

AAIA TREASURER'S REPORT OCTOBER 2020

General Overview:

Whilst recognising we are in the middle of huge changes to our lives, the financial position of the Association remains healthy and AAIA has amply demonstrated its financial viability by absorbing last year's higher levels of investment in the improved website. As always the Association owes a huge amount to the selfless and dedicated contributions of the Executive, all of whom support the Association with no financial reward and give their time to AAIA for free, particularly the President and Secretary of the Association. To be clear, any financial surplus would be totally wiped out with the employment of just one paid official!! However, the uncertainty of the future could hold grave implications for the Association and its ability to deliver and to thrive.

Income:

This year, as in 2018-2019, we have had to rely entirely on membership revenue for our income. There was no additional contribution from the national conference nor from any regional conferences. The projected 2020 SW regional conference had to be postponed at a late stage and all monies had already been collected; these will be held over until the conference takes place. Many thanks to the SW organisers for generating this income. Income from membership realized some £15 000 -slightly down on last year - and we continue to use the most stringent financial support to protect the application process via our bank, our website and the use of Stripe financial services. Again, many thanks are due to the AAIA Regional representatives who have played a significant role in supporting the Membership Secretary in generating membership income.

Expenditure:

This is the area most affected by the pandemic. The physical cancellation of two Executive meetings and most Regional meetings has seen a dramatic reduction in expenditure. This would have been even greater but for the cost of cancelling this year's conference at Leicester. Cancellation costs would have been considerably higher if the Executive had delayed its decision to cancel, especially as it was taken in the early stages of the pandemic and later events meant that we couldn't have held the conference anyway! The Financial and Conference Sub Committees will always consider most carefully the financial viability of any conference – national or regional – and would recommend cancellation to the Executive committee if they believe that there are severe financial risks to the Association. One constant source of expenditure has been support and development of AAIA's website. The Executive is very aware that the website is the most important means of communication with its membership and has been delighted at the progress made in providing this effective link between the Executive and ALL AAIA members, especially during the coronavirus pandemic. Suitable webinar-type meetings have been held by the Executive and some Regions; costs for these have been paid via the Executive. As always the work of AAIA's Communications Officer is to be applauded.

Reserves:

Our current total assets are over £36 500 which, whilst ensuring viability, is too large a figure to sit comfortably with our 'not for profit status'. AAIA's Executive is committed to an ongoing review of how best the Association's money is spent and initial proposals would suggest that membership fees [all classes] are held at this year's level – subject to AGM approval – and that the costs for the next annual conference in 2021 are held at £395. However if the current Covid situation persists further into the new school year and beyond , AAIA would be faced with the possibility of holding no physical regional or national meetings which, in itself, would mean we could only exist as a social media and website forum, despite having strong financial viability. This in turn could have negative knock-on effects on membership sustainability, recruitment and delivery and threaten our very existence and *raison d'être*. Best summed up as 'an Association with plenty of money but relatively few members and limited impact'.

The Association's Financial status:

The Association has recently completed our bank's financial health check via its Business Profile update and this has been approved. These checks have brought into focus the current financial status of the Association. From its inception AAIA was not established as a charity but classed as an unincorporated association, a not-for-profit organisation which has no paid employees or premises. Additionally, AAIA puts all of any income it generates back into the association for the benefit of its members and in meeting the stated aims of the association's constitution. Unincorporated associations are also required to have a constitution, hold an AGM and present annual accounts. By complying with all these conditions, we currently pay no tax. Given current circumstances I have contacted HMRC to ascertain if we would in any way be liable for tax in the future but as yet have not received any definitive information.

Auditor's Comments:

AAIA's constitution requires an annual audit to be held. As there are no capital costs or salaries/pensions involved these are straightforward and focus on the Association's income and expenditure accounts, including conference finances.

The Auditor reports that:

'AAIA's accounting processes are fully transparent; its accounts are as always meticulously prepared, with total reconciliation between invoices, bank statements, cheques and the accounts ledger. Arrangements for payments into the accounts are simple but robust; payments out of the account are always made within recognized time limits and the overall accounts are clear and easy to read. Security arrangements via the NatWest BACS electronic system are strong and well-enmeshed in practice.'

**Michael Paul Patrick Viner BA PGCE MEd with Distinction FRSA
Honorary Treasurer AAIA.
September 2020.**