

Treasurer's Report - DD Group Annual Members Meeting 2024.

1. As of 1 March 2024, the Group has £2748.39 in its current account and £3160.11 as a reserve in a savings account earning 1.45%.

2. The Group is in fine health financially with, overall, an end of year 'steady state' balance of £3080 credit. At the last AMM it was agreed the Group would maintain a reserve of £3000 which would increase with inflation. This past year the reserve needed to grow by £153 to remain in line with the annual UK 'core CPI rate of inflation over the 12 months to December 2023' of 5.1%. To achieve this, this year £150 has been added to the reserve from the Group current account, the remainder coming from interest earned. Next year, the reserve will earn interest over a full year and so considerably lessen the requirement on the Group to add money to counter inflation.

Proposal To maximise interest growth of the reserve further, I recommend the reserve is split and £2000 is put in a Nat West Business notice account – 35days/3.2% or 95 days/4.1% - to help counter inflation.

3. Last year the Group ran a deficit of £250.50, largely due to a capital asset acquisition. See supporting documentation.

The Minutes from last year state: 'The Group reserve will be maintained at around £3000 but allowed to increase in line with annual inflation should events run at a slight, unplanned, profit'.

Issue: Because our events are planned on a 'break even' basis no income from them can be assumed. Consequently, when setting the initial budget for 2024 the Group financial plan was to run at a deficit of £515 over the year. This is because there are costs that must be assumed for expenses, the traditional 'free to members' events such as the food for the Annual Members Meeting, and the reserve growing with inflation. Fortuitously, as we approach the end of Quarter 1, because the Annual Dinner made an unplanned profit of £470, the planned deficit for the year has fallen to £45.

When setting the annual budget, our current approach assumes the Reserve bears the risk of a planned in year overspend and we hope that throughout the year 'unplanned profit', and the generosity of members in not claiming expenses, will cover our costs and inflation. As Treasurer I must put it to you that, whilst this approach has arguably 'worked', this is not good financial planning unless the aim is to draw down the Reserve. As noted above, the Members voted to maintain the Reserve at the last Annual Meeting.

Proposals

- **A:** We continue as we are and rely on unplanned profits covering Group expenses and, should that fail, the Reserve covers the in-year deficit **or:**
- **B:** We plan to generate sufficient income to have a balanced budget at the start of the year by running events to a planned, small profit. For example:
 - 4% 'excess' on price for all/some main events – DD Peaks W/E? Annual Dinner? As an example, on a calculated ticket price of £69 to break even, this would add £2.50 per person meaning a ticket would be £71.50.
 - Starting 2025?
 - A fee of £2.50 per person (£5/car when 2 up) paid to participate on a run?
 - Starting 2024?

Central Office Grant 2024

I propose that the Central Office Grant for 2024 of £150 is used in support of Peaks Weekend 2024

4. Outstanding Matters:

Asset List. I believe the Group should have one. What do we have; where is it; who has responsibility for it; value at purchase; value over time allowing for depreciation; predicted time and cost of replacement to allow for budgeting. Someone should manage this.