

Treasurer's report to the AGM 22nd September 2016

Introduction

I am pleased to be able to introduce the financial statements for 2015/16.

As the Chair has done, I will not only cover the 2015/16 financial position but also refer to the future and how our finances are likely to be affected in the forthcoming year and beyond by the increasing financial pressures we face.

2015/16 Financial Statements

The 2015/16 financial statements are in a different format this year - to comply with new regulations and guidance issued for Charity Accounts. The main changes relate to how income and expenditure has been broken down and I think (and hope!) that the changes have helped to make the information easier to understand.

2015/16 was a good solid year for our finances.

Our income rose by 13% - partly due to income received from the Mayor's charity (£6,000) and partly to the increased funding from Rosebery Housing Association (additional £32,000) specifically for the Specialist Debt project. We are very grateful for this funding as indeed we are for all the funding we receive without which we could not function.

We also raised £5.5k from fundraising events and received over £4k in donations which helped to bolster our income.

Our expenditure rose by 5.5% - due to additional office and management costs the latter at least partly due to the new debt post established during the year financed by Rosebery.

We ended the year with a small surplus of just under £4,000.

At the year end our unrestricted reserves were just over £100,000. This is higher than our policy requires but this is a good position for us to be in in view of the financial pressures expected in the forthcoming year. Our restricted funds stood at just over £14,000.

During the year our new finance IT system bedded in well so that we are now in a position to delve deeper into our finances, improve our knowledge base and so ensure our budgets and plans for the future are even more firmly grounded.

The future

In 2016/17 we are predicting a significant deficit due to reduced grant income (particularly that from Surrey County Council). Also we have unfortunately had to meet some redundancy costs, and there have been continuing pressures on running costs - although I should say that we already run one of the leanest Bureaux in Surrey. As I have indicated, we have a good cushion in our reserves such that we expect to end the year still with more than adequate reserves in line with our policy.

However, we must budget to break even for future years. This will require us to look at new ways to reduce our costs and seek new sources of income so that we can continue to provide our service. We are working on these matters now.

I commend the 2015/16 Financial Statements to you.