

Oxfordshire Chess Association

Treasurer's Report to 2020 AGM

Thanks to the dedication of all club treasurers and the outgoing OCA treasurer Simon King, nearly all debts owed to and by the OCA had been cleared by the time I took over from him last autumn, leaving the accounts very simple. Clubs have continued to pay promptly upon request. To date the OCA is owed nothing for previous years and just £30 for 2019-20.

The 2018-19 accounts approved at last year's AGM included one transaction which belonged in the following year. I am asking you to approve a revision to those accounts. (The item is marked "DELETED" in the revised accounts, and totals have been changed accordingly.)

Previous years' accounts have been made up to 31 August. This is problematic, as our constitution requires the treasurer to supply them by 17 August for approval by the chair, who sends them to the secretary by 24 August for publication in advance of the AGM. To enable the timely distribution of final accounts, I have changed the accounting dates so the year ends on 31 July.

The astute will notice little activity on the 2019-20 accounts. This is largely due to my late decision to change the accounting dates, meaning payments made in August 2020 will appear on next year's accounts. We are also late with the trophies due to Covid-19. This is in hand and I expect to distribute trophies individually this autumn.

Following the discussion at last year's AGM about the OCA's surplus funds, I took an overview of the previous five years' accounts. Our reserves are very large relative to our year-to-year operating costs. This surplus is of historic origin: we are not generating more money each year. In fact we have an average loss of about £75 per year. Though modest in the context of our £2800 bank balance, this annual loss does represent 25% of our income from club affiliation fees. If we had no reserves, we would need to increase club affiliation fees accordingly.

As a matter of routine, we need about £500 in the bank for cash flow to keep us in the black when we pay out money in advance of collecting corresponding debts owed to us. While annual fluctuations in profit/loss are mainly attributable to the timing of money going into or out of the account, there can be actual extra expenses of several hundred pounds in a given year, for example if a trophy needs to be replaced or an inexpensive venue is unavailable for CCL home matches. In addition to the £500 for cash flow, extra reserves of £500 would leave the OCA in an excellent position to respond to any such unanticipated costs.

I therefore recommend aiming for a bank balance of around £1000 at the start of each year. This would cover the OCA's usual cash flow needs (£500) plus a fund for unexpected costs (£500), leaving £1800 to allocate to development.

I propose that the current club affiliation fees remain unchanged.

Sara Sengenberger
OCA Treasurer
24 August 2020