



**Treasurer's Report for the Annual General Meeting
New Orleans, LA, November 18, 2018**

I am happy to report that the English-Speaking Union remains a financially stable organization. The overall picture shows that the ESU's total net assets increased from \$16.563 million to \$18.003 million, an increase of \$1.439 million, or approximately 9%. This was largely a result of the market performance of our stock portfolio and investments in our Headquarters Building in New York. During the fiscal year ESU Management successfully operated within the approved operating budget.

Let's first consider the **Statement of Financial Position**.

A year ago we reported that our total investment portfolio increased \$910K even after accounting for the board designated draw down for operations and withdrawal of funds for capital improvement projects. This year, the increase in our investment portfolio, net of approved draws, was \$887K.

Notable in the asset column are funds categorized as "promises to give receivable." For FY 2017 the figure stood at \$200K the bulk of which was the reminder of the Open Society three year pledge. As we incurred expenses for ARNIC throughout the year, these balance funds were released from restriction and the 3 year pledge has been fully fulfilled. .

Under liabilities note that the line item "accounts payable and accrued expenses" is slightly higher compared to last year. A large portion of these liabilities represents money being held for branches that suspended operations prior to LLC reformation or have converted to an MMOA and Headquarters continues to fund their education programs.

Lastly please note that the value of our Headquarters building has continued to increase from year to year continuing to reflect the ongoing capital improvements being made to the building.

Let us turn now to the **Statement of Financial Activities**.

For the Fiscal Year ending June 30, 2017 the **Statement of Financial Activities** shows that revenue was generally stable from the prior year. Membership Dues were in line with the year prior, down slightly but in accordance with the budget and education income has continued to increase.

Regarding expenses, most categories are below budget and in line with the year prior. Education expenses have continued to increase as we have grown and expanded our programs per the strategic plan. Management and General was within budget but higher this year as the national organization has taken on more expenses for the branches.

In summary, we continue to be a fiscally stable organization with the ability to effectively carry out our mission.

Respectfully submitted,

Laura J. Phelps
ESU Treasurer