



ANNUAL REPORT OF THE TREASURER OF THE UNION FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2006

The Annual Accounts show a surplus for the year of some £8,000, a little short of the original budget figure of £13,700. The improvement over the preceding year's result has been achieved against a background of falling subscription income through a combination of reduced staffing costs and a slightly lighter year in terms of international commitments.

The following table summarises the results and worth of the company since 1996/7:

Year	Surplus/Deficit £	Worth of the EBU £
1996/97	7,448	783,576
1997/98	(110,846)	672,730
1998/99	3,130	675,860
1999/2000	10,591	686,450
2000/01	73,653	760,103
2001/02	52,786	812,889
2002/03	(143,922)	668,967
2003/04	7,257	676,224
2004/05	(39,478)	636,746
2005/06	8,321	645,067

Bridge for All

The year was notable for the relaunch of the first two *Bridge for All* units in booklet form at reduced cost. This has proved a success with many counties showing a marked increase in *Bridge for All* numbers. A similar combined booklet for the third and fourth units will be available in the current year.

Membership

A 4% drop in the number of full members to 24,608 was almost matched by an increase in *Bridge for All* numbers from 1,224 to 2,084. Membership income was some £20,000 behind budget.

Annual subscriptions increased by 50 pence to £15.50.

Master Points

Income was almost unchanged at £237,000, about £15,000 below budget.

Trading

Although income was some 10% down on the preceding year improved margins led to a result around £15,000 better than budget.

Competitions and Tournaments

Reduced entries at some events, particularly Brighton, led to a result modestly below budget on domestic competitions. At around £110,000 excluding Aylesbury overheads the cost of internationals was just £2,000 over budget, a creditable result given the unexpected invitation to our ladies team to play in the Venice Cup.

English Bridge

There was little change in the net cost of producing *English Bridge*, though advertising income continues to be under pressure. The cost per member is around £3 for 6 issues.

Administration and Management Expenses

At £509,000 staff salaries, temporary staff and recruitment costs were more than 10% below the preceding year. The reductions were mainly in the computer and development areas, although in the computer field there was a modest increase in the use of external resources.

Cash Resources

Cash was kept in a Barclays Current Account and a Barclays Business Premium Account. Some short-term surplus funds were invested through Barclays on the Money Market. We retained our high yield Eurobonds (which were bought some years ago) although these mature in two tranches in 2007 and 2010. Funds were sufficient to comfortably meet our operating needs without recourse to borrowing.

Conclusion

Conservative assumptions have been built into the budget for 06/07, leading to a projected £33,000 surplus for the current year. It may well prove desirable and appropriate, however, to invest a measured amount into the development of new and improved services to members designed to reverse the current downward drift in membership.

Failure to achieve the latter would ultimately make it increasingly difficult for the EBU to finance its current range of activities. Nevertheless, for the time being we continue to have adequate liquidity and a reasonable balance sheet.

John Neville, Treasurer
July 2006