinley Churn (£900), Grangewood & Top Plantation (£500) and Staunton Harold (£500). Costs of £300 for the mapping of Shirebrook Academy were fully recovered.

Note 4: Equipment expenditure of £3,137 resulted from the following:

- Investment in new equipment comprising 20 SI Active Timing Cards (£1,020), a replacement Splits Printer (£274) and a new Masterstation (£108).
- Repair and maintenance of existing equipment (£501).
- The payment to Network Rail of £584 for the Club Shed land rental.
- The annual Equipment All Risks Insurance premium (£388) with insurers Richard Weston Ltd, via the BO scheme, which reflects the value of the Club's SI equipment with a replacement value now in excess of £23k (see **Attachment 5**).
- Annual licence fees (£186) for essential software.

Note 5: Expenses associated with the periodic publication of Newstrack totalled £1083.

Note 6: As in previous years, the Club paid half of the fees for members entering the JK, British, White Rose relays, the CompassSport Cup and the Yvette Baker Trophy at a net cost of £974.

Note 7: Small training events incurred total costs of £360, the most significant being first aid training (at a cost of £110).

Note 8: Over the year, various items of O-clothing were purchased for sale to Club members at a cost of £791. Sales to date have totalled £657, leaving a 'stock balance' of £134 for future sale.

Note 9: Other miscellaneous costs (£189) included primarily the use of The Family Tree for Club meetings.

ATTACHMENT 5

THE CLUB'S SI AND COMPUTER EQUIPMENT

Equipment	Details	Number	Unit Value as purchased	Total Purchase Value	
Control Boxes		71	£96	£7,452	
Master Stations		4	£103	£412	
SI Card 9		25	£38	£938	
EMOA SI Cards	SI Card 5	20	£29	£571	£12,526
	SI Card 9	15	£38	£563	
SI-Active Timing Cards		20	£51	£1,020	
Stakes/Misc		70	£22	£1,571	
School Sets (3)	SI Boxes	39	£96	£3,726	£7,538
	Master Stations	3	£103	£309	
	Printers	3	£397	£1,192	
	SI Card 5/9	60	£34	£2,040	
	Special Dibbers	12	£23	£271	
Laptops	Toshiba Satellite Pro	1	£400	£400	£1,200
	Dell Inspiron	1	£400	£400	
	Samsung N150	1	£400	£400	
Buxton	HP T5800	1	£577	£577	£1,009
	Optoma Projector	1	£432	£432	
Printers	CBM1000	1	£311	£311	£871
	Epson TMT88-v	1	£219	£219	
	HP Laserjet P1102	1	£67	£67	
	Epson TM Splits Printer	1	£274	£274	
	TOTAL				£23,144

ATTACHMENT 6

Station House
Derby Rd
Whatstandwell
Matlock
Derbys. DE4 5HG

Derwent Valley Orienteers,

Treasurer's Annual Report and Financial Statements YE 31st August 2016.

The Club's constitution requires that the accounts will be subject to external scrutiny before the AGM.

I have examined the accounts and no matter has come to my attention which gives me cause to believe that in any material respect the requirements to keep accounting records have not been met.

The accounts are prepared on a cash basis and asset lists maintained at original purchase values. Financial Risk Management is actively reviewed by the Treasurer and Committee.

It is my opinion that the accounts give a true and accurate view of the state of the clubs affairs as at 31st August 2016 and of its net expenditure for the year then ended.

Yours faithfully,


G E Marchant. FCCA 29/9/16