

**THE WAGNER SOCIETY  
REPORT FROM TREASURER  
ON THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012**

Dear Members

I have pleasure in enclosing the final accounts for the society for the year ended 31<sup>st</sup> December 2012.

The accounts have been signed off by the examining accountants and will be presented for adoption at the Annual General Meeting on 31<sup>st</sup> July 2013, commencing at 7:00pm.

Taken together, the years 2011 and 2012 show the Society's income and expenditure to be well balanced. However, it was always expected that 2012 would be a year in which expenditure increased significantly, because of early development of a number of projects for Wagner's centenary year, e.g. Wagner 200. This expenditure represented our commitment to ensuring that the most important year in the Society's history to date proved to be a truly worthwhile one. In addition, the Committee decided in 2012 to upgrade the Society's presence in the market-place by developing a much more modern and user-friendly website, which we are confident will attract more new members (and will also streamline a number of the Society's administrative tasks which have not previously been automated). The first part of the investment costs for this are included in 2012's accounts – and the new website will go live during 2013.

In addition, it should be noted that we are obliged to show gross income and gross expenditure in the accounts. This means that 'wash' items such as Bayreuth tickets will be shown on both sides and the reduction of the ticket allocation in 2012 produced a net adverse variance in 2012 from 2011 of approx. £1,000 (£9,160 - £8,144). The decrease in legacy income also reduced the gross income and contributed significantly to our deficit.

Total income for 2012 amounted to £47,724 and total expenditure was £62,454. After adding a small gain arising from the evaluation of our investments, we produced a deficit of £12,900, which decreased our funds carried forward at 31<sup>st</sup> December 2012 to £52,235. The Committee is confident that, once the 2013 celebrations are over, a return to more normal levels of expenditure will be sustainably achieved.

I set out below a more detailed explanation of the income and expenditure items showing the 2011 figures as comparison.

**Income**

	2012	2011	Variance
	£	£	£
Subscriptions	22,368	18,616	3,752
Donations and legacy			
Ex Wagner 200	7,250	-	7,250
Other	2,025	5,158	(3,133)
Legacy	717	12,278	(11,561)
Bayreuth tickets	1,340	10,500	(9,160)
Other opera tickets	495	-	495
Meetings and events	7,363	12,138	(4,775)
Investment income	1,034	733	301
Other income	<u>5,132</u>	<u>436</u>	<u>4,696</u>
Total income	<u>47,724</u>	<u>59,859</u>	<u>(12,135)</u>

Although membership numbers went down, the increase in the annual rates saw subscriptions rise by £3,700. The reduction of donations was due to the absence of any legacy in 2012.

Income from meetings and events was significantly lower due to a large reduction in the Bayreuth ticket allocation.

Other income, an increase of £4,700, included tax recovered from a gift aid claim and an increase in advertising revenue.

### Expenditure

<u>Type</u>	<u>2012</u>	<u>2011</u>	<u>Variance</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Bayreuth tickets	1,204	9,348	8,144
Other opera tickets	495	-	(495)
Meetings and events	6,068	9,695	3,627
Bayreuth Bursary	4,099	4,760	661
RWVI	500	321	( 179)
Donations and gifts			
Ex Wagner 200	12,250	-	(12,250)
Other	7,800	3,500	(4,300)
Magazine production	10,529	6,749	(3,780)
Goodall Scholars	5,800	4,900	(900)
Other inc. subscriptions	<u>4,258</u>	<u>1,076</u>	<u>(3,182)</u>
Direct charitable exp.	53,003	40,349	(12,654)
Governance costs	<u>9,451</u>	<u>6,407</u>	<u>(3,044)</u>
Total expenditure	<u>62,454</u>	<u>46,756</u>	<u>(15,698)</u>

The reduction of meeting and events costs was mainly due to the decrease of the Bayreuth ticket allocation, a reduction in the Rehearsal Orchestra event costs and the absence of an annual dinner cost.

Donations significantly increased this year and included contributions to Wagner 200, The Wagner Journal and the Peter Moores Foundation. Our contribution to Mastersingers reverted to an annual sum of £5,000.

The cost of production and despatch of our magazine 'Wagner News' increased because of a rise in postage costs coupled with the addition of inserts causing the magazine weight to be higher. This was mitigated to an extent by receiving some advertising income.

Other costs saw a significant increase in our subscription to RWVI. We are now charged 2 euros per member. To promote the society's events we incurred advertising costs with ROH, Opera and Opera Now.

The increase in governance costs was due to the first instalment of the website development costs.

The movement from a surplus in 2011 to a deficit in 2012 is explained in summary form below:

<b><u>Variiances</u></b>	<b>Income</b>		<b>Expenditure</b>
	<b>£</b>		<b>£</b>
Subscriptions	3,752	Bayreuth tickets	8,144
Wagner 200 donations	7,250	Meetings and events	3,627
Other donations	(3,133)	Wagner 200 donations	(12,250)
Legacy	(11,561)	Other donations	(4,300)
Bayreuth tickets	(9,160)	Magazine production	(3,780)
Meetings and events	(4,775)	Subscriptions	(1,166)
Income tax recovered	3,905	Advertising	(2,016)
		Governance costs	(3,044)
Other	<u>1,587</u>	Other	<u>(913)</u>
Total	<u>(12,135)</u>	Total	<u>(15,698)</u>
Surplus 2011	13,103		
Less variances Income	(12,135)		
Expenditure	<u>(15,698)</u>		
Deficit 2012	<u>(14,730)</u>		

### **Balance Sheet**

As indicated above, the deficit in the year of £12,900 reduced our funds to £52,235. This was reflected in a decrease in our cash balances but was partially offset by an increase in our prepayments.

Our investment in Charifund shares continues to show growth. From a cash flow perspective 2013 will remain a challenging year and the society must ensure, that wherever possible, surpluses are earned on our events

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