

TREASURER'S REPORT for the EBU 2015 AGM

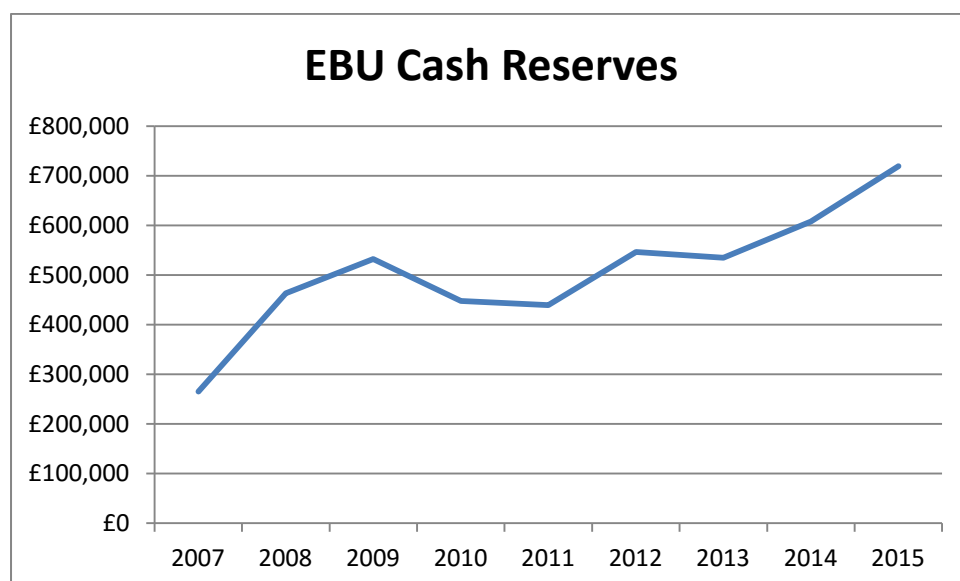
2014/15 ACCOUNTS

As this is my last report as Treasurer, I am particularly pleased to be able to report that I believe the EBU is in financially robust good health. As I have highlighted previously, as a not-for-profit members' organisation which does not distribute any profit, we are generally very cautious with our budgets, putting into them any day-to-day costs which we think realistically might occur. The 2014/15 outturn is pretty much in line with what I reported at the last Shareholders' meeting showing a profit of £42.8K against a budget loss of £15K. This has come about mainly through:

- A tight control of costs by all budget holders
- Not using temporary staff to cover maternity leave
- Savings in the postage for English Bridge associated with a reduced size
- Not needing to use a £10K contingency fund set aside for playing accommodation costs at EBU congresses

REVIEW AND FINANCIAL OUTLOOK

As you will be aware the EBU's finances are very much affected by the 4 year cycle of International events. This together with the fact that we don't distribute any profits, means that one particular year is less important than other limited companies. The really important issue is the health of the cash reserves and these are now standing at over £700K. The graph below shows how these have improved from 2007.



There are some financial challenges in 2015/16, particularly.

- We are fortunate to be in a period of considerable international success and this year and next year there will be significant costs associated with this success.
- In this period we will also see the costs from our campaign to have Bridge recognised as a Sport, begin to come through. Although we are aware that there is no guarantee of success, the Board believes the financial rewards and growth opportunities that recognition would bring are so important to our membership that this is a once in a generation opportunity and needs to be vigorously progressed.

Despite these challenges, the Board believes the time is right to invest some of this cash in our membership and have therefore decided to take the following actions:

1. To recommend no increase in subscriptions for 2015/16

2. To provide to EBU affiliated clubs, a free scoring programme – EBUScore. (Note – clubs will still continue to be free to submit session data using any scoring software that meets the required standard).
3. Setting aside/Ring fencing funds for
 - a. A membership development project
 - b. Further investment in Education
 - c. The establishment of a small grants fund on a matching basis for clubs and counties

As well as the strength of our cash reserves, a number of other measures indicate the improvement in the overall health of the EBU and the services it provides to members.

- The average cost of being a member of the EBU has reduced from £25 per annum just before the introduction of Universal membership to £12 in 2014/15 – a reduction of 50%
- The salary costs per member have similarly reduced by 50% over the same period

In simple terms over this period we've halved the price of being a member and halved the staff costs of servicing each member. Whilst doing this we have introduced many changes and innovations including:

- Establishing a charity, English Bridge Education and Development, to undertake most of the Education activities previously carried out by the EBU. We have also significantly increased our investment in Education and intend to continue to do so.
- The electronic transmission of master point awards
- A National Grading Scheme
- Developing an in-house capability to score Sim Pairs and have reduced the entry fees of these events by over 10%
- Improving the benefits available to affiliated clubs, particularly the provision of free scoring software and the extension of insurance to club officials

All of these achievements have come about through the hard work of our staff at Aylesbury and the volunteers on the Board, in all our counties and affiliated clubs. On behalf of myself and all the members I would like to thank them all most wholeheartedly.

Andrew Petrie

EBU Treasurer

October 2015