

# Will Othona survive - or go bust?

Thank you for clicking through! I'm going to try and 'unpack' the six summary points I made in the newsletter.

## 1. Spending our reserves

This winter Othona's trustees will have contributed nearly £900,000 to major building projects at the two centres. A mixture of grants from the Trust's invested assets, and loans from the same source repayable over time. Those assets had a value of about £1,600,000 beforehand, so you can see they have been more than halved.

The projects in question are all designed to make the community sustainable for years to come. At Bradwell they are aimed at replacing all fossil fuels with renewables so as to be totally off-grid; savings and green energy subsidies will help pay back part of the investment. In Dorset we are replacing our dilapidated art and craft room with an eco-friendly multi-purpose studio and renewing most of our unsatisfactory toilets and showers.

When the spending decisions were taken, the amount left in reserves was judged to be tight but adequate. Of course, nobody could predict Covid-19 which makes it look very much tighter!

## 2. Managing our remaining assets

Apart from what we need for day to day running, the Trust invests all Othona assets in various funds through ethical investment experts Epworth Investment Management. As long as the stock market stays depressed the value of those investments is reduced too.

Whatever interest the investments pay each year is used in two ways. First to cover the running costs of the Trust itself (accountancy, any legal fees, websites, trustee expenses etc.) and second to give some financial help to the two centres. For the foreseeable future even the Trust costs will be a stretch. We don't expect any money to filter down to the centres as it did before.

Moreover, there is no prospect of significant cash for further development projects – for instance extending the accommodation in Essex or moving from fossil fuels to renewable energy only in Dorset.

These are the new realities for our planning. Unless someone discovers that 'magic money tree', rebuilding our investment reserves will have to be a priority for quite some years to come. Money for developments will be very scarce.

## 3. Keeping people and keeping going

What Othona stands for and offers is more important than ever. Have you noticed: suddenly everybody seems to believe in community! The communication across the

wide network of Othona members and contacts has never been greater. And of course we want both centres able to open and welcome visitors back when we can do so in Covid-secure ways.

We can't just mothball the centres (even if we wanted to) because the resident staff, the core community at each place, live on site. We are eligible for some government support (the furlough scheme etc.) but that nowhere near covers all the fixed expenses of running the sites. And at best, Covid precautions will mean our visitor numbers are limited for the foreseeable future.

We've calculated Othona's operational deficit for financial year 2020/21 could be as much as £171,000. (This is a worst case calculation, so that we don't base decisions on any false optimism.)

#### **4. Balancing the books in the future**

What we charge at both centres is very much at the affordable end of the spectrum. Partly because for decades both centres have been run on a shoestring with loads of people volunteering their efforts. We love that element of a 'gift economy'. We don't want to lose it. But in recent years we've found our costs *having* to rise, just to stay legal (health and safety etc.), to be fair to our employees, and to keep the facilities fit for purpose.

What Othona offers people – and asks of them – is distinctive. If we tried to solve our money problems by *excessive* price hikes for years to come, what would we achieve? We'd risk losing our existing supporters, and sacrificing that very distinctiveness. Especially at a time when many people will have had their personal finances torpedoed by coronavirus! So balancing operational income and expenditure is sure to be a massive challenge.

Perhaps a post-Covid Othona will find new ways of working – innovations or collaborations we'd not dreamt of in the past. That kind of fresh thinking may be one of the hidden blessings of this crisis for many organisations and charities. But we can't *bank* on that – literally. So sensible and determined fundraising is bound to be a priority.

#### **5. Survival with reduced reserves**

We have to be very grateful that we are in a better position than many charities and small businesses. The skill and dedication of our trustees – all volunteers – have been crucial. So Othona has a fair chance of survival, but with greatly reduced reserves.

People ask whether we can get support from the lottery or from grant-making trusts. The reality is that what we do and the range of people it benefits put us very low down the list for any such funding. Exceptions have been where we attract grants towards specific renewable energy projects, for instance, or where a trust is closely in tune with our aims. We're most grateful to those trusts who have supported us, but they would not contribute to replenishing our reserves.

So the danger is that, with the cupboard looking very bare, any other large shock – as unpredictable as the virus – could prove an existential threat. Managing that risk is a major responsibility for the trustees and those of us who work full time for Othona.

## **6. Legacies and Donations**

Uncertainty is all around us. For many of us that includes serious money worries. For others the lockdown, ironically, has cut down on expenditure and left us better off!

If you *are* feeling able to give money to good causes, I know there are many other calls on your generosity. But I hope you'll consider Othona West Dorset.

Most of us are very cautious about our savings. It's understandable. The way we *can* support causes we believe in though, without risking those savings, is by a gift after our death. By then our 'rainy days' will be past, our care needs in old age will be over.

I don't know about you, but mostly I've avoided thinking about wills – let alone talking to other people about them. Now these days of Covid-19 are reminding all of us that we're mortal, aren't they? So I'm not apologetic for bringing the subject up.

May I be blunt about this? Hardly any major development in Othona's past would have happened without legacies. That's a fact.

Writing a legacy into your will may be the single most vital way that you or anybody can help Othona thrive in years to come. Help Othona go on offering its unique mix of spirituality and community. Without gifts like this, honestly, our future could be very precarious.

### **"Help Othona in Hard Times" - Ways of Contributing**

We have a helpful leaflet about leaving money in your will. It explains how you can set up a legacy to benefit one or other Othona centre, or both. Just cut and paste this link into your browser: **[bit.ly/2NVmUrM](https://bit.ly/2NVmUrM)**. And feel free to contact us if you have any query at all – about a legacy or anything else I've just written.

Of course, we welcome gifts during your lifetime too! It's quick and easy online. You can Help Othona in Hard Times with a one-off donation by using this link: **[othonawestdorset.org.uk/make-donation](https://othonawestdorset.org.uk/make-donation)**

If you're a UK taxpayer you are probably eligible to add Gift Aid to your donations too. This increases your gift to a charity by 25% at no cost to yourself. You'll find Gift Aid is automatically presented as an option during the process of online donation using the link above.

If you'd like to give regularly by standing order please contact me for details. For any other queries on financial support I will gladly put you in touch with our Community Treasurer.

## Making a Difference

It's such a grim coincidence that this pandemic hit us just when we'd 'pushed the boat out' to renew so many of the Othona Community's facilities.

We undertook that work with real trust that our two centres deserve renewal – to go on making a difference in people's lives long after we are gone.

But even the worst lockdown experiences - the loneliness, fear and grief – may end up by underlining the value of places like the two Othona centres. And the value of the network of men, women and children who relate to them.

Thank you for being part of that wider community.



Tony Jaques

Warden, Othona West Dorset  
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