

Chesham 1879 Lawn Tennis and Squash Club

2020 Finance Report

The results for the year to 31 March 2020 were broadly in line with those for 2019, with both years showing moderate surpluses in excess of £2k.

Cash-wise, the total value of our building society and bank accounts reduced by £49,513. This is represented by our net surplus for the year of £2,047, with an additional £17,966 added for the depreciation (which does not represent a cash transaction), less £49,515 invested in new assets and less £20,011 effectively spent in the changes in our other assets and liabilities.

Income from tennis subscriptions dropped slightly again, which is a trend we have seen over the past few years and one we are trying to understand better and reverse. We hope that the MMM system may help us in this respect. Squash subscriptions remained constant but booking fees were significantly higher, by more than £2k.

Our overheads/other expenses are comparable to 2019. Direct costs associated with maintaining our facilities remain reasonably constant each year and with no major repairs or significant levels of clay-laying in the year, these costs do, as last year, represent the basic amounts needed to keep our courts and grounds in good working order.

Whilst we incurred only basic costs on our facilities, you will see from note 1 that we continue to invest into the club, spending almost £50k on significant improvements. These comprised £47k for the new floodlights and chainlink fencing on courts 1,2 and 3, changing room flooring and the storage unit in the car park. This is housing the chairs, tables and other items that have thereby cleared the squash gallery, which can be used once more for its proper purpose. Unfortunately over the past year the internal improvements will have been enjoyed only to a very limited extent, but the floodlights proved invaluable and there were many evenings when all 9 courts were in use.

Returning to income: social and fund raising income is a reflection of the events held in the year - so with one main event fewer, we raised less. We are always looking for people to volunteer to run events and are open to new ideas.

Bar income has frequently been the subject of some concern. In 2018 takings were inexplicably low and the gross profit 10% less than usual. Thankfully in 2019, the numbers returned to "normal" and it is unlikely we will ever understand the 2018 "blip". Takings are boosted by social events – the amounts taken are not included within the figures for those occasions, but can frequently at least double the surplus recorded. So, having already stated one fewer social activity in the year, it has been pleasing to see takings have in fact increased and surprising to note a gross profit of 38%. Over the years, we have expected around 25%.

There are various scenarios which might explain this improvement. Firstly, grateful thanks to Sheila Jalland and her team for the careful running of the bar, which will always reduce wastage and increase profitability. The bar was perhaps busier than usual in 2020 compared to 2019 – junior nights had been resurrected and the Thursday tennis coaching brought additional takings. This was also a full year in which we used the new till, credit card/Stripe and the MMM payments system - thanks again to Sheila for the time she invested into setting up the new till with all the

products/prices. The new system meant that tabs and IOUs were abolished as far as possible, since drinks could be settled immediately, even if a member had no cash on them. This is likely to have reduced any potential lost income from poor memories or lost tabs.

However, the gross profit % is still unusually high.

We recognise that with the introduction of the new overall system of recording income, there has been a steep learning curve to understand how each of the individual systems interact. Dinah Martin in particular has spent a huge amount of time performing detailed analysis and other work to gain assurance that we have recorded and split correctly the transactions into the relevant income categories. We believe the figures in the accounts are accurate, but it is conceivable that we have miscoded something to the bar that should be in another category, but if so, it will not affect the net surplus reported.

As an aside, we are continuing to discover more aspects of these systems and for 2021 are hoping to be able to reconcile better our subscriptions vs membership numbers, bar takings and other income streams.

Finally, being so close to the end of the current financial year, which has been an extraordinary one, you will no doubt be interested in how the club stands financially.

Fortunately we have been able to benefit from some of the grants made available to small businesses, so that we are currently looking at a surplus for the year. However, you will be aware that we are offering a credit to members – to squash members who have had almost no play this year, but also to tennis members to reflect some disruption to their year and the financial support they provided the club in those early uncertain times. We would apply some of those grants, received for the purpose of covering lost income, to funds these credits. So our final results will be dependent on the number of members who accept the credits. We hope that many will recognise that each year does not stand on its own and that the club can only provide improved facilities if it has the funds available, built up from previous years. So, if you thoroughly enjoyed the tennis that you could play, or are simply willing and able to either ignore the credit available or accept, but make a donation of equal value under under gift aid, then please do so.

Before I conclude, I would like to thank all those members who volunteer to 1879 their skills, knowledge and time for our benefit. There is a group who spend even more time on club matters but on the financial side, would particularly like to thank Dinah for all her hard work on the accounts. I know she has spent a very long time on the new system and applying for grants, but suspect that I don't actually know just how many hours this has taken. My grateful thanks also to Michael Brook for auditing the accounts. His feedback and comments are invaluable.

Claire Moore