

## **RIBI Conference Accounts 2013/2014 to 2016/2017.**

At the District Council meeting in January 2017 the District Governor gave a presentation on the RIBI budget and how it was planned to make savings because of the financial difficulties RIBI was facing. During the presentation the DG explained that the average loss on the RIBI Conference was £60,000 per year for the last ten years, a total of £600,000 over that period.

I asked RIBI for the figures for the cost of Conference in 2017 and I was referred to the Financial Statements for the Year Ended 30 June 2017. This showed a loss of £45,194.

There are two issues that arise from the accounts for Conference:

- The annual loss over the last four years, which has been £83,794 in 2013/2014, £44,220 in 2014/2015, £21,865 in 2015/2016 and £45,194 in 2016/2017.
- The inaccuracy of the budget set for each Conference when compared to actual show an error varying from 52% in 2013/2014 to 2,484% in 2015/2016.

I have also looked at the Financial Statements for 2013/2014, 2014/2015 and 2015/2016 and have compared the budget figures for each Conference for the last four years. I won't go into detail on each year. However, below is a chart showing the Conference Accounts for the last four years. It compares the budget and the actual figures.

There are questions about the budgeting and accounting process:

- How can there be an error of 647% in 2016/2017 between the expected surplus and the actual loss?
- Why was there an increase in the venue and equipment cost of £39,946 from the budget for the Conference in 2015/2016 to the budget for 2016/2017?
- Why was there an increase on the venue and equipment cost of £34,398 from the actual cost for the Conference in 2015/2016 to the actual cost for 2016/2017?
- Why was the budget for registration for 2016/2017 set at £130,610 when the actual figure was £86,333? The figure in the budget is totally unrealistic when the income from registrations for the previous three years are considered: 2013/2014 = £74,571, 2014/2015 = £62,817 and 2015/2016 = £76,532.
- The budget for sponsorship for 2016/2017 was £8,400. Only in 2014/2015 was there any income from sponsorship, how was this budget figure arrived at?
- What is the budgeting process?
- How can the actual figures for a Conference change between the figures published in two financial statements, i.e. the actual for the Conference in 2013/2014 changed between the Financial Statements for 2013/2014 and for 2014/2015, and for the 2015/2016 Conference between the Financial Statements for 2015/2016 and for 2016/2017?

N.B.

- Actual for 2015/2016:
  - There is a change in the way the figures are shown.
  - The Headquarters' cost is reduced by £7,438 and this leads to a reduction in the overall loss of £7,438.
- Actual for 2013/2014:
  - The administration cost of £10,207 and the voting delegate cost of £9,262 have been removed and the overall loss was then reduced from £83,794 to £72,056, a reduction of £11,738.
- The minutes of the General Council meeting in November 2017 state that the Conference for 2018 is due to breakeven subject to 1,300 attendees. Is this remotely realistic?

One further question, unrelated to the cost of the RIBI Conference:

- How can an increase in staffing costs be justified? This is recorded in MINUTE NUMBER 3 of the General Council Webinar meeting on 4<sup>th</sup> October 2017, when the cost of the additional staff support at management level was stated to be £1,200 per month, £14,400 per year.

These are serious issues that need to be addressed.

Philip Freeman  
Rotary Club of Stowmarket Gipping Valley.

Conference:	2013/2014	2013/2014	% Difference between Budget and Actual.	2014/2015	2014/2015	% Difference between Budget and Actual.	2015/2016	2015/2016	% Difference between Budget and Actual.	2016/2017	2016/2017	% Difference between Budget and Actual.
	Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual	
Venue and equipment costs	£92,000	£99,194	8%	£50,600	£45,374	-10%	£43,065	£37,750	-12%	£83,011	£72,148	-13%
House of Friendship Costs	-£12,000	-£3,697	-69%	-£2,600	-£2,144	-18%	-£2,700	-£4,188	55%	£15,000	£10,507	-30%
Photography/publicity/signage/printing	£3,100	£1,697	-45%	£3,600	£2,450	-32%	£3,600	£3,534	-2%	£3,500	£6,056	73%
Expenses of chair/host club/committee	£4,000	£4,149	4%	£6,200	£4,516	-27%	£3,400	£1,758	-48%	£3,800	£4,032	6%
Other operational expenses	£7,500	£10,202	36%	£11,428	£17,394	52%	£11,500	£10,710	-7%	£11,438	£11,813	3%
Headquarters costs	£22,900	£23,804	4%	£27,195	£44,908	65%	£22,804	£38,942	71%	£24,794	£35,402	43%
Speakers feed and expenses	£9,850	£4,186	-58%	£11,225	£14,198	26%	£1,752	£10,694	510%	£10,000	£13,473	35%
Social events costs	£6,200	£2,076	-67%	-£10,038	-£3,575	-64%	-£7,283	£2,375	-133%	£32,103	£47,941	49%
Administration	£8,700	£10,207	17%	£17,400	£10,846	-38%	£33,323	£7,856	-76%	£6,700	£4,902	-27%
Voting delegate fees	£17,000	£9,262	-46%									
Total costs:	£159,250	£161,080	1%	£115,010	£133,967	16%	£109,461	£109,431	0%	£190,346	£206,274	8%
Registrations	£86,250	£74,571	-14%	£80,145	£62,817	-22%	£105,327	£76,532	-27%	£130,610	£86,333	-34%
Advertising	£3,000	£2,715	-10%	£3,000	£1,930	-36%	£3,000	£3,596	20%	£3,000	£4,232	41%
Sponsorship	£15,000	£0	-100%	£25,000	£25,000	0%	£0	£0		£8,400	£0	-100%
Social events income								£0		£38,750	£56,578	46%
House of Friendship income								£0		£17,850	£13,937	-22%
Total income:	£104,250	£77,286	-26%	£108,145	£89,747	-17%	£108,327	£80,128	-26%	£198,610	£161,080	-19%
Total costs-Total income=	-£55,000	-£83,794	52%	-£6,865	-£44,220	544%	-£1,134	-£29,303	2484%	£8,264	-£45,194	-647%

Discrepancies in the figures in the Financial Statement 2014/2015 and 2013/2014.

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