

This report contains one proposal for the AGM: **That the AGM agree to a £10 increase in subscriptions for full subscriptions (to £34) from 1st January 2018. All other subscriptions fee levels to remain the same.** The report below sets out the context for this proposal.

As I have noted in recent annual reports, the Society has pursued a policy of reducing its reserves to a more appropriate level. This is in line with the guidance of the UK Charity Commissioners who seek to assure themselves that charities are not just holding onto reserves which ought to be used for their charitable purposes. A prudent level of reserves was agreed by the Executive Committee as £100 000. This would allow us to comfortably manage the beginning of the new financial year before our income from Wiley's is transferred, acts as a buffer for any unexpected drop in income, and allows the Society to meet its obligations should income drastically reduce. It is also the money that would support a managed wrapping up of the Society's business in the event of its closure.

The reserves have, over the last few years, been used to support a range of events, small and large grants, and a number of projects to expand the work of the Society. We have been in the fortunate position to promote philosophy of education to a greater extent. This has meant that expenditure has exceeded income by some £100 000 a year.

We are moving, however, onto a period where expenditure needs to match income. This has implications for specific aspects of our work, and for the ways in which we control and monitor expenditure. Obvious aspects of these changes are those to the regulations concerning small grants, branch expenses and the subsidy made to the conference. I propose that we make a change to the membership subscription fees for employed members (proposal above). Membership subscription fees have remained constant, and low, for a number of years, and whilst reserves remained high there was little reason to increase these. A small increase will mean that subscriptions will fund 50% of our management costs.

As I write the annual accounts for 2016 are with the independent reviewers. My own expectation is that there are no particular issues with these accounts. I suspect the reviewer will note the high expenditure for the year, but they are aware that this was in line with our policy of reducing reserves. I will note any further matters in a separate report on the accounts after discussion with the reviewer.

Membership numbers continue to be buoyant. We are reconciling our internal membership lists with the Wiley's list of those receiving the journal. I note three issues in respect of membership. Firstly, I still regularly chase individuals whose membership has lapsed in error. It is easier for us if members pay by direct debit rather than annually by card. Where members pay annually a reminder is sent by SAS and it helps if subscriptions are paid promptly. Secondly, there are a number of members who pay by several standing orders. These tend to add up to a full membership fee, but it would be helpful if members could check their arrangements. Some members are also still paying fees to the Barclays account rather than the HSBC account. It would be helpful if fees were paid to the HSBC account. The office can help with ensuring you have the correct account details for the Society. Thirdly, we have a number of members who pay fees, but for whom we have no further details. We suspect these are older members of the Society who have paid for so long that they have never changed their subscription. They are not receiving the journal as we do not have an address for them, but we cannot terminate their subscription. If members are aware of individuals who are paying, but not receiving the journal, then please inform the office and we can pursue this.