

## Treasurer's Report

- This report covers the financial period 1 October 2021 to 30 September 2022.
- **2021/2022 Income**
- Income for the year is down by 23%, ending the year at £14,178 compared to £18,518 last year.
- The items of greatest reduction are Membership Income and Membership Offers. We have not received the same level of interest from new members compared to the stellar performance last year. Despite a concerted advertising campaign on Membership Offers, people have returned to work and other interests after Covid lockdowns.
- **2021/2022 Expenditure**
- Expenditure for the year is £13,399 compared to £7,928 last year. A capital expense of £6,000 relating to the deposit payment for the new Astro court has resulted in the sharp rise. Excluding Court Resurfacing costs on a like for like comparison, expenditure for the year is £6,200, a difference of £972 with last year's expenditure.
- The Club has benefited from cost savings in S&SC Subscriptions (reflecting the 50% reduction in rates applied by S&SC to enable the sports sections to recoup lost income during Covid disruptions), and a two-year payment holiday for the Contribution to Pavilion Fund applied by the S&SC for all sports sections.
- Certain costs have increased, in particular, Court Maintenance costs of £3,223 which relate to 2021 and 2022 garden maintenance seasons, but we are now on track and within an agreed budget of £1,650 p.a. for the cutting of hedges and grass. Court cleaning costs, which fall under Court Maintenance, will kick in next year, where there has been no such maintenance costs this year due to the courts being damaged or resurfaced.
- This year, a new cost line is Insurance (£492), which relates to the purchase of annual insurance cover for tennis courts and fencing.
- **Retained Surplus**
- The Club has ended the year with a surplus of funds totalling £778, with income continuing to outstrip expenditure.
- Retained funds now stand at £36,659, a small increase of 2% over last year.
- The Committee has decided to replace the damaged Tiger Turf playing surface on the lower court with a new synthetic playing surface at a cost of £18,000 plus VAT, £6,000 (including VAT) of which has fallen into the current financial year. Annual expenditure is running at £8,500. Together with known capital costs for next year of £13,000 plus VAT for the purchase of the new Astro

playing surface, the Club will need to meet part of these costs from its retained funds. The Committee is planning a fund-raising event for 2023, with the intention of mitigating some of the costs that will need to be met by retained reserves.

- There is an ongoing discussion with S&SC relating to the assessment of VAT on large capital expenditure paid by the Tennis Club relating to court resurfacing, and whether S&SC has interpreted accounting rules correctly in reclaiming the VAT element. It has been agreed between the Club and S&SC to maintain an amount of funds in an interest-bearing account held by the Club, equivalent to the VAT that S&SC has reclaimed in their tax returns relating to the court resurfacing project in 2020 of £14,415. The Committee's view is the money should be ring-fenced for a period of 7 years in the event HMRC were to challenge S&SC's actions.
- The Club continues to retain reserves of £6,864 (including VAT) relating to a potential payment liability to Angus Armstrong for garden maintenance in 2020.
- Membership
- As of 30 September 2022, there were 148 members compared to 193 members in the previous year.
- Despite a concerted advertising campaign, there was a significantly reduced take-up of the 3-month membership offer, with 20 new people this year, compared to 69 new people last year. No membership offers converted to full membership.
- Of the annual members, 12 new members joined in the year (some joining part-way through the year) and 37 members did not renew their membership.
- The decline in membership numbers compared to last year reflects people returning to work and other interests, and focusing away from playing tennis.
- Membership rates remain the same as last year.

**Members are asked to accept the Accounts for the year ending 31 September 2022 and Membership Subscriptions for 2023/2024.**