

EADH

# 2015 Treasurer's Report

Paul Vetch, 11/6/15: Version 1

## 2014 Accounts

### Income

As noted in December 2014, EADH's disbursement from ADHO in 2014 was £7,044.00. This was considerably less than predicted, and the discrepancy arises both from the growth of ADHO, and the impact of additional infrastructure expenditure on the DH Convalidator.

### Expenditure

2014 expenditure (£30,025.12) was very slightly lower than budgeted (£30,121.05). However, in real terms EADH achieved significant savings over the year amounting to around £4,000 which are effectively hidden by two unbudgeted items of Journal related expenditure noted below. Our 2015 disbursement from ADHO will take these into account.

The summary breakdown of our 2014 expenditure is as follows:

Small grants	41%	£12,451.56
DH2014 Executive/AGM	15%	£3,636.30
Infrastructure	13%	£3,862.89
Outreach	9%	£2,566.56
General expenses	9%	£2,835.54
Other costs	9%	£2,872.24
Mid-term meeting	3%	£800.13
<b>Total</b>	<b>100%</b>	<b>£30,025.12</b>

Note the following key points (numbering corresponds with enumerated lines on the accompanying budget spreadsheet):

1. Although costs for website redevelopment were higher than budgeted, it should be noted that a further £800 was budgeted for in the previous (2013) financial year, but not used. The cost incurred in 2014 reflects a cumulative investment over a 2 year period.
2. In 2014 investment at ADHO level in a membership management system was anticipated but no budget was allocated, pending further discussion. Any future investment in such as system would occur at ADHO level and be reflected in the disbursement to COs.
3. As a result of agreement in June 2014 to seek savings on the cost of committee meetings, expenditure on the 2014 midterm meeting was significantly less than

budgeted (see cost saving measures, below), representing £800.13 (3%) of total expenditure. This is a considerable saving in both proportion and real terms as compared with the previous financial year (in which the cost was £4,402.99 representing 13% of the 2013 budget)

4. Costs for attendance of Officers to the DH2014 conference were less than budgeted, representing £3,287 (11%) of total expenditure (as compared with 18% in the 2013 financial year).
5. LLC Editor costs were disbursed by EADH in 2014 for expediency but were not included in the 2014 budget since this cost should now be borne centrally by ADHO. This will be corrected as part of our 2015 disbursement.
6. Catering costs were not incurred at DH2014 since lunch was provided for all conference delegates at the AGM, and the Exec Committee Meeting catering charge was cancelled.
7. Our contingency was drawn upon solely to cover the cost of additional DSH/LLC journal pages, for which EADH was invoiced in July 2014. Since this is now a central cost, this amount had not been budgeted for, and this will be reflected in our 2015 disbursement.
8. Insurance for trustees became EADH's responsibility in 2013. A saving has been realised by not renewing this insurance in 2014, in respect of the fact that EADH's reserves - and therefore trustees' operational liabilities - are significantly reduced following the financial decoupling of ADHO from EADH.
9. Investment by EADH in small grants represents in total £12,451.46 / 42% of our total expenditure for the 2014 financial year. One grant was not allocated (the 'Letters of 1916' project was unable to expend the grant within the 2014 financial year). An alternative award to a higher value was made ('Callas on the front page'); this, together with currency fluctuation and additional bank charges owing to a complicated disbursement in one case resulted in slightly higher than budgeted expenditure on small grants.
10. The social media correspondents budget was only partly transferred in 2014. The remainder has been carried over into the 2015 budget.
11. TEI Sponsorship was dropped in 2014.
12. The financial impact of the budgeted AIUCD membership gap will be reflected in a reduction to our 2015 disbursement from ADHO.

## **2015 Budget**

### **Income**

In 2015 our income is projected to be higher than 2014 for a number of reasons:

- Lower infrastructure expenditure at ADHO level
- Additional income via AIUCD and DHd
- Additional allowance to defray the 2014 Journal costs noted above

EADH's 2015 budget has been set based on the assumption of income of around £12,000 GBP, pending confirmation by the ADHO Treasurer.

### **Expenditure**

As broken down on the corresponding spreadsheet, budgeted expenditure for 2015 has been set as follows:

- **Infrastructure:** 20% (£2,692.90), including continued editorial management of the website and an upgrade to make the site fully responsive
- **Committee Meetings:** 11% (£1,500) in respect of a backstop for midterm meeting attendance by Officers and Committee Members. Note that my expectation is that, as in 2014, actual expenditure will be significantly lower.
- **DH Conference:** 29% (£4,000) in respect of attendance by Officers and catering costs. Actual expenditure is predicted to be lower as a result of use of research allowances and much lower than anticipated catering requirements
- **General expenses:** 11% (£1,500). At present the only anticipated need to draw upon this contingency is to cover the additional infrastructure expenditure incurred as a result of the website attack in October 2014; this cost will be borne in the 2015 financial year.
- **Other costs:** 19% (£2,600), covering currency fluctuation, IFE fees, and bank charges. As noted below a change in our banking arrangements is likely and this should yield some savings. Additionally the EADH accounts are considerably less complex now than in previous years and I anticipate this being reflected in lower IFE fees.
- **Outreach:** 10% (£1,369.95), to include attendance at EASSH Paris, a planned trip to Siberia, and support of the EADH International Day. Note that the amount reserved for the Siberia trip may be offset by the offer of travel and accommodation costs by the host.

Our total budgeted expenditure for 2015 is £13,662.85.

## 5.1 Report of trustees

The accounts are currently with the Independent Financial Advisor. At the time of writing the accounts have therefore not been officially closed. Once received the IFE report and final accounts will be circulated to the Trustees for approval.

## 5.2 Strategic Reserve and Planned Expenditures

As at 1 June 2015, EADH reserves (pending confirmation by IFE) stood at approximately £32,163.04. EADH policy is to maintain a reserve equal to 6 months' expenditure of unrestricted funds, and we are at the required level based on 2014 expenditure now that ADHO finances have been largely decoupled. Whilst the 2015 budget notionally projects commitments totalling £13,662.85 and therefore potentially in excess of our likely income, the overage can be comfortably accommodated from reserves without risk to our reserve level. Indeed the committee may wish to consider the possibility of potential additional expenditure from reserves in 2015. Advice has been sought from the IFE on the possibility of changing the reserves policy in the light of our changed financial situation and a recommendation will be made in due course.

### **5.3 Reappointment of bankers and IFE**

I recommend that the continued engagement of our IFE (Alexander Sloan and Co.) be confirmed.

2014 saw an increase in our bank charges, which particularly affected us because of the relatively large number of overseas fund transfers that we made.

Notwithstanding this our current bank (Bank of Scotland PLC) continues to prove operationally extremely problematic and I have tentatively identified MetroBank's Community Account as a viable and cheaper alternative. Based on EADH's pattern of usage, the principal advantage of this account is that it would effectively be cost neutral (even to the extent that funds transfers within the EU would be free). At the time of writing some details remain to be confirmed, and for this reason I recommend we continue working with Bank of Scotland in the immediate term. A formal recommendation of an alternative supplier will be circulated to the committee in due course; my hope and expectation is that we should have a new bank before the end of the calendar year.

### **5.4 Cost saving measures**

In keeping with our status as a charity and our commitment to demonstrate the best possible value to our members, a Travel and Subsistence policy was tabled at the 2014 midterm meeting and subsequently agreed. This establishes parameters around allowable expenses for EADH officers committee members in line with those of comparable organisations, and places a heavy emphasis on the use of any institutional support members may be able to obtain, by default and in preference to the use of EADH funds. This policy is now in effect.

In addition, and in response to the proportionally high cost of the 2013 midterm meeting, an alternative arrangement was introduced in 2014 and will be continued this financial year. A backstop has been made available to executive committee members which allows them to claim a capped subsidy of up to £100 GBP to cover their attendance at the mid term meeting where institutional support (research allowances, etc) is not available to them. An additional backstop is reserved for Officers in recognition of the fact that attendance of the Secretary, in particular, is essential and acknowledging that institutional support may not be available. As noted above this approach resulted in significant savings in 2014 and will be repeated in 2015.

### **5.5 ADHO finances overview**

ADHO Treasurer to report in person.