

UK T_EX Users' Group

Treasurer's report for the financial year 2006–07

This report, and the accompanying accounts, cover the period from 1 August 2006 to 31 July 2007. They omit movements on one item, the book account, as details for this item are not yet available; this account is quite small and its omission does not materially affect the view of UK-TUG's financial position given by the accounts.

First, here is an explanation of the accounts. The first page of the accounts covers income and expenditure over the year (they are called *receipts* and *payments* for these types of account).

The first three columns deal with the receipts and payments in the year in question, August 2006 to July 2007. All the receipts and payments appear in the third “total” column, but they are distinguished as *restricted* and *unrestricted*. Money that UK-TUG holds is “restricted” if its use is constrained: it might be given to us for forwarding to TUG as a joint membership subscription, or it might be intended explicitly for bursaries, or for L^AT_EX3. We have, this year, created a new restricted fund called the MathTran Reward Fund; this will allow UK-TUG to administer payments on behalf of the MathTran project to bug-finders (we will not use any of UK-TUG's money for this fund). The remaining money is “unrestricted”, and we can use it for any constitutional purposes. So columns 1 and 2, added together, give column 3.

Column 4 is the “total” column that appeared in the previous year's accounts. (Of course the TUG and UK-TUG membership figures there are split into the years 2005 and 2006, rather than 2006 and 2007.)

So in 2006–07 our total income was £2,228, of which £1,851 represented membership income; this compares with the 2005–06 figures of £3,340 total income, of which £3,046 represented membership income. Note that the TUG subscriptions are included here, because we pay the money into our account before reimbursing TUG. So membership income is significantly down: but of course that is to be expected, as the 2005–06 figures include membership income from the year 2005, when we charged a fee for UK-TUG membership, whereas in 2006 and 2007 we have readmitted continuing members without a fee.

Similarly, our total expenditure in 2006–07 was £4,983, compared with £3,582 in 2005–06. Again, the reimbursement of TUG for joint membership comes in here, though there is a delay because some of the money paid to TUG in November 2006 came from subscriptions received in the previous financial year (ie before 1 August 2006).

The explanation for the item “Exchange rate movement on TUG transfer” is the same as given last year. At the beginning of each year, TUG sets the rate for joint membership in US dollars, and this was the rate we used when calculating the amount to forward to TUG. On the other hand, the amount we charge UK-TUG members for joint membership of TUG is set in sterling, again at the beginning of the year. During the first months of 2007 the exchange rate has again moved in favour of sterling, and so we have made a small profit on the transaction. There was, of course, a risk that the rate would have moved the other way, and in those circumstances we might have made a small loss.

In any event, in the year 2006–07 we had a deficit of £2,755, compared to a deficit of £242 the previous year.

Finally on page 1, the accounts show how the deficit matches the difference between the total funds available at 31 July 2006 and 31 July 2007: on the first date we had a total of £19,527, but as a result of the deficit we had a reduced total of £16,772 on the second date. Most of this, £15,147, is in our deposit account.

On the second page you will find a statement of assets and liabilities, at the beginning and

end of the year in question. All of our assets are in the form of cash, and the first part of the statement of assets gives a breakdown into the four restricted funds and the unrestricted cash fund. I have separated out the book account from the general unrestricted funds as it is operated separately.

The liabilities, shown only for year-end of the present financial year (2006–07), represent money that we owe people. Some of this corresponds to money received for TUG joint subscriptions after our last payment to TUG, and money received on behalf of the L^AT_EX₃ fund. There is also an estimate of the cost of having our accounts officially inspected.

I mentioned last year that I had written to HMRC about our position regarding corporation tax. We are now officially known to HMRC, and they regard us as “dormant” as far as corporation tax is concerned. The general position is that membership income is not taxable, but that any profits we might make from (for example) meetings or bank interest would be taxable. Our bank interest is in fact taxed at source, and I do not expect that we will make profits from meetings in the foreseeable future.

As far as the future is concerned, I cannot do better than to repeat my comment from last year. Our finances are in a remarkably healthy state; at the time of writing we still have nearly £17,000 in the bank. Of course this is because we haven’t done very much, beyond organising last year’s Workshop/AGM and distributing TeX Live and the EuroTeX proceedings. We have been mandated by our membership to use some of our funds to support TeX-related projects, but we have not yet created the organisational structure to enable us to do this effectively; this development will, I hope, be completed in the coming year.

At the last AGM we re-appointed Paul Chu as the inspector for the accounts. These accounts, once approved by the Committee, will then go forward to him. As last year, he will then produce a version of the accounts in a slightly different format, and this inspected version will be presented to the AGM for approval by the membership.

David Saunders
Treasurer
17 August 2007