

TREASURER'S REPORT - ANNUAL GENERAL MEETING, WARWICK 2011

Presently, the Society holds cash assets of £72,043 (£11,502 in the current account and £60,541 in the deposit account). Our cash assets peaked at just under £85k in 2006/07 and since then we have seen a steady decline. We need to avert this decline and rebuild healthy reserves again for the future, which requires a review of our financial operations.

We have two main sources of income – membership fees, and income from our Annual Scientific Meeting. Of these, the only reliable and steady source of income is through subscriptions. Our membership is just over 1000, which at the current rate of subscription brings in an annual income of about £20,000. However, annual expenditure in the last few years has risen to around £29,000, which leaves a shortfall of around £9,000 per year. In some years, this shortfall has been met by making a surplus at the ASM, but in other years the meeting makes a loss of a few thousand pounds. The 2010 ASM in Belfast made a healthy surplus of £13,570, which comes down to about £9,000 when centrally met costs are added in. The Society supports a number of free places and this is now separated in the accounts from the conference deficit/surplus. In future years we will also separate out the costs of the conference host organisers, HG3, for online abstract submission and registration. The Belfast surplus will be a useful contribution to the Society's assets, but overall, the Annual Scientific Meeting aims to break even and we cannot rely on it as a source of income.

Looking at income and expenditure over the last few years, it is clear that we need to increase our subscription. I wish to simplify the procedure for changing subscriptions in the future, switching to payment by direct debit. These changes are formally outlined at the AGM.

The Society's subscription has been £20 per annum for the last 11 years. The subscription has not changed for so long partly because we have had little need to increase income regularly, but also because changing the subscription involves a change to the constitution. A further complication is that, at present, members pay by Standing Order. So were we to change the subscription, I would need to write to all members asking them to make the change and rely on them to organise this with their individual banks in good time for the next round of annual payments. The administration involved, particularly in chasing up people who have not implemented the change, is considerable. A Direct Debit system is simpler because, having notified members of the intention to make the change, the Society contacts the banks itself.

I therefore propose a constitutional change, both to allow an increase in the subscription from £20 to £35 and to switch subscription payments from Standing Order to Direct Debit.

We ought to make a sizeable increase in subscriptions soon and then try to maintain the new level for a few of years before more modest rises may become necessary. This is to redress the decline in our reserves that has occurred in the main for three reasons: (i) rising administration costs; (ii) increasing subsidy for Society meetings; and (iii) a fall in membership income. Increasing costs have been offset slightly by a reduction in printing costs due to the move to electronic mailing. Until recently, the clerical/administrative costs of the Honorary Secretary and Treasurer were rarely met fully by the Society, as committee members charged costs to their institution. There is less opportunity for support for the Honorary Secretary and Treasurer to be absorbed by the post-holder's host institution and for nearly a decade it has been essential to buy in support for this, the cost of which has risen in line with inflation. Over the same period, it has become increasingly necessary for committee members to get their travel expenses paid by the Society. Subsidising Society one-day meetings has also been a growing cost to the Society because we have sought to promote more events, especially those involving Early Career Researchers. We have seen a net reduction in income from subscriptions of £3k pa (~16%) over the last 5 years, despite successful recent initiatives to increase membership.

Overall, whilst the Society's income has fallen in the last 5/6 years, our expenditure has gone up, and we have thus turned the corner from building reserves to spending them; there is every sign this trend will continue. I am therefore proposing that the annual subscription for the Society be increased, as of Jan 2013, from £20 pa to £35 pa. This should address our current operating deficit and begin to rebuild our reserves. Hopefully, there will be no need to increase subscriptions again for up to 5 years, and future increases will be more modest.

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