

Plugging the Financial Black Hole

Pre-Covid, the Club balanced its books and the future looked rosy. In simple terms, the bar net income provided enough money to pay for the salaries of the Bar Steward, the Cleaner and the Bookkeeper. Bowls and Bridge, after their own expenses, (together with help from Social & Associate subscriptions) provided enough money to the central fund to pay for the remaining expenses e.g. Rates, Insurance, power, water, together with a £10,000 per annum budget for maintenance.

However, Covid altered everything and there is a £20,000 black hole in the finances which must be filled. I could not stand down as Treasurer without offering some guidance how to resolve that.

Bar

For 2022, the Bar needs to provide £51,500 net to be able to cover the labour and Bookkeeping costs. This is more than it ever did before Covid, despite the fact the Suppliers have raised their costs significantly. To achieve this, there are 4 possible solutions:

- More people drink in the bar (get more Members)
- Current Members drink more
- Selling prices rise
- A substantial deal is done with the Suppliers.

The President has achieved a significant deal and raised the prices. I applaud his actions and have my fingers crossed that this will be sufficient.

The Remainder

That is only half the story as there is around another £55,000 expenses to meet. Costs are rising all around, and the Club has taken out a £25,000 bounce-back loan over 10 years, which must be repaid. For 2022, the Management team have decided to absorb these costs, but this must change next year.

Solutions have not been discussed at management level, but I would recommend:

- Associate
A rise of £10 would raise around £1,600.
- Social
A rise of £20 would raise around £900
- Bowls
A rise of £30 would raise around £2,520.
Bowls need to find £1,200 extra per annum for the next 5 years to pay for their new mower. Also, they need to find around £1,360 per annum for their share of the bounce-back loan.
- Bridge
A rise of £30 would raise around £5,100.
They need to bring in around £2,040 per annum for their share of the bounce-back loan. A rise in refreshment income is also needed. Coffee at £0.50 is a joke these days.

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However, Bridge Clubs survive on their attendance. Pre-Covid, the Club achieved an annual figure of 10,000 'bums on seats' at £3 per head. During Covid the figure is almost half. That is a reduction of around £12,000 (after VAT). This trend needs to be reversed.

I know that raising subscriptions is controversial, but this would be the first time in 7 years, and everyone needs to appreciate that even a £30 increase would average out at just over the price of a pint of beer per year.

Addressing the Bridge Members:

- Pre-Covid, there were 9 active Tournament Directors. Now there are four. Step up and help! Without TDs there will be no sessions. You would be trained by Sarah Amos who is one of the top TDs in the UK, if not the world.
- There are several small admin jobs that need filling. Can you take minutes and type them up to assist our overworked Secretary? Can you run the refreshments during a session? Can you assist the TD in setting up and clearing the room and using the SumUp machine to collect outstanding monies?
- Put yourself forward to serve on the Bridge Committee. The current team is down to 6 and fresh ideas are needed.
- Pre-Covid, Members (on average) attended 41 times a year. Now it's 31. There is a small group who attend over 100 times a year, so there is a significant number of Members simply not currently attending sessions.

Bridge has changed. It is now so easy to play on-line for nothing, or to play at a rival Club for £1 per session. We have one of the best equipped Clubs, with a proud history. If you wish the Club to succeed without your attendance, please donate £120 per annum on top of your subs. (We do not have to pay VAT on donations 😊).

Summary

Addressing the finances in the way I have described should bring the Club back to a situation where there is sufficient cash available to provide £10,000 per annum for maintenance, but the Estate Manager has a very long list of expensive jobs that need doing.

The last subscription increase was 2016 and the future needs a price increase ever year to cover price rises and salary increases. It's going to be a challenge.