

HWHC Finance Review - March 2021

This note provides an overview of :

- An update on the current, and unfortunately difficult, financial position of the club in the light of the Covid restrictions we have been operating under
- A request for support and action as we now look to return to play
- A more detailed breakdown of the financial position of the club as disclosed within the 2019/20 accounts

Please feel free to ask questions of the directors of the club - Jonny Witt, Osman Rankin and Richard Sykes as well as the Treasurer, Will Seebold, - should you require clarification on anything covered herein.

Accounts

The accounts of HWHC Limited for the year to April 2020 have now been filed with both Companies House and the Charity Commission. As promised at the time of the 2020 AGM we are making these accounts available on the club website and via this link.

https://s3-eu-west-1.amazonaws.com/files.pitchero.com%2Fclubs%2F76103%2Fpov0GpRnRrusyR8wDpF8_HWHC+Limited+-+Report+and+Financial+Statements+2020.pdf

Where are we now? - our current financial position:

Covid has had a significant effect on the clubs finances, in particular due to :

- the loss of junior hockey starting from March 2020, resulting in being unable to hold junior camps in the various school holidays, an income source that is significant
- the commitment to provide financial support to the club coaches and junior administrator throughout the year, with furlough not largely an option to the club
- the lack of any Sport England funding programmes available to us as we are not an asset owning club
- a shortened 2020/21 hockey season placing strain on retaining memberships and hence reducing income

That we have managed to survive financially to date is as a result of :

- first and foremost Westminster Council removing the obligation on the club to help finance the replacement of the water based surface at Paddington Recreation Ground,
- the willingness of the club coaches and junior administrator to accept reductions in their monthly income to help support the club
- the continued support of club members to renew and pay their club subscriptions on a timely basis
- ongoing donations from a small number of club members

Consequently as we approach return to play in April 2021 the club finds itself in a precarious financial position. Our reserves have now been extinguished and we need to rebuild the financial base of the club. The key actions that we will therefore be taking are :

- restarting from Easter 2021 the junior programme of camps and regular sessions, with support requested from coaches who are willing to donate some time to help meet the pent-up demand that we know exists
- holding a fundraising campaign, supported by the Sport England Return to Play funding, whereby Sport England will help match funds raised by the club
- retaining and increasing club membership as we look to provide hockey for all this Spring and Summer

The one action that is open to us but which we will not be taking, is to contemplate increasing subs for next season - we do not believe that this would be appropriate following on from a significantly disrupted season - we appreciate everyone's ongoing support for the club.

Request for support and action :

Please look out for, and engage with, the fundraising appeal that is about to be launched - we need to aim to raise significant funding to help us get through the summer and ensure that we enter the 2021/22 season with the financial security to position us for an exciting future :

- at Paddington Recreation Ground with its brand new pitch facilities
- at the newly built Carlton Tavern as a social centre
- UCS and Mill Hill Schools providing quality additional locations for training and matches

Our costs are not limited to the league season and we incur costs all year around. Hence why we need to raise funds to get us through this summer, as we have no reserves , we have no income from subscriptions due until next season and match fees during the Spring/ Summer will merely make a contribution to, rather than fully cover, the costs of teas, umpiring and pitch hire costs.

Accounts for the 2019/20 Financial Year (May'19 – April'20)

Overview

Hampstead and Westminster Hockey club is a charitable organisation, and its structure can be split into three distinct sections: Adults, Performance Squads and Juniors. Each season, the club aims to break even or make a small profit with the purpose to reinvest back into growing our community and improving the service we provide.

For the 2019/20 financial year, both the adult and junior sections made small surpluses, whilst the costs of the performance section were largely funded by charitable donations. During a normal season, the junior section would contribute more revenue into the club, thereby partially reducing the dependency on donations, however due to the implications of Covid-19, we were unable to run some camps in March and April, resulting in lower income received.

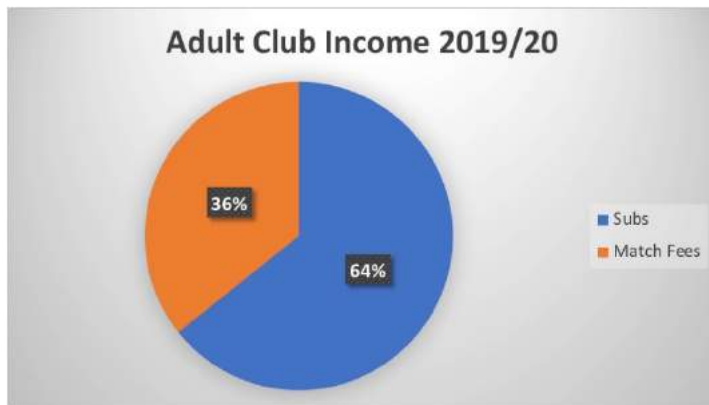
Breakdown of income and expenditure:

Club Total Income

The total income generated for the hockey club during the year was £417,400. The Adult club accounts for £141,500 of this income, donations were £99,700 and the Junior section contributed £168,400 with an additional £7,700 coming from other sources.

Adult Club Income

The main source of income comes from subs and match fees - £139,600 with the remaining £1,900 arising from Ticket sales and Back to Hockey Initiatives.



Donations and other income

The majority of donations attracts Gift Aid which, as a charitable organisation, we rely heavily on. In addition £4,700 was raised by funding initiatives and a further £2,550 generated through sponsorship. These donations were largely used to cover the costs of the performance squads expenditure in order to ensure that these were not funded directly from the adult club

Junior Club Income

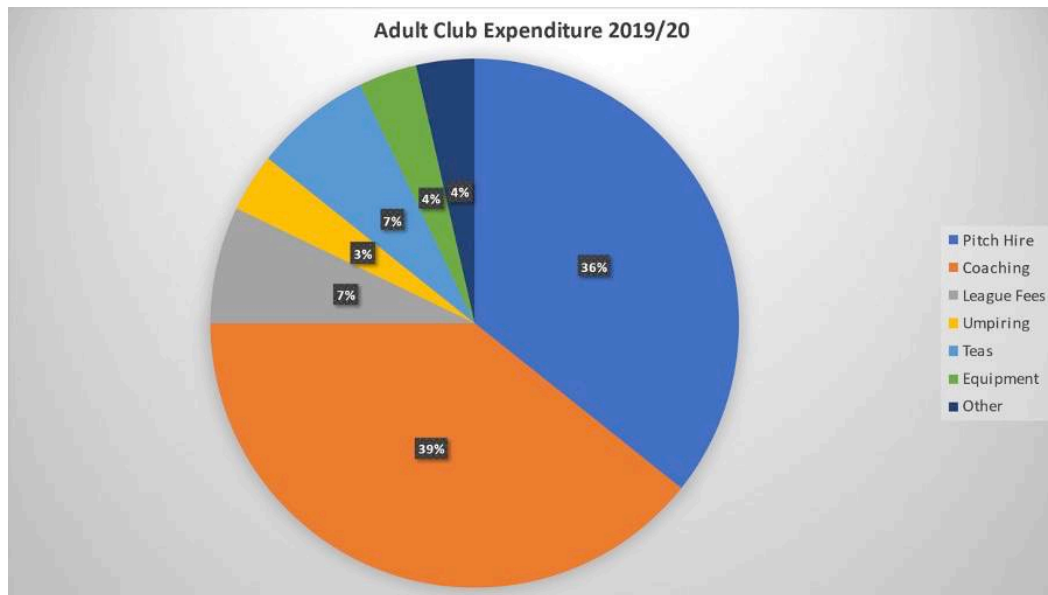
Subs and match fees contributed £121,500, with camps and other events raising £37,200.

Club Total Expenditure

Total Expenditure for the financial year was £412,150, which can be split into Direct playing costs of £400,080 and Administrative costs £12,100. Playing costs can be split between the three club sections as follows: Adult club (£127,200), Performance squads (£101,300) and Junior Club (£162,100).

Adult Club Expenditure

The main direct playing costs during the year were: Coaching (£49,500) Pitch Hire (£42,500), Teas (£12,400), League Fees (£11,200), Umpires (£3,600) and other club costs (£8,000). Administrative costs accounted for £10,900 of the adult club's expenditure and largely relate to accounting, finance and insurance costs.



Junior Club Expenditure

Junior club costs for the season were as follows: Coaching, management and administration (£114,200 including £18k from previous year), Pitch Hire (£23,400), Kit & Equipment (£15,900), Umpiring (£2,300), and other expenses (£3,000).

Hampstead and Westminster Hockey Club is a non profit company limited by the guarantee of its member, and it is a registered charity.

None of the board or club officers receive any remuneration for their time.

March 2021