

Professional Speaking Association UK&I

Financial Year 2023/24 Review and Outlook

by William Buist, Finance Director for period 2023-2024

Introduction

The Professional Speaking Association UK&I (PSA UK&I) experienced a very financially challenging year in 2023/24. Despite a projected budget surplus of £4.8k, we are now reporting a £95k deficit, following a £48k deficit from the previous year.

I must begin by openly acknowledging my role in this year's financial challenges. As Financial Director, I failed to provide the board with adequate foresight and timely intervention in the growing financial difficulties we faced throughout the year.

While I reassured the board and the Chair, I was overly optimistic and should have explored the situation more deeply. By the time the May 2024 board meeting took place—where these issues were first raised—we had already passed the point where corrective action should have been taken.

This was a failure of oversight for which I take full responsibility.

Our risk management processes also proved insufficient. There was too little ownership of the risks and too little action to mitigate them. This lack of urgency and rigour contributed to our financial challenges.

This report aims to provide a clear and open explanation of how we arrived at this position while outlining steps to stabilise and improve our financial situation moving forward.

Financial Review

At the last Annual General Meeting (AGM), we anticipated that the financial challenges of 2022/23 were being resolved. A number of factors have compounded the challenges we faced.

Several factors contributed to this outcome:

- 1. Banking Issues:** We discussed 'Know your customer' challenges at last years AGM, which has continued to cause issues throughout this year. Delays in accessing funds in our savings account at Nationwide , Barclaycard etc. These issues have taken considerable resource and time to resolve.
- 2. National and Regional Event Costs:** The primary challenge arose from the increasing costs of hosting our events. Post-pandemic inflation in venue pricing, continued to challenge us, which had an impact both on our event costs, and on attendance as ticket prices inevitably rose. At the start of the year our events software – Eventframe – ceased to function and we were

forced to move back to Eventbrite. The significantly higher costs of this platform were absorbed for a period but ultimately had to be passed on to members, That higher cost had an impact on attendance numbers which have not grown at the rate we needed.

Our annual conferences have also suffered from the same dual challenges of higher cost and lower attendance than anticipated, meaning that the contributions we would normally expect, and which were budgeted, have not been achieved. In addition, we have not historically had separate final accounts for these events. That means we often don't pick up on the final position until much later (too late) - we need to tighten this up and have final event accounts no later than 6-weeks after each takes place.

Experienced staff at venues have left the industry after the pandemic. Those staff changes at major venues resulted in both higher direct costs and operational inefficiencies. As a result, the central costs for event management have risen significantly, too.

3. **Membership Dynamics:** While we have seen some membership growth, the distribution has shifted towards associate members. We do not currently have reliable and timely reporting of this data from our existing systems. Upgrades from associates to professionals have not occurred at the rate budgeted nor as seen in previous years. Membership fees were raised in April 2024, the majority of this increase has yet to affect the current financial year. The inflationary pressures of the past year also reduced the overall impact of this fee increase.
4. **Operational and Administrative Costs:** While many operational cost increases were external, the association should have better anticipated and managed these rising costs. The ageing technical infrastructure resulted in higher-than-budgeted expenditures. While some of these costs were necessary to maintain the functioning of our systems, we recognise that we must improve our budgeting processes to ensure that operational costs are anticipated and managed effectively.
5. **Board expenses:** Recognising that working as volunteers with an extensive strategy, we needed to expand the board to focus on commercial challenges, major project implementations, and members' learning and development needs, which added additional unbudgeted costs. Our financial year covers two overlapping presidential years, and the timing of related expenses for both fell into this financial year.
6. **Unpaid Invoices:** A portion of this year's deficit includes uncollected payments from events and memberships arising from the GSS summit in Dublin two years ago and other discrepancies between membership fees due and paid. A provision for these has been made in this year's accounts.

Challenges Addressed

The association faced a variety of additional pressures during the year:

- **Inflation:** Cost increases, particularly in event services and software, have exceeded general economic inflation rates. This impacted our budgeting and left us with higher-than-anticipated expenditures.
- **Member Support:** PSA UK&I has maintained its commitment to keeping membership and event fees as low as possible to support members during difficult economic times. However, balancing this with rising costs has proven difficult.

Looking Forward: Building a Stronger Future

While the financial year has been challenging, the PSA UK&I is already implementing several initiatives to improve both our financial outlook and the value we provide to members. These include:

1. **BOB Project:** A significant long-term solution is our new operational and administrative hub, the BOB project. This project is nearing completion and will allow us to decommission several redundant software platforms by the end of the year, leading to significant cost savings from October onwards. These savings are expected to make the project cost-neutral in the short term, cost reductive in the medium term and will enable the association to scale, and grow additional revenues profitably in the future.
2. **Commercial Strategy: Moving forward, our focus** will be on developing a clear, overarching commercial strategy under the leadership of our newly appointed Commercial Director.
3. **Learning and Development Initiatives:** We are increasing the number of paid learning and development (L&D) events aimed at supporting members as they grow their speaking businesses. These events will encourage both member retention and the development of members through the different levels of the association. For example, this year's Speaking Business Summit included a professionals-only meeting, and more such events are planned.
4. **Global Collaboration:** PSA UK&I is also forging closer relationships with other associations within the Global Speaking Federation (GSF). We are sharing best practices in sponsorship and L&D. We are discussing with the Canadian Association of Professional Speakers (CAPS) to give members access to their learning resources and vice versa, creating further value and additional revenue streams.
5. **Membership Fee Strategy:** While membership fees were increased in April 2024, we are also taking active steps to manage our costs and restore financial balance. As we look to stabilise the association's finances, we will review fees in April 2025, along with the development pathways to support

members progressing from associate membership to professional and beyond. It is essential to ensure that we continue to provide value to members and the relevant services that help them grow their speaking businesses.

6. Cash Flow Management

In light of the financial challenges we have faced, cash flow management has become a critical focus for the PSA UK&I. Our reserves are now significantly depleted, and it is clear that tighter controls are required to ensure the association remains solvent and can continue to operate effectively.

We have begun implementing the following measures to manage cash flow more actively:

1. **Expense Forecasting:** Each board member is now asked to forecast their department's expenses for the coming year. This will give the association a more accurate and detailed view of upcoming costs, allowing us to allocate resources more efficiently.
2. **Cost-Cutting Initiatives:** We actively review areas where costs can be reduced without compromising the value we deliver to members. This includes renegotiating contracts with key suppliers, reviewing our operational processes, and streamlining our use of external resources.
3. **Restoring Reserves:** Over the next year, rebuilding the association's reserves will be a key priority. By crystallising the cost savings from the BOB project and adopting a more cautious approach to spending, we aim to restore our financial buffer to ensure long-term sustainability gradually.
4. **Monitoring and Reporting:** To avoid the recurrence of financial surprises, we are implementing a more rigorous monthly cash flow monitoring and reporting system. This will give the board greater visibility into the association's financial health and allow them to take corrective action where necessary.

Conclusion

Our reserves are depleted, and the focus now is to crystallise the savings from our major project (BOB) and actively manage cash flow to restore financial stability over the next year.

The board is committed to rebuilding our reserves steadily while ensuring that the PSA UK&I emerges stronger from this period with renewed financial discipline and the ability to deliver value to our members.

Profit and Loss (Unaudited)
Professional Speaking Association
For the year ended 30 June 2024

Account	2024
Turnover	
Conference Spring 24 - Impact (London April 24)	18,280.69
Fellows Forum	3,496.22
Fellows Winter	1,770.01
Meeting Income - Birmingham formerly Midlands	4,478.75
Meeting income - East Midlands	8,051.15
Meeting Income - Ireland	6,756.71
Meeting Income - London	15,378.25
Meeting Income - North East	2,690.07
Meeting Income - North West	6,068.93
Meeting Income - Scotland	3,190.22
Meeting Income - South East Region	4,508.11
Meeting Income - South West	2,976.98
Meeting Income - Staffordshire	3,401.30
Meeting Income - Thames Valley	6,797.53
Meeting Income - Virtual Region events	4,823.59
Meeting Income - Yorkshire	3,837.05
Membership Fees - Associates	49,725.20
Membership Fees - Fellows	21,527.66
Membership Fees - Members	24,826.83
New member income	556.20
Speaking Business Summit 2023 income conference (Aut	65,765.97
Total Turnover	258,907.42

Cost of Sales	
BOB Consulting Costs	8,075.00
Conference & Regional meeting support from Centre	38,640.00
Costs 2023 Conference Spring - Impact	500.00
Costs 2023 Speaking Business Summit	70,362.71
Costs Conference Autumn 2024 - SBS	211.42
Costs Conference Spring 2024 - Impact	14,978.58
Digital Levelling Up Costs	3,161.36
Eventbrite Fees	43.18
Fellows Forum Expenses	4,724.06
Global Speakers Summit expenses	214.96
Go Cardless expense	23.48
Meeting Expense - South East Region	4,777.37
Meeting expenses - East Midlands	4,957.39
Meeting Expenses - Ireland	5,028.63
Meeting Expenses - London	17,114.43
Meeting Expenses - North East	1,963.31
Meeting Expenses - North West	6,408.46
Meeting Expenses - Scotland	3,460.83
Meeting Expenses - South West	2,002.55
Meeting Expenses - Staffordshire	3,520.93
Meeting Expenses - Thames Valley	4,398.37
Meeting Expenses - Yorkshire	5,585.30
Meeting Expenses Birmingham formerly Midlands	3,460.66
Masterclass Expenses	33.85
Meeting Costs - Virtual Region	354.79
Eventbrite service and processing fees - Birmingham form	247.17
Eventbrite service and processing fees - East Midlands	382.50
Eventbrite service and processing fees - Fellows Forum	250.96
Eventbrite service and processing fees - Fellows winter	141.93
Eventbrite service and processing fees - Impact 2024	1,276.30
Eventbrite service and processing fees - Ireland	440.50
Eventbrite service and processing fees - London	497.18
Eventbrite service and processing fees - New client	51.72
Eventbrite service and processing fees - North East	186.96
Eventbrite service and processing fees - North West	319.42
Eventbrite service and processing fees - SBS	105.82
Eventbrite service and processing fees - Scotland	128.23
Eventbrite service and processing fees - South East	152.28
Eventbrite service and processing fees - South West	180.39
Eventbrite service and processing fees - Staffordshire	148.53
Eventbrite service and processing fees - Thames Valley	268.53
Eventbrite service and processing fees - Virtual	138.51
Eventbrite service and processing fees - Yorkshire	203.05
New member meetings	610.96
PayPal Fees	480.13
Regional Event Marketing Support eg vouchers	755.00
Regional President Expenses	2,210.26
Stripe Fees	4,732.00
Subscriptions payable to GSF/NSA	5,348.97
Total Cost of Sales	223,258.92

Gross Profit **35,648.50**

Administrative Costs	
Annual Accounts preparation and review service	1,500.00
Bank Fees - Barclays	63.86
Bank Fees - Metro Bank	613.60
Bank Revaluations	145.30
Board Meeting Costs	16,952.05
Board VA support	4,140.00
Bookkeeping and management accounts	6,814.25
Central Membership Support and Administration	13,200.00
Central Secretariat	2,250.00
Chairman's Allowance	13,350.00
Copywriting services	7,255.00
De Minimus VAT Disallowed	(3,196.96)

Profit and Loss (Unaudited)
Professional Speaking Association
For the year ended 30 June 2023

Account	2023
Turnover	
Conference Spring 23 - Impact (Mancheste	8,607.00
Fellows Forum	21,694.73
Global Speaking Summit Income October 2	104,597.14
Meeting Income - Birmingham formerly Mic	1,269.50
Meeting income - East Midlands	4,863.83
Meeting Income - Ireland	5,580.66
Meeting Income - London	20,798.33
Meeting Income - North East	1,037.00
Meeting Income - North West	4,725.00
Meeting Income - Scotland	2,333.34
Meeting Income - South East Region	5,375.00
Meeting Income - South West	1,705.00
Meeting Income - Staffordshire	2,375.00
Meeting Income - Thames Valley	5,065.00
Meeting Income - Yorkshire	2,479.50
Membership Fees - Associates	38,401.32
Membership Fees - Fellows	15,208.24
Membership Fees - Members	35,550.06
Total Turnover	281,665.65

Cost of Sales	
Conference & Regional meeting support fr	33,900.00
Convention Costs - OCT 2021 - Speaking I	(386.74)
Costs 2023 Conference Spring - Impact	13,181.13
Eventbrite service and processing fees - N	172.42
Fellows Forum Expenses	4,585.00
Global Speakers Summit expenses	107,726.29
Go Cardless expense	115.07
Meeting Expense - South East Region	4,587.92
Meeting expenses - East Midlands	5,746.09
Meeting Expenses - Ireland	3,864.55
Meeting Expenses - London	14,913.59
Meeting Expenses - North East	1,699.32
Meeting Expenses - North West	2,327.65
Meeting Expenses - Scotland	2,714.58
Meeting Expenses - South West	1,500.14
Meeting Expenses - Staffordshire	2,268.25
Meeting Expenses - Thames Valley	5,567.75
Meeting Expenses - Yorkshire	2,689.04
Meeting Expenses Birmingham formerly Mi	2,116.42
PayPal Fees	199.89
Regional Event Marketing Support eg vouc	317.00
Regional President Expenses	400.22
Spring Conference 2022 costs	69.30
Stripe Fees	4,839.79
Subscriptions payable to GSF/NSA	7,476.96
Total Cost of Sales	222,591.63

Gross Profit **59,074.02**

Administrative Costs	
Advertising & Marketing	503.99
Annual Accounts preparation and review se	1,450.00
Bank Fees - Barclays	235.75
Bank Revaluations	(2,251.78)
Board Meeting Costs	5,305.99
Bookkeeping and management accounts	9,201.27
Central Membership Support and Administ	16,020.00
Chairman's Allowance	14,500.00
Copywriting services	7,255.00
De Minimus VAT Disallowed	8,602.69

Depreciation Expense	632.19
Finance Director	6,300.00
General Expenses	814.50
Insurance	918.47
IT Software and Consumables	17,572.99
IT Support	18,250.90
Membership Survey	4,649.74
Postage, Freight & Courier	78.62
Presidents Expenses - inc. International Travel	5,275.64
Realised Currency Gains	506.71
Social Media Services	5,841.67
Subscription	92.64
Telephone & Internet	1,594.88
Unrealised Currency Gains	64.06
Website IT Fees	119.92
Provision for Unpaid Debtors	8,701.43
Total Administrative Costs	134,501.46

Operating Profit (98,852.96)

Other Income

Interest Income	3,271.75
Total Other Income	3,271.75

Profit on Ordinary Activities Before Taxation (95,581.21)

Profit after Taxation (95,581.21)

Finance Director	3,000.00
General Expenses	730.49
Insurance	990.06
IT Software and Consumables	8,905.82
IT Support	17,010.00
Membership Survey	6,998.26

Presidents Expenses - inc. International Tr.	315.92
Realised Currency Gains	757.77
Social Media Services	1,600.00
Subscription	29.17
Telephone & Internet	376.64
Unrealised Currency Gains	6.29
Website IT Fees	7,614.93

Total Administrative Costs 109,158.26

Operating Profit (50,084.24)

Other Income

Interest Income	1,924.94
Total Other Income	1,924.94

Profit on Ordinary Activities Before Tax: (48,159.30)

Profit after Taxation (48,159.30)

Balance Sheet
Professional Speaking Association
As at 30 June 2024

As of June 30,

Account	30-Jun-24	Account	Jun 30, 2023
Fixed Assets		Fixed Assets	
Tangible Assets		Tangible Assets	
Computer Equipment	859.82	Computer Equipment	336.62
Less Accumulated	-968.81	Less Accumulated Depreciation on	-336.62
Office Equipment	108.99		
Total Tangible Assets	0	Total Tangible Assets	0
Total Fixed Assets	0	Total Fixed Assets	0
Current Assets		Current Assets	
Cash at bank and in hand		Cash at bank and in hand	
Nationwide Fixed Rate Bond	75,255.73	Barclays Business Euro	27,754.69 [FX]
PayPal	3,515.56	Barclays Current - 00187	5,000.00
Professional Speaking	30,134.87	Barclays Deposit - 20185	51,876.92
Professional Speaking	566.69	Barclays Deposit - 40187	188.61
PSA Foundation (Metro Bank)	42,399.31	Nationwide Fixed Rate Bond	83,796.45
		PayPal	490.54
		PSA Foundation Fund	31,187.96
Total Cash at bank and in hand	151,872.16	Total Cash at bank and in hand	200,295.17
Accounts Receivable	7,781.48 [FX]	Accounts Receivable	4,028.56 [FX]
Other Debtor	229.14	Prepayments	599.98
Prepayments	883.31		
Total Current Assets	160,766.09	Total Current Assets	204,923.71
Creditors: amounts falling due within one year		Creditors: amounts falling due within one year	
Accounts Payable	9,424.73 [FX]	Accounts Payable	5,578.34 [FX]
Accruals	2,050.00	Accruals	1,610.97
Autumn Convention Income	10,543.47	Autumn Convention Income in	32,311.00
Bad Debt Provision	9,701.43	Bad Debt Provision	1,000.00
Capital on Tap Account	1,600.88		
Meeting Income in advance	517.9		
SBS 2024 Autumn	44,540.34		
Subscription Income in	44,586.46	Subscription Income in Advance	37,021.88
VAT	-7,584.72	VAT	-2,733.07
Total Creditors: amounts falling due within one year	115,380.49	Total Creditors: amounts falling due within one year	74,789.12
Net Current Assets	45,385.60	Net Current Assets (Liabilities)	130,134.59
Total Assets less Current	45,385.60	Total Assets less Current	130,134.59

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