

WOOLHOPE TENNIS CLUB AGM 2024

FINANCIAL REPORT

18 MARCH 2024

1. SUMMARY

1) This report provides an explanation of the income and expenditure of the club over the 2023 financial year. The impact of inflation on costs is considered and the funding requirement for court resurfacing. Membership fees are proposed for the year from 1 April 2024.

2. RECOMMENDATIONS

1) The 2023 accounts be received

2) The annual subscription rates from 1 April 2023 be set as follows

• Adult	£ 110
• Couple	£ 220
• Family	£ 220
• Off-peak adult	£ 90
• Young person	£ 50
• Junior (18)	£ 12
• Junior (15)	£ 12

3) Ancillary fees for visitors, use of floodlights and match fees remain unchanged

2. BACKGROUND INFORMATION

Income

- 1) Total income was £9,305, of which subscriptions amounted to £8,251 in 2023. Although subscription rates increased last year, a reduced number of members means subscriptions did not increase by as much as hoped.
- 2) Other items of income are largely matched by corresponding user costs - for floodlights, matches and ball sales. Visitor fees and sale of used balls bring in a small amount of income

Expenditure

- 3) Total expenditure was £3,863. Rent, insurance and LTA registration fees totalled £1,186. Electricity, water and sewage charges cost £774. As anticipated, the price of our electricity substantially increased in June, following a new, fixed rate contract. Compared to the previous 4 years, fixed and unit charges have approximately doubled. We benefited from an alternative fuel discount of £150 from the Government, which offset the first quarter bill, but this won't be repeated in 2024. The rates are fixed for 2 years. LTA match fees were £225. New balls cost the Club £524, of which private sales (at cost) returned £161 and resale of old balls contributed £117.

- 4) The attached income/expenditure sheet shows the full details. The balance sheet will be available at the meeting.

Future financial requirements

- 5) The increase in energy prices and high inflation have impacted on the Club's costs. Routine expenditure, other than rent (which is fixed until 2030), is likely to increase in line with general inflation rates, currently around 4%.
- 6) Court infrastructure investment costs are also increasing, with materials, energy and transport costs particularly important. It was agreed at the last AGM, to aim for an annual contribution to the sinking fund of £4200, pending any revised LTA advice on infrastructure cost requirements. The difference between income and expenditure for 2023 allows for this addition to the sinking fund. We will need to have the courts resurfaced soon, probably in 2025. The courts are our most expensive asset and there are different options for resurfacing, which need to be fully explored this year, before we can set a budget for the work. With an additional year's contribution to the sinking fund in 2024, we hope to have all or most of the funding for this work in place.
- 7) As a result of expected inflationary costs and the fall in membership, Committee is recommending that a further increase in subscription rates be put in place for 2024/5 membership year, in line with inflation, as set out in Recommendation 2. The fees will still compare well with other tennis clubs. The Committee is proposing that ancillary user charges, for visitors, floodlight use and match fees, remain unchanged for 2024. These would not make a big difference to overall income and could discourage use, which is not considered consistent with the Club's primary objective to promote the game of tennis in the area.