



CLWB CYCHOD TREFDRAETH NEWPORT BOAT CLUB

Treasurer's Report Newport Boat Club Limited Year ending 31st March 2025

The Board is pleased to present its financial statements for the year ending 31 March 2025. The statements have been independently reviewed for the first time by our new accountants Dros Dro Cyfyngedig T/A Pritchard and Co of Fishguard. All accounting and payroll services have now been transferred to them. We have also implemented Xero accounting software for the management of our financial accounting and reporting effective from 1 April 2025. We would like to thank our previous accountants HD Prichard of Cardigan for their services and ensuring a smooth transition.

As you may know, the club became a private limited company on 1 April 2023 and the financial statements have been prepared in accordance with the Companies Act.

In reading the attached financial statements we draw your attention to Note 4 and Note 13 which explain a change in the presentation of two elements of the profit & loss account for last year. These changes do not affect the P&L reserves for that year.

Revenue for the year was broadly in line with last year. The total revenue of £283k comprising:

- Bar income £193k (prior year: £192k)
- Membership income £75k (prior year: £74k)
- Other revenue (mainly food concessions) £15k (prior year: £18k)

The Bar income is as expected and has trended seasonally in line with previous years.

Membership income is slightly higher representing an increase in membership of around 2.8% Year on Year. Total membership is currently 2,804 following a successful Open Day in June.

Cost of goods sold was up 6% from last year resulting in a decline in the gross profit margin on bar income from 59% to 57%. Bar prices have remained competitive throughout the year, in line with our strategy of offering good value to our members despite an increase in cost.

Overheads (excluding depreciation) have increased by 6% (from £176k to £186k). The main contributors are Wages & Salaries, Cleaning and Utility costs.

- Wages & Salaries have increased by 19% (from £85k to £101k) driven by significant increases in the national minimum wage, national insurance and additional staffing for the Commodore's lounge.
- Utility costs were stable at £11k but will increase sharply in the coming year due to our fixed price contract ending in December 2024.
- The Cleaning contract cost also increased by 22% (from £22k to £27k) due to an increase in their costs.

We expect overheads to continue to rise due to further increases in minimum wage, the full year impact of the National Insurance increase and the new utility contract.

With an overall decrease in gross margin and also an increase in overheads the club made a smaller profit during the year compared to the prior year. The profit before tax was £11k compared to £28k in the previous year.

On a positive note our cash reserves were £127k at the end of the financial year compared to £125k in the previous year. We are also pleased to confirm that our cash reserves remain strong at £127k at the end of June 2025 ahead of the busy summer season.

Our expectation is that trading will continue to be challenging in an environment of rising costs and tightening business regulations and therefore the Board is actively exploring ways to increase revenue within the limitations of being a members club. It is worth noting therefore that the Club needs the support of its membership more than ever and we look forward to seeing many of you enjoying club facilities and events over the next financial year.

The Board would like to thank all members for their continued support throughout the financial year.

Gareth Davies FCA
Treasurer
August 2025