

## Selsig Musical Theatre Society – Audit Report 2023

**Auditors - Robert Medcraft and Glenn Bowen**

**Treasurer – Robert Huxton**

The 2023 Audit took place on the evening of the 20<sup>th</sup> of July 2023 and 6 Ystrad Street, Grangetown, Cardiff.

### Overview

It has been an amazingly successful year for the Society both financially and artistically. Going back to the Parc and Dare for the first time since Covid was always going to be a risk, would the audience still be there and would they still come out and support us? Thankfully the answer was yes and both. Selsig Comes Home and Grease played to packed houses with Grease being a complete sell out. Thanks and congratulations, as always must go to our brilliant production team, for the blood sweat and tears they put in to all our productions to make them so successful.

The year has been artistically successful but also financially successful. The last time we made a profit anywhere near as significant as this year was 2007. Then we made approximately £16k profit on the back of the Wizard of Oz (Dec 06)) and We Will Rock (April 07), so for the society to make a profit of over £25k is unprecedented and a huge achievement for the Committee, our Chair and for our new Treasurer.

The major element of profit obviously comes from selling tickets, so a huge thank you to members who played their part in selling tickets for both shows. A particular thanks to Megan for leading the charge with publicity and marketing and all those committee members who assisted her.

The other income that we always rely in is fundraising so again thank you to those who have worked hard through the year in continuing to fundraise, from the Bonus Ball, Cake Sales and the new addition this year of the Tuck Shop. We don't want to mention individual names as we are sure to miss somebody out, so a big thank you to all those involved in fundraising.

### Financial Audit

This was the second audit for the current Auditors and the first for our new Treasurer. Both Auditors were very impressed with the quality of the financial information provided. It was presented in a clear and concise way and very easy to understand a big thank you to our new Treasurer Rob for his meticulous book keeping, we know our previous Treasurer would be both impressed and proud to see his good financial management continue with our current Treasurer.

The Auditors were able to question all income and expenditure listed in the accounts and any questions raised were answered by the Treasurer. We confirmed the money in the bank at the end of the audit period matched that on the accounts and we were able to dip sample lines of expenditure to ensure that expenditure in the accounts matched payments on the bank statements. We are happy to report a clean financial audit for 2023 with just a few recommendations listed below for the next committee to consider. Again thank you Rob for all your hard work.

### Recommendations

**Recommendation 1** - Complimentary Tickets, as stated earlier our tickets are our main source of income so we must track and be happy with the approval of complimentary tickets. This year approx. 61 complimentary tickets were given out with a value of £1,067.50. Complimentary tickets can be an important tool in our marketing and communications work to sell our shows, particularly when we

have spare capacity, in the form of tickets left unsold. However in Grease we turned people away as there were no tickets left.

In the future we recommend that the committee have a tighter reign of the use of complimentary tickets with final approval remaining with the Treasurer as he can then keep a record of who has been given complimentary tickets and the business case for approving them. This means that a future audit could be given names of people who had received “comps”, and the reason why it was deemed appropriate.

**Recommendation 2** – Friends of Selsig. It was great to see some new people added to the friend list this year so a big well done for starting to refresh this. However some historic friends were not included in the programme for Grease so we need to ensure a definitive list of all Friends is kept and that list is kept up to date. Adopting a filing system in Google Docs should help with this. In the medium term it may be worth investigating software that allows us to collect subscriptions annually at a point in time, this could be used for rolling membership fees and Friends of Selsig. This could take the strain of individual manual collections and data on paid up members would be available at the touch of a button.

**Recommendation 3** – Auditors, as the current auditors have been in place for two years we recommend the Society appoint new individuals to undertake the audit next year. The current auditors would be happy to meet with the new auditors to support them, prior to next years audit.

### Governance

As the costs of putting on shows are continually rising the financial risk to the Society and its members have increased substantially. It is great that we now have reserves of over £50k but in reality we need to keep a critical cost reserve of at least £35k to underwrite future losses when they occur. To protect members and Trustees financially it may be worth incorporating and registering with the Charity Commission as a Charitable Incorporated Organisation or CIO, this would provide limited liability for members, the committee and Trustees.

Our Society has been ably led by our Chair this year and our Director has delivered two exceptional productions so a big well done to Budji in both roles. Historically the Chair role and the role of the Director have always been undertaken by separate individuals. Having a separation of duties of key roles is always good governance, to reduce the risks associated with any one individual leaving an organisation.

We would ask the committee to continue to consider succession planning for the role of Chair.

### Final Observations

Selsig are back!! And what a way to return. When we look forward though we need to consider financial planning around the next production. We know that Rob is already thinking about budgeting.

When we look at future financial planning it may well be worth looking at some assumptions in our modelling, these could include: -

Number of members on stage – this could well be less than we had for Grease  
Occupancy levels in the theatre – these are likely to be less than for Grease

It may also be worth increasing our marketing budget for Legally Blonde to support sales, this could include ‘Paid For’ Facebook and Instagram advertising.

So a final thank you to all members, elected officials and the production team for an amazing year.  
Here's to the next 75 years.