



FINANCIAL REPORT TO MEMBERS - ANNUAL GENERAL MEETING 7TH DECEMBER 2020

Introduction

The financial statements have been prepared by our accountants RSM, and are part of our financial reporting obligations that HMRC prescribes along with the club's Articles of Association. The draft versions were shared 11th November and will be finalised before the AGM – we expect very few changes.

Within the following pages is a comparison between the 2020 closing finances and that of the previous year. This is hopefully in a more easily digestible format than the formal financial accounts that RSM prepares – and focussing more on the club's profitability and cash position. However, it is difficult to draw any conclusions, due to the un-forecasted and abrupt end to the rugby season in March and subsequently that no events could take place during the summer – one of our most profitable times of the year.

Sponsorship and Donations

We would like to thank all members and sponsors who support and contribute to the club – financially and otherwise – without which we would not have the club, facilities and community that exists today. In the last eight months, we have seen a huge swell of financial support from our members, which is heartening to see when everyone has had their own personal challenges.

Response to Covid-19

The Board, along with our various committees and staff, responded to the pandemic with speed and decisiveness that has helped stabilise the club. Liz Lowndes, our bookkeeper and accountant, played a pivotal role in protecting cash and negotiating with our creditors and debtors – along with Emma White and Adrian Voller managing customers and suppliers.

We closed the club and everything with it at the end of March (which included cancelling 54 events), stopped all nonessential spend, obtained payment holidays for a number of supplier contracts and promptly furloughed staff. We obtained a Government Grant of £25k and then also successfully applied for a £10k grant from Sport England.

£20,873 was raised in donations through Just Giving (inc. Gift Aid) and through our member events – including Night at the Races, Quiz Nights and the evening with Jonathan Davies.

2020/2021 Season to date

Although the AGM is structured to reflect on the previous year, we are conscious that in these particularly challenging times that Members would like a more current view on the club's finances.

We originally budgeted for our current season on the basis that we would re-open in September, but with a forecasted 30% reduction in memberships. The impact has obviously been much greater than that. We are now operating on a tightly controlled cash flow plan with the hope that rugby will return to some degree of normality in the new year and that we will at some point be able to open up the Catering and Events business before the end of this financial year, then this will only improve our financial position. That said, expenditure is very much restricted to essential only currently.

In terms of memberships, we have actually seen a 60% increase against our typical year-to-date membership subscriptions. This is obviously hugely positive and we appreciate everyone's help in helping making this happen. We will continue to track whether the positive trend continues.

As mentioned previously, we have a new Commercial Director in Welshy O'Reilly who is leading an exciting new strategy – but which obviously has some challenges at the moment to gain momentum on. One immediate improvement though is the new Duralock fencing that is now in place along the 1st team pitch – that provides a more professional, attractive and permanent display for our sponsors advertising.

As advised by Joe, if anyone has any questions in related to this report, our statutory accounts or finances in general – please email myself and Karen Seymour karen@cdscomms.co.uk so that I can respond to them at the AGM.

Best regards,

Nick Taft
Hon. Treasurer
For and on behalf of Broadwater Sports Club Ltd
nrgtaft@gmail.com

Financial Annual Comparisons

The following provides a summary of each financial section within the club. Please note that there are a few small discrepancies between these reports and our more recently prepared statutory accounts.

Broadwater Sports Club Ltd:

	Year to 30 June 2020	Year to 30 June 2019
Senior Rugby		
Revenue	£28,315	£37,147
Costs	£73,180	£118,446
Senior Rugby Total	-£44,865	-£81,299
Youth Rugby		
Revenue	£40,245	£39,210
Costs	£23,581	£27,213
Youth Rugby Total	£16,664	£11,997
Mini Rugby		
Revenue	£62,189	£63,290
Costs	£16,972	£30,988
Mini Rugby Total	£45,217	£32,302
Croquet		
Revenue	£13,624	£11,490
Costs	£17,253	£4,605
Croquet total	-£3,628	£6,885
Facilities, Management and Administration		
Revenue	£94,912	£168,744
Costs	£66,903	£83,485
Facilities, Management and Administration Total	£28,009	£85,259
Shop		
Revenue	£23,722	£31,533
Costs	£19,155	£30,575
Shop Total	£4,567	£958
Total BSCL Revenue excl interco donation		
Total BSCL Revenue excl interco donation	£263,007	£351,415
Total BSCL Costs	£217,044	£295,312
Total BSCL Surplus / Deficit excl intercompany donation.	£45,963	£56,102
BPL Donation	£8,500	£59,844
Total BSCL Incl BPL Donation	<u>£54,463</u>	<u>£115,946</u>

Broadwater Pavilion Ltd:

	Year to 30 June 2020	Year to 30 June 2019
Club Bar & Kitchen		
Revenue	£241,949	£337,658
Costs	£174,650	£252,573
Bar total	£67,299	£85,086
Commercial Activities		
Revenue	£74,451	£56,736
Costs	£19,947	£25,421
Commercial Total	£54,503	£31,315
BPL Admin		
Costs	£94,911	£108,171
BPL Admin Total	-£94,911	-£108,171
Total BPL Revenue		
	£316,399	£394,394
Total BPL Costs excl intercompany donation	£289,509	£386,165
Total BPL Surplus / Deficit excl Donation to BSCL	£26,891	£8,229
Donation to BSCL	£0	-£59,844
Total BPL incl Donation to BSCL	£26,891	-£51,615
BSCL & BPL Consolidated		
Consolidated Revenue	£579,406	£745,808
Consolidated Costs	£506,552	£681,477
Consolidated Surplus / Deficit	£72,854	£64,332
Interest Payments	£1,128	£842
Interest Waivers		
Depreciation	£61,982	£59,213
Total Depreciation/Interest	£63,109	£60,055
Consolidated Surplus / Deficit including Interest and Depreciation	£9,745	£4,277

Loans Status

The following provides further detail to the information provided in the statutory accounts.

Loan Note	Original Value	O/S as 30/6/2020	O/S as 30/6/2019
2019	£350,000	£49,734	£104,900
2020	£56,000	£56,000	£56,000
2021	£50,000	£50,000	£50,000
TOTAL	£456,000	£155,734	£210,900
RFU Loan	£100,000	£45,022	£53,352