

WSA Financial Report to WSC meeting June 2013, Poio, Spain

8 June 2013

By WSA Treasurer Hammond Peek

Summary:

Overall in 2012 we received slightly less in donations and grants to WSA than we had budgeted, but we also spent less than budgeted. Thus overall our actual budget deficit (-\$61,619) was smaller than our forecast budget deficit of -\$76,764.

For the third year running the WSA Audited Accounts were completed on time.

An often overlooked part of the audit is that for at least ten years running, including 2012, the auditors have proposed no changes, and have given a clean audit report to the WSA. This doesn't happen by accident - it happens because WSA has been well managed financially. Congratulations to Elwyn Waugh, our current WSA Accountant, for taking such good care of our WSA finances.

After 20 weeks of our current WSA 2013 year we are slipping behind in our regular donations, plus we have a substantial extra fundraising goal this year that is not currently being met. We need to make some cuts to the WSA 2013 budget during this WSC meeting if we still want to achieve a balanced budget for this year.

I am presenting a WSA 2014 Draft 'Bare Bones' Budget V1 – with 2 budget options for us to consider for 2014. I believe we must aim for a balanced budget for 2014, and that is what I am proposing.

Fundraising for WSA Archives (including Memnon costs & the 10 year Strategic Plan), and all our regular WSA needs, is a huge ongoing commitment. Stuart Cooke will present his latest Fundraising Plan that includes coordinating fundraising at all levels of our Subud organisation, to financially strengthen Subud long term.

1. Deficit for 2012 not as much as budgeted.

Enterprise donations were slightly more than what we planned for, whilst overall expenses for 2012 were less than we anticipated - resulting in a final deficit of -\$61,619 against the -\$76,764 we had budgeted – a reasonably positive result for the year. For World Congress preparations we also spent \$46,908 out of the World Congress Fund in 2012, leaving a balance of \$100,592. This Fund will be replenished from World Congress proceeds.

2. Audited 2012 Accounts delivered on time.

The audited WSA 2011 Financial Statements were delivered well on target, before the end of May.

We have Total Net Assets at the End of 2012 of \$363,931 comprising:

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| • Unrestricted | \$216,615 |
| • Board designated – World Congress Fund | \$100,592 |
| • Subud Emergency Fund | \$ 15,672 |
| • Temporarily Donor restricted | \$ 31,052 |

3. How we are doing this year - WSA 2013 Actuals v Budget to Week 20 commencing 12 May 2012

Overall the deficit at week 20 was around -\$61,000 compared to a budgeted deficit of around -\$70,000 for that time of the year. This is mainly because some large one-off expenses hadn't yet needed to be paid.

5. Proposed WSA 2014 Draft “Basic” Budget V1 – for discussion

This “Basic” WSA 2014 Draft Budget V1 offers just 2 options. It is up to this meeting to decide which option to take for 2014. Some figures will depend on the outcome of discussions at the WSC meeting between WSC and MSF regarding the funding of WSA Archives.

Whichever option is chosen, my recommendation is that we adopt a balanced budget, rather than a deficit budget.

Basic	-	Lots of cuts from current figures
Medium	-	Some cuts from current figures
Full	-	Roughly the same as 2013, but with \$195,950 for WSA Archives

6. Fundraising – for both WSA core programmes & WSA Archives

Fundraising for WSA Archives (including 2012 and 2013 Memnon costs, plus the Archives 10 year Strategic Budget Plan), and all our regular WSA needs, is a huge ongoing commitment. Stuart Cooke will present his latest Fundraising Plan that includes coordinating fundraising at all levels of our Subud organisation, to financially strengthen Subud, long term. This radical plan involves a total revamp of the way donations are collected from the group level upwards.

Conclusion

I believe WSA is at a crossroads financially, where the level of donations and grants are not currently meeting the needs of the WSA programs and services WSA is providing to our members worldwide.

Thus to ‘balance the books’ we either have to cut services and expenses, or raise income...or both.

To me fundraising is our biggest financial challenge. **We need a total grass-roots change.** Ordinary members, enterprises, the better off amongst us, and those who continue to contribute little or nothing, all need active encouragement, to bridge this gap between what activities WSA wants to promote and provide, and the funds currently coming in to do it with.

Attachments (these reports may be viewed by the council online, at the WSA Online Office. Some of these financial report attachments can also be viewed on the Subud websites):

- FRA 1. WSA 2012 Audited Financial Statements
- FRA 2. WSA 2013 Q1 (first quarter) Financial Statements
- FRA 3. WSA 2013 Actuals v Budget Week 22 commencing 26 May 2013
- FRA 4. WSA 2013 Budget (prior to any adjustments agreed at Poio)
- FRA 5. WSA 2013 Draft Budget V1 (prior to being developed at Poio)