

Treasurer's Report to the 2020 AGM of the Maserati Club UK Limited

Firstly, I hope that members and families are keeping safe in these difficult times and my thoughts are with all those who have suffered as a result of the COVID-19 pandemic.

2019 was an exceptional year for the Maserati Club UK with our hosting the Maserati International Rally which was a great success. I am therefore pleased to report to the Members of The Maserati UK Club a very healthy set of finances for 2019.

I will also set out our approach for the club finances for 2020 which as we know will be a very different year given the limited opportunity for Club related events.

Review of 2019 Income and Expenditure

2019 Income

Events: The Club ran its full programme of events in 2019 including Northern Lights, Cotswold Motor Hub, Cameron Millar, ProDrive Open House, AGM & Concourse, Maserati & Margheritas, Blyton Trackday, South Downs and Autumn Runs, Christmas Dinner as well as the Club's attendance at both the Silverstone Classic and NEC Classic Car Show. The Club also hosted the Maserati International Rally 2019 (MIR 2019) which was huge success both for participants and The Club. The total surplus income from events (before charitable donations) was £42,469 for the year of which £40,659 (c. 96%) was from MIR 2019.

Subscriptions: At the end of the year membership was up to 701 compared to 657 members in the previous year. The 2019 Club's subscription accounted for totalled £43,039; this is £2,962 less than 2018 primarily due to a change in accounting treatment of subscription renewals and new joiners for the entire of the fourth quarter being deferred to 2020.

Insurance: The commissions earned through The Club's association with Lockton Insurance were £2,858 and grew by 24% year to year. The arrangement is working well for both members and the Club and it would be positive to see further progress in 2020.

With all of this activity, total income for 2019 was £88,555 compared to £58,431 for 2018 and enabled The Club to increase its charitable contributions for the year which is an important element of our modus operandi.

2019 Expenditure

The Club increased expenditure on Website Development (for SCA compliance), Classic Car Show Attendance, Professional Fees and Insurance. The Club was also able to make a substantial increase in Charitable Donations as a result of the MIR 2019. With the increased event and membership activity and increased Charitable Donations, total Club expenditure rose £17,427 year to year to £67,048.

Newsletter and Trident: At £8,335 and £6,154 respectively, Newsletter and Trident expenditure reduced year to year and were well within budget thanks to the work of the respective editors and a decision to change printers for the Newsletters.

Website: Website expenditure increased £6,343 year to year. At £2,147 website maintenance expenditure was greater than the £1,800 budget due to additional domain hosting costs. At £9,905 for website developments was greater than the £5,000 budget due to SCA Compliance requirements.

Classic Car Shows: The cost for attending the Silverstone Classic and NEC Classic Car Show were £6,997 and have increased year to year to reflect the actual costs of these two key events. During the year actions were also taken to acquire stand assets so they can be re-used for subsequent shows.

Professional Fees: Professional fees increased year to year by £960 with further assistance from the Club accountants to prepare the submission to HMRC for the Club VAT status. The submission has been made and we await feedback from HMRC.

Charitable Giving: Charitable Giving is an important activity for The Club with a proportion of event surplus gifted to the charity of the event organiser's choice. Charitable Donations of £16,024 were made in 2019 comprising Child Hospice Association Scotland (£12,500) from MIR 2019, The Brigette Trust (£2,674) from the Christmas Auction and Raffle, Claire House Hospice (£530) from Maseratis & Margherittas and Volunteer Action Oundle (£320) from Cameron Millar Spring Rally.

Members will be stirred by the letters of gratitude we receive from the grateful receiving charity organisations. Thank you to all members, associates and sponsors who helped contribute.

As a result of these incomes and expenditures, the overall surplus for 2019 is £21,507. This surplus will be treated as an operating reserve and will be invested in enhancing Club services over the next 2 years including free AGM entry for Members, more funds towards non-profit making events i.e. NEC Classic and Silverstone Classic and a provision of £12,000 to update the Website over autumn 2020 and spring 2021.

Outlook for 2020

As a result of the COVID-19 pandemic, most events have been postponed and payment / bookings carried over to 2021 when it is hoped that events can commence once more.

While we are taking appropriate steps to manage expenditure there will be a requirement to draw down on reserves due to the lack of event income / surplus. The main additional expenditure for 2020 will be for the first phase of the Website redevelopment at £6,000. The total expected draw-down on the operating reserve will be of the order of £9,000 for the full year.

Club Financial Health and Restatement of Reserves

As a result of the strong contributions from MIR 2019, The Club financial health has continued to strengthen and we will be able to weather the challenges of the current environment; the balance sheet remains strong.

The astute will note the restatement of reserves to more accurately reflect the operations of The Club with specific reserves of £31,160 and general reserves of £85,328.

As previously highlighted, the Committee proposes to use the 2019 operating reserve and some of the general reserves to enhance Club Services over the next 2 years including free AGM entry for Members, more funds towards non-profit making events i.e. NEC Classic and Silverstone Classic and a provision of £12,000 to update the Website over autumn 2020 and spring 2021.

The AGM and Members are recommended to accept the accounts as presented and support the use of the operating reserves and some of the general reserves to enhance Club services over the next 2 years.

Luq Niazi
Treasurer
Maserati Club UK

31st May 2020