


# Financial Report

First Quarter October-  
November- December 2023



**Q1**  
**2023-24**

In this, the first quarter of the financial reporting for 2023/24 I am able to inform you that the Charity finances are in a slightly weakened condition, with reserves further below this year's W2 level as there continues to be a downward trend in overall income. I would also like to point out that our income from contributions (Group, Intergroup & Personal) decreased from £207,997 last year to £137,796 this year. This is a reduction of £70,201.

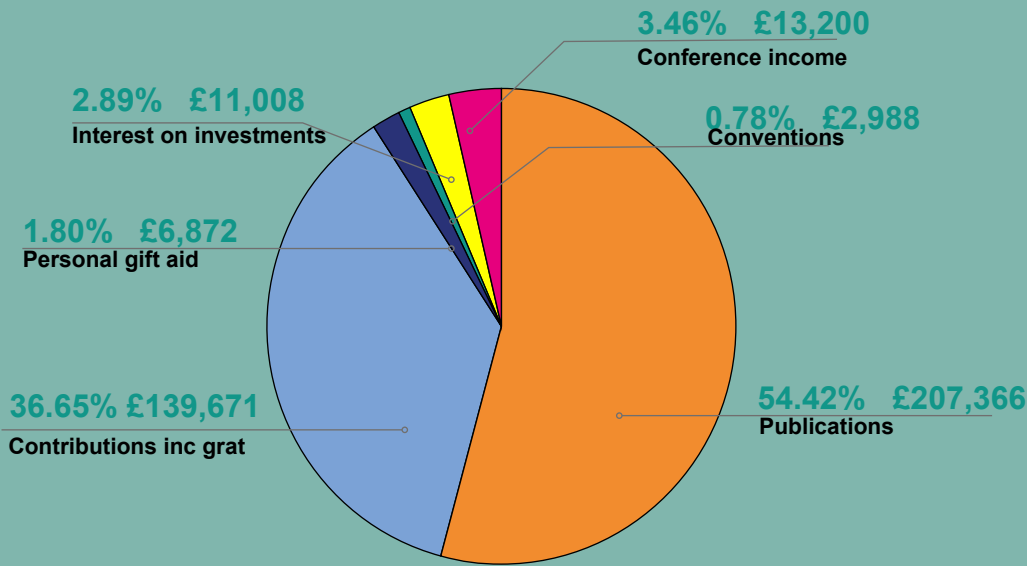
Income from Publications increased from £172,903 in the first quarter of last year to £207,356 this year to date. This is an increase of £34,453. While this is good news it has to be remembered that the cost of printing, and postage has gone up considerably and therefore some of that income will be offset by higher expenditure costs.

This income is used to fulfill our primary purpose work across the whole of AAGB e.g. the National Telephone Helpline, Chat Now and Online Responder Services, AA Service News, Roundabout & Share Magazines, upgrading the AAGB Website, primary purpose publications, Groups guidance, and implementing Conference recommendations (the collective conscience of AAGB), plus the administrative and executive work of GSO York, NSO in Glasgow and SSO London.

Income – Where our money came from Q1	Year		Last Year	
	To Date		To Date	Variance
Group & Intergroup contributions .....	£124,490	£124,490	£163,592	..-£39,102
Personal contributions (legacies) .....	£13,307	£13,307	£44,405	..-£31,098
Group & Intergroup Grat Week contributions .....	£1,875	£1,875	£3,763	..-£1,888
Gift aid and Covenant contributions .....	£6,872	£6,872	£3,834	.....£3,038
Interest on investments .....	£11,008	£11,008	£10,990	.....£18
Income from publications .....	£207,365	£207,365	£172,903	.....£34,462
Conference contributions.....	£13,200	£13,200	£18,400	.....-£5,200
Convention contributions .....	£2,988	£2,988	£3,728	.....-£740
<b>TOTALS .....</b>	<b>£381,105</b>	<b>£381,105</b>	<b>£421,615</b>	<b>.....-£40,510</b>

# Total income 1st Quarter 2023-24

NB. Please note that due to rounding up/down to the nearest Pound, the figures may not add up exactly. This also applies to the Percentages on both Pie Charts.



Total Income for the 1st Quarter was £381,105



EXPENDITURE – Where the money was spent.

Publication/Literature

This includes all expenditure relating to Literature, including Production of Pamphlets, Storage, Printing, Postage & Packing, AA Service News (Produced free to the Fellowship), Share & Roundabout and all related Staff costs

Total ..... £154,015

Fellowship Services

This includes Website, Conference, Primary Purpose Projects including those directed by Conference, Telephone Expenses, and all related Staff costs

Total ..... £186,869

Administration Expenses

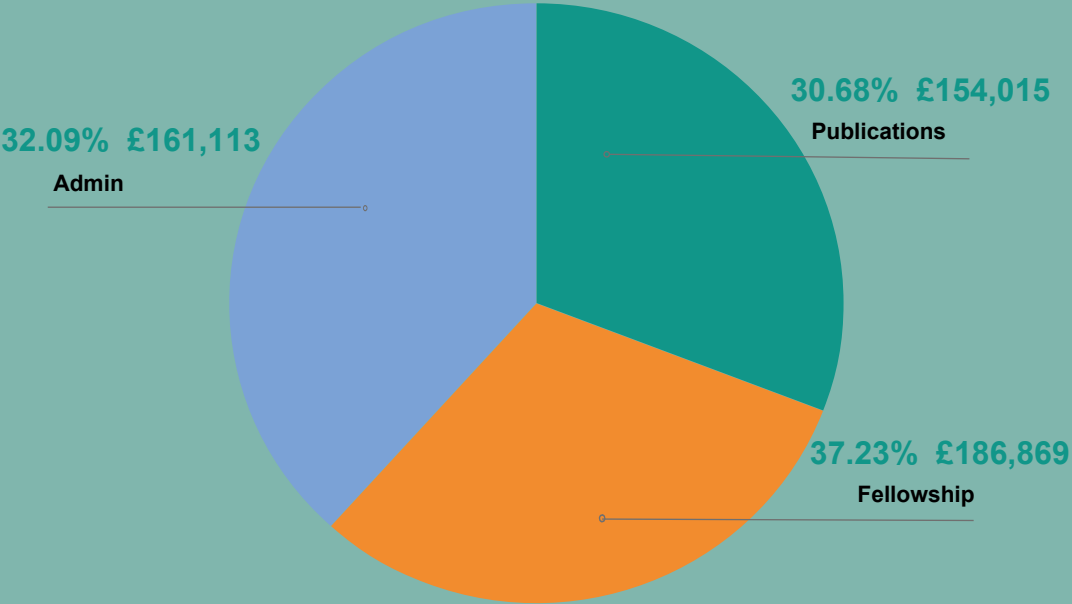
This includes Trustee Expenses, Meetings, Travel Expenses, and all related Staff costs including Administration of Conference requested Projects e.g. The new website, Fellowship Survey, Archives Cataloguing Project

Total ..... £161,113

	1st Quarter 2023/24	Year to date	Last Year to date	Variance
Publications .....	£154,015	£154,015	£105,851	£48,164
Fellowship .....	£186,869	£186,869	£123,003	£63,866
Administration .....	£161,113	£161,113	£141,849	£19,264
Totals .....	£501,997	£501,997	£370,703	£131,294

All our costs (including the above) for this 1st Quarter of the 2023/24 financial year relate to the General or Unrestricted Account and are apportioned under the three Expenditure headings shown in the Pie Chart below:

**Total Expenditure 1st Quarter 2023-24**



**Total Expenditure for the 1st Quarter was £501,997**

As mentioned earlier in this report, our expenditure has increased by £131,294. This can partly be attributed to the price of publishing and printing materials has gone up as well as postage. The GSO has tried as much as possible to absorb some of that price rise.

The price of printing has risen over the last few years, in some instances quite dramatically for instance, the Big Book hard back cost £3.30 per copy to print in 2019 and rose to £3.87 last year, which is a rise of 17%. Other big seller items such as the 12 and 12 and Where to Find rose even more. Postage has risen steadily since 2019, with second class prices rising by 23% in that time. Additionally, AA Service News went from being produced in house and packed and sent by an army of volunteers in 2019 for approx £4,300 to an online only publication and is now being printed and distributed in hard copy to all the groups and other recipients which cost an additional £5,700 + but a cost that most people that contacted GSO have agree is money well spent.

All our Income and Expenditure figures are audited and reconciled in the Annual Report each year. A more detailed breakdown of Expenditure is included in the Annual Report.

Overall

Total Income for 1st Quarter: .....	£381,105
Total Expenditure 1st Quarter: .....	£501,997

The Charity's 1st Quarter Income over Expenditure leaves a deficit of..... - £120,892

This a reminder of our Warranty 2 Reserve (Concept 12- "Sufficient operating funds plus an ample reserve should be its prudent financial principle". Ample reserve held by the Charity should be one year's expenditure plus a quarters operating funds. This figure is taken from the previous years Audited Accounts, coupled with sufficient operating funds which are one quarter's expenditure. Taken together, this gives a total free reserve of 1.25 years expenditure as shown below)

W2 Level 2023-24.....	£2,320,996
Unrestricted funds December 2023 .....	£2,161,839
Gives our current deficit below W2: .....	- £159,157

The Charity started this current financial year of 2023/24 with a deficit of -£29,071. This has now increased to the above figure of -£159,157 as at 31 December 2023.

Planned Primary Purpose projects for this financial year include the ongoing upgrade and development of the AAGB Website, outlined at Conference, and the production of the videos discussed at Conference.

Notable expenditure items this 1st quarter of this current financial year 2023/24 include development costs on our new website and database, which account for the increase in computer expenses in this period. There has also been significant work to improve our Chat Now, Online Responders and Telephone services to better help those who reach out to us. Also increased postage costs reflect the increase in quantity of publications sold and distributed.

As ever, a regular steady flow of contributions through the service structure helps us as Trustees of the Charity and the chief service arm of Conference, to plan and co-ordinate these projects effectively for the benefit of the whole Fellowship across AAGB and CER. Ensuring that we have sufficient funds to continue this work is of vital importance to us all. Once again, I would like to thank you, the Fellowship for your contributions, your Primary Purpose work and service in your areas and your continued support of the Charity.

With Best Wishes and Love in Fellowship,

Clive K  
*Outgoing Honorary Treasurer*

Gretchen S  
*Incoming Honorary Treasurer*