

## Better than the Bank of England?

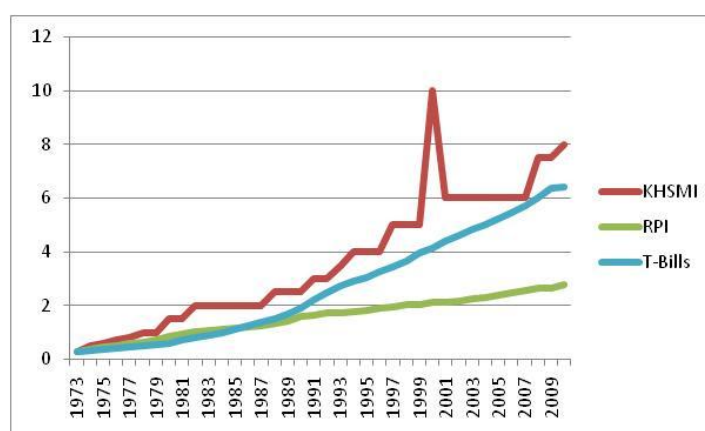
In 1973, average take-home pay in the UK was £30.11 per week; a packet of crisps cost 5p; a can of Coke, 8p; an average meal out was £1, a winter flight to New York £87. And entry to the first ever Kilkeel High School musical, the Gilbert & Sullivan classic HMS Pinafore, cost 30p.

The annual production is now 38 not out (unlike England's batsmen) and refusing to allow snow to stop play, with adult tickets to the West End and Broadway extravaganza Joseph and the Amazing Technicolor Dreamcoat costing £8. I have been musing on how this compares with the general rise in the cost of everything else.

I can exclusively reveal that, had the ticket prices gone up in price with inflation, as measured by the Retail Prices Index (RPI), they would now cost £2.76.

The problem is comparing items of like value. The Office of National Statistics maintain a notional "basket" of goods and services that they think people buy, but I sometimes have my doubts about its relevance to ordinary people like me and, I am guessing, you. Just one example: the basket "spends" 12.6% on Restaurants and Hotels, just 0.3% less than Housing and Household services. Does your household spend £126 in every £1,000 on eating and staying out? Mine certainly doesn't!

Also, luxury, big ticket items tend to change price at different rates from basic items, such as bread, meat, and a bottle of wine on a Saturday evening. You may have noticed that things like computers often come down in price as the technology improves, thus depressing the increase in RPI. And KHS musicals are very firmly in the basic necessities bracket.



*"Price is what you pay. Value is what you get." Warren Buffett.*

In any case, in 1973 a Mars Bar was approximately the size of a relay baton, and a packet of Tayto Cheese & Onion as big as a baby's head. Plus, you could see through the packet to make sure it was full. (What, didn't you know that the reason they now use foil packets is so that you can't see how few crisps you are actually getting?)

The one constant in all of this that the quality and value of KHS' musicals has maintained a consistent, even improving, standard throughout nearly four decades. You know exactly what you will be getting – two hours or so of brilliant sound, vibrant colour, and raw talent, hand-picked and polished up for the occasion; in short, a spectacular not often experienced outside the West End or Broadway.

That same 30p initial price, invested in Treasury bills (think of these as a sort of savings account with the Bank of England) would be worth only £6.42. That says to me that the market has decided that going to a KHS musical is better than money in the bank. The people have spoken!

**I propose a new slogan: "Kilkeel High School musicals – better value than the Bank of England since 1973!"**

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