



ILTSC AGM Update 2024

Chairman's Report

Summary

Over the last year the club has remained on its positive trajectory, continuing to strengthen its membership base and financial performance. The work undertaken in the last few years between the Club Team, Board and Committees has seen the Club grow to its highest membership level in history whilst also growing its cash reserves. The overall performance of the club has allowed for continued development and maintenance of the facility and expansion of our operational team to ensure the club continues to deliver for its members.

In the last 12 – 18 months we have:

- refurbished the indoor court surface with new accessible lift to the entrance, LED Lighting and new maintenance equipment £143,0000
- installed new LED lighting to the remaining squash courts £3000
- created a new gym space & purchased state of the art equipment including biometric scales £178,000
- refurbished pathways around the hard courts £24,000
- updated the café bar, new flooring, furniture and air conditioning £80,000
- Further investment has been made into smaller projects around the Club such as heating, cooling and lighting, including the installation of Trophy cabinet, coffee station and upgrades to the reception

There is and will always be a requirement for continual upgrades and creation of additional facilities for our members, this is only possible if we continue the strong financial and membership performance we have seen in the past few years.

Beyond the facility improvements, the club has been focused on improving the member experience. In the last year we have expanded the operational team to ensure we meet the demands of our members and deliver the service level to which we aspire. This team has been delivering an ever-increasing number of events throughout the year, including the monthly quiz, music evenings, ad hoc tribute nights, alongside the larger events such as the Lexus Ilkley Trophy and Bonfire Night. I believe these events help to bring the Club together and put us at the heart of the community.

As I have always noted, the operational team and Board are not complacent about the current position and are continuing to strive to improve the Club for its members in the coming years. There is a huge amount of work being undertaken behind the scenes to plan the next stages of the facility development, improve our operational team and ultimately, remain in a sustainable financial position with stable and engaged membership, whilst also looking beyond the boundaries of the Club to support the local and wider community. At times, despite our best efforts, the work that goes on isn't always well communicated, but I can assure you, the Club Team, Board and Committee are always available should you have any queries.

Finances/Membership

The Club's membership levels have been growing year on year and are now at a record high of around 2800 members. Rackets memberships have remained at a relative constant during this time, but, we have seen an increase in full members that would indicate some small growth in our rackets players. Unsurprisingly the largest growth has been seen in our fitness membership, which is currently at around 1800.

At present the club does not have a capped membership level. The club has succeeded in targeting some of this growth at off peak times, with developments such as our U3A members. The management and Board are constantly monitoring the usage levels at the club to ensure we do not breach a reasonable capacity. If at any point the usage becomes too strained, with members being unable to benefit reasonably from their membership we will review the overall number of members and possibly cap specific membership level/categories as required.

I would stress that all successful venues across the country, at peak times, are likely to have limited space within the gym, fitness classes, car parks and courts. An excess of court time and space during these peak times would be indicative of a negative trajectory. The Club is working to create balanced and reasonable participation opportunities for all our members, adjusting and altering as required. It is not possible to get the balance right at all times, but this is under constant review and the Club will act if necessary.

The financial performance of the Club has been underpinned by its memberships. In the last few years, the finances of the club have continued to strengthen, with revenue at their highest ever levels. A club of this size requires a significant income and profit, with year-on-year growth to deliver what is expected by our members and to ensure our long-term viability. As expected, the overheads of the Club have been increasing but with conscientious management believe the current cost base is in line with our expectations.

The Board and I are aware we must be cautious in having an excess of staff and strive for efficiencies throughout. However, as part of this I strongly believe we must also remain competitive with our pay rates for all our staffing team, whether our GM or Café bar staff. It is important the Club is known to pay fairly, competitively and to an appropriate level. Our members and wider stakeholders should demand and expect this of the Club.

The overall strategy is to ensure the club can continue to deliver competitively priced memberships, a positive member experience, maintain its current facility to the level required and retain a healthy cash balance in the bank to mitigate against any unforeseeable costs/membership loss. The capital expenditure needed to maintain the club year on year is increasing exponentially as the facility ages and grows. It is estimated that each year between £200,000 - £250,000 of ad hoc maintenance and capex projects will be required to maintain the club's current facility.

At this time the Club continues to comfortably afford its current debt levels, despite the increased interest rates in the past few years. We do not intend to expedite the repayment of our current loans and believe the cash generated by the club year on year should be retained for annual Capex projects and major investments. Using the funds for this purpose rather than the reduction in its debt is likely to create higher revenue and ensure the club does not fall behind with facility maintenance and upgrades.

Governance and Staffing

In the last year the club has continued to expand its operational team and review its organisational structure. As part of our leadership team, we have welcomed Gavin Sutcliffe as Head of Rackets and Development, and Alice Warner as Events Coordinator and Member Experience.

Gavin had spent over 16yrs with the LTA and head of region for the later part of his time there. He is by the far the most experienced individual locally in relation to tennis, its development and club structure. More recently Gavin has assisted many clubs in our region with their facility development, especially related to Padel and funding of this.

Alice was based at the Roehampton Club as Event Coordinator for the 5000 strong member club, has been studying a management programme with the European Association for Club Management and will bring increased vigour and experience to help deliver a positive member experience and successful events. The calibre of these appointments should demonstrate the intent of the Club and our ambitions in developing the most positive experience/service level for all our members.

In addition to these appointments, a group of current and past Board members are undertaking a review of the Club's governance and constitution to ensure it remains fit for purpose. Over the next year we are likely to see the combined revenue of our Club and Event companies exceed £3m for the first time, so it is imperative the manner the club is run at management, Board and committee level is appropriate.

I am aware that since the incorporation of the company over a decade ago, at times, the relevance and use of our committees has been lost. We have made concerted efforts in the last few years to ensure those volunteering their time to assist the club have a suitable platform to do so and gain fulfilment whilst doing this. In my opinion, our committees should be the driver of participation and inclusion, helping to create the club atmosphere and become champions for their areas. The operational, financial and strategic direction of the club should be driven by the Board and management who are fully involved week to week.

Club Development and the Masterplan

The Masterplan prepared several years ago is being used to steer the development of the club in a cohesive and phased manner whilst also remaining dynamic to respond to changes in use/behaviours/trends. It is clear the Club cannot sustain itself on one single offering and must be diverse to appeal to the widest membership base possible. As with many large clubs across the country and as supported by the LTA, to remain in a strong position into the future we must continue to look for opportunities and ensure we **Diversify** and become/remain a **Destination** venue.

Gavin Sutcliffe has significant experience in assisting clubs with their development and has been recruited to manage the implementation of our Masterplan in the coming years. Earlier this year a detailed business case was presented to the Board for the Padel development which then provided the confidence to proceed with the preparation of our planning application. Gavin is currently working with our consultants to prepare the planning application for our Padel Development and outline application for the entirety of the scheme.

Advice has been sought from independent planning consultants in relation to the approach we should take in our planning submission. Due to the complexities of our site, being in Greenbelt and on an active Floodplain, the planning application is much more onerous than many others. A large number of surveys have been carried out in the last few months and will conclude shortly. We anticipate the planning application will be submitted in January. The time taken to get the application to this stage is beyond our initial estimates but I can only assure you the Board and management has continued to push this as quickly as possible.

Should we be successful in the planning application, the phasing of the implementation will then be fully reviewed. The cost of works, funding requirements and member experience will influence the phasing of any works. Our intent is to install the new hard courts, followed by the Padel, resurfacing of the existing Astro Turf and concluding with the major changes to the access and parking. If Planning is achieved by the Summer of 2025, then we will look to commence the Padel courts prior to next Winter.

Currently there is also the potential of a new grass centre court being installed in the coming year. With the growth of the tournament in the past few years and current trajectory of this, we are in early discussions with the All England Lawn Tennis Club about the potential installation of a new grass court that will allow some expansion of the tournament.

Although some of the works we wish to undertake are constrained by planning, others have been progressing, with the redevelopment of some of our underutilised squash facilities into an expanded gym space. This development has allowed further growth of our gym membership which will assist in generating further income to support the next stages of our plans.

We will be providing regular updates on the planning application and Masterplan going forward. Please watch out for these in the newsletter should you wish to be kept informed on the progress.

Lexus Ilkley Trophy

This year saw the continued success of the Ilkley Trophy with increased spectator numbers and revenues. In the last three years we have seen a significant growth in spectator numbers with around 15,000 visiting the tournament in 2024. In the UK and across the tennis community the stature of the tournament also continues to grow. With the loss of tournaments in Manchester (2019) and Surbiton (2024), Ilkley has an elevated importance in the grass court season and is now comparable to the more established tournaments in Birmingham and Nottingham – we are without doubt now part of the LTA Major Events Calender, that also includes Queens and Eastbourne.

The tournament does not only provide the opportunity to showcase the Club, but also allows us to create a significant revenue stream. In the past three years we have generated in excess of £250k, which in turn has allowed the investment in the facilities seen in the last year. We are always conscious of the disruption to our members but believe without the tournament each year we would not be able to undertake the investment required or deliver the member experience for the further 50 weeks.

Currently we are in negotiations with the LTA in regarding the long-term future of the tournament. For the past few months we have been in discussions and hopeful of a 5-6yr contract to host the event. In the New Year we should be able to provide a further update. It is key that we finalise these discussions quickly to provide clarity on the tournament which now forms a significant revenue stream for the club and impacts on the shape of the Club's development.

Community

I am proud that over the past few years the Club has continued to increase its community outreach both in and outside of the Club. I believe a Club the size of Ilkley should be at the heart of the community and play its role in supporting local charities, community groups and creating opportunities for children and adults to access racket sports.

In the past few years we have been working on a community outreach strategy that will operate and manage the Park venues in our area. The LTA, with funding support from the Government, have regenerated hundreds of municipal tennis courts across the country. The parks within the Bradford region have formed part of this regeneration. The Club is now actively applying to operate these venues and in turn provide opportunity for many individuals to access tennis that would not have the financial capability to do so before. We have secured funding from the Tennis Foundation, allocated a % of the profits from the Ilkley Trophy and seeking sponsorship from commercial partners to ensure we are successful in the sustainable delivery of our vision.

In addition to our wider strategy we are grateful for the collaboration with our local U3A group, who now have 150 members at the club, using the facilities during off peak times and attending dedicated fitness classes. This type of collaboration is beneficial for all parties and hugely positive for our engagement with the local community.

Departing club officials

Thanks to Andrew Merrick who has steered the club so diligently in the last few years as Treasurer. The state of the club finances and governance of the same has immeasurably improved during his tenure. I am incredibly thankful to have had such a capable and knowledgeable treasurer during this time. The Club is lucky to have the input of individuals like Andrew who give their time to help progress and improve the Club for all its members.

In addition, I would like to thank Nic Fearnley (Departing Tennis Chair), Andy Hanson (Fitness Chair) and Marione Horsley (MWP). Nic has brought regimented structure to the Tennis Committee and will leave a legacy of Blue and Pink indoor courts (nearly as bold as his tennis attire!). Andy has championed the recent development of the fitness facilities and worked with Terry Burgoyne, Club President, and the U3A to develop their membership scheme. Marione has been a huge supporter of our junior tennis and been ever present marshalling the hundreds of volunteers at the tournament.

The Club is in a positive place and would like to thank all of our members for their continued support.

Rik Smith
Chairman

18th November 2024



ILKLEY LAWN TENNIS & SQUASH CLUB LIMITED

(Registered in England under number 8259064)

**MINUTES OF THE ANNUAL GENERAL MEETING
held on Monday 16 December 2024**

Present

R Smith – Chairman	B Whitlam – Honorary Secretary	A Merrick – Honorary Treasurer	Mike Henley - Honorary Compliance Secretary
Julie Ettenfield	Christine Fletcher	Katherine Wade	Sarah Jefferies
David Noble	Pam Noble	Andy Hutchinson	Trevor Jenkins
Jalna Jenkins	Sue Hobson	Helen Peace	Stephen Hepplewhite
Steven Webb	Terry Burgoyne	Melanie Halsall	Sally Stubbs
Susan Fernandez	Liz Wilson	Fiona Scaife	Andy Hanson
Pam Barrett	Jan Wilkinson	James Pickersgill	Jenny Oldfield
Kate Spencer	Steve Spencer	Judith Osborne	Bernard Conlon
Moira Conlon			

Also in attendance

C Harrison – General Manager	N Bayne – Assistant Manager	Zoe Judowski - Reception/Marketing	Gavin Sutcliffe Rackets Manager
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Apologies for absence

John Watts	Val Kerr	Richard Bourdon	Valerie James
Poonam Cant	Carol Sharp	Nic Fearnley	

The meeting opened at 7pm

1	Welcome, apologies for absence & introductions The Club Chairman Rik Smith opened the meeting and appointed Mike Henley, Honorary Compliance Secretary, to chair it. Members of the Board and the General Manager were introduced.
2	Minutes of AGM 20 November 2023 These were agreed as a correct record. Proposed: Christine Fletcher Seconded: Kate Spencer
3	Matters arising from 2023 AGM



	<ol style="list-style-type: none">1. Flooding on access road – Facilities Manager engaged a drainage company to investigate. The resulting report identified the cause of the problem as a blocked underground land drain, which is to be addressed.2. Feedback from BMDC on pre-planning application – an Information Evening was held for members on 11 April 2024.3. Mechanism for club approval of padel courts in the event of a successful planning application – referred to in 2024 Chairman’s report.4. Whether box leagues could be shown on club website – the website does not lend itself to this type of post, and currently the leagues run successfully. There is no private area for members only, but this may be explored in future.5. Membership strategy, particularly court availability & car parking – addressed in 2024 Chairman’s report.
4	<p>Chairman’s report</p> <p>The Chairman covered his written report, available in advance on the club website, supported by a slide pack projected at the meeting.</p> <p>With reference to the forthcoming submission of the planning application for padel and upgrades to the club’s grounds, it was also noted that the club would be engaging with stakeholders such as the LTA, Sport England, the Environment Agency, and any letters of support would be welcomed. The application may also go to Planning Panel, at which point the matter would become a more political decision. Stakeholder and local support would be even more important.</p>
5	<p>Treasurer’s report</p> <p>The Treasurer also referred to his written report which was available on the club website, and to a slide pack displayed at the meeting.</p> <p>In addition to the contents of the report, the Treasurer noted the efforts of the club’s accountant Sarah Burke in producing regular monthly financial reports for the Board and management.</p> <p>It was also noted that challenges to be borne in mind for the next year would be higher taxes and operating costs.</p>
6	<p>Approval of Statutory Accounts & approval of Auditors</p> <p>Accounts proposed by David Noble, seconded by Stephen Hepplewhite.</p> <p>Auditors KJA Kilner Johnson Ltd proposed to be reappointed by Stephen Webb, seconded by Jan Wilkinson, and were therefore duly reappointed.</p>
7	<p>Questions arising from items 4 and 5</p>



1. A query was raised as to whether the mast deal income referred to in the accounts was a regular income or a one-off. It was confirmed as being a one-off payment.
2. The board was asked whether they had a view on a point at which member numbers might be capped. At approximately 2500 the club was coping at the moment, and the issue was discussed regularly at board and committee level. It is acknowledged there are issues at peak times accommodating members and there may be a need to take action in future. The GM and board monitor numbers and club usage regularly, and note that high demand is indicative of a healthy club. Parking is a known issue but solutions for this are included in the master plan.
3. It was asked whether there could be a permanent improvement to the access to the overflow car park. Ad hoc repairs are carried out now, but again this section of the grounds is included in the master plan proposals.
4. It was asked whether the club benchmarks member attrition against wider norms. It was confirmed it does. There are also seasonal peaks and troughs, with for example students joining and leaving. Tennis players often cancel memberships in the summer & rejoin to play indoors in winter. One option is to introduce a premium for short term membership. Again, management monitors trends and needs.
5. A member felt there was a need for much more tree planting and offered help to do so, also suggesting membership sponsorship of trees. The Chairman again referred to the master plan which includes provisions to enhance the overall landscaping. Once the outcome of planning is known this issue can be revisited. A diversity net gain has been highlighted on ecology reports for the application.
6. To alleviate pinch points in car parking, it was suggested that gym class start times could be offset with those of tennis court booking times. The GM would welcome further input into the suggestion and hear any counter arguments.
7. Information was sought on whether the club is considering installing solar panels. The issue is currently under discussion at board and various proposals are being compared and considered. The installation would likely require planning permission, separately from the current application.

8 Election of Officers and Committee Members

In the absence of any contested positions, it was proposed the meeting should elect all those standing and re-standing en bloc. This approach was proposed by Andy Hanson and seconded by Susan Fernandez.

The following were therefore appointed:

President: Terry Burgoyne (re-elected)

Honorary Treasurer: Bernard Conlon

Chair Tennis: Michele Robinson

Chair Fitness: Helen Peace



	<p>Chair Squash: James Sellers MWP: Melanie Halsall MWP: Andy Hutchinson (re-elected) MWP: Chris Smith (re-elected)</p> <p>The Honorary Secretary requested that any eligible member willing to take up the spare position on the Members' Committee as Member Without Portfolio, for which there had been no further applications, should let her know.</p>
9	<p>AOB</p> <ol style="list-style-type: none">1. One written item for AOB was received from a member who was unable to attend the meeting. A 2-page document referring to U3A membership issues had been submitted that morning. Given the timing and nature of the request it was not deemed appropriate to deal with it as an AOB point but the club will respond to him fully. For the avoidance of any doubt, the Chairman of the meeting clarified that the question of entering into an agreement with U3A was discussed at board and the MC and was approved on 24 July 2024. The scheme, which offers an off-peak membership, has been a success and uses facilities at less busy times. Standard members do pay more for gym use, but clearly have access to the club at all times. U3A members do not prevent other gym members from accessing facilities. It was asked whether there was a proposal for U3A to enjoy full membership, and confirmed not currently. The addition of access to rackets might be considered in future. It was then asked whether there was any proposal to separate padel membership from other rackets. This will be debated in due course.2. Thanks were expressed to the committees and board for the contribution to the club.3. A query was raised as to a lack of ability for volunteers and club members to provide feedback after the Trophy. The Chairman acknowledged that whilst it would be ideal to have a more formal process, time and resources had not permitted. There was however a large debrief post tournament into which the lead volunteers provided input. There was also a volunteers WhatsApp chat where feedback could be and has been given. Efforts would be made this year more generally to arrange member surveys.
10	<p>Date of 2025 AGM The next AGM is scheduled for 24 November 2025 at 7pm.</p>
	<p>The meeting closed at 20:20pm</p>



ILTSC AGM November 2024

Treasurer's Report

Review of the year ended 31 March 2024 (FY24)

This note is intended to act as a brief commentary on the Club's and ILTSC Event's performance in the year to 31 March 2024, with both sets of accounts available on the website. I will do a brief presentation at the AGM but am happy to answer questions in advance as well as on the evening.

FY24 performance is reasonably comparable to the previous year, now that the club closure during covid is a somewhat distant memory.

In overall terms, the year was a year of building back, with membership levels back and now beyond pre covid levels. As I mentioned last year, the club has a relatively fixed cost base, and therefore membership growth has a materially positive impact on the club's ability to generate profitability and cash. We regard FY24 as a good year for the club enabling a re-build of the club's finances, which in turn gave us the confidence to devote funds to resurfacing and improving the lighting for the indoor courts; put in place the mezzanine floor in gym and more recently complete the upgrade of the café bar.

I think it would be reasonable to say, based on the last three years that the team, led from the front by Rik and Chris, has demonstrated that we can run a successful Ilkley Trophy, both from a customer and commercial perspective. And the profits generated here support further development of the club.

I still hear occasionally that there is little transparency re performance of the trophy, so I will take this opportunity to remind you that ILTSC Events is the entity in which we recognise the external events run by the club. This is principally the Trophy but also includes County Week, the Ilkley Open and events such as the recent fireworks event, all of which make a small further contribution to the club's finances. As a reminder, any profits made by ILTSC Events are gift-aided to the club after the end of the relevant year.

Commenting on the results in a little more detail,

Club revenue increased to £1.7m (FY23: £1.3m) in FY24, a material increase from the prior year and now at a level well above the £1.4m generated in FY20 immediately pre covid. Revenue growth was largely driven by increased membership income, principally fitness related. The increase in other income was driven by a one-off settlement of lease income on one of the phone masts. Since it remains an area of interest I will touch on café bar profitability at the AGM, the short summary being that we continue to operate largely around break-even, albeit we have invested more in staffing.

Expenses increased overall by £170k (14%) year on year, reflecting a further investment in staff costs, together with higher maintenance, fitness expenses and interest costs. This allowed the club to make an overall profit of £287k, before the contribution of £49k from ILTSC Events in relation to its FY23 performance.

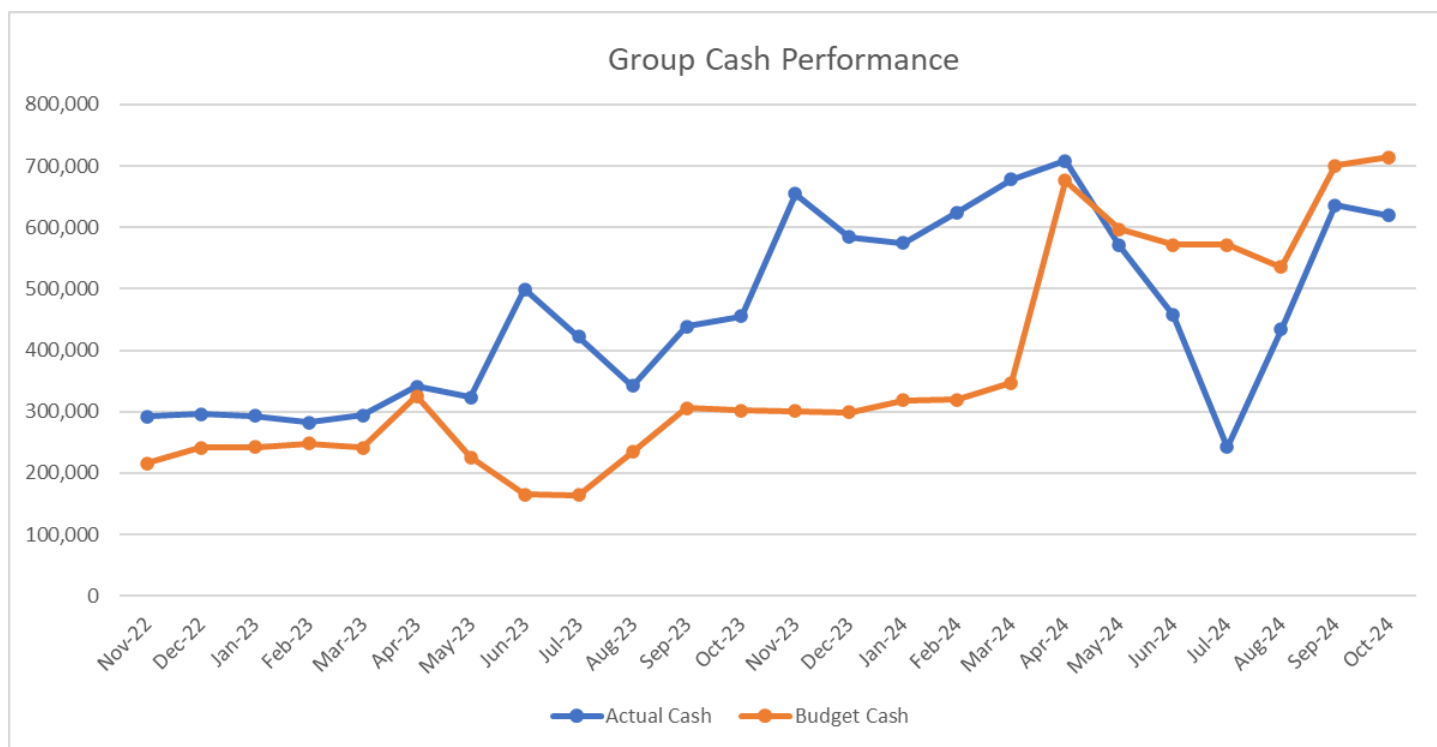
As touched on above, ILTSC Events saw a further material increase in profitability in FY24 reflecting a more commercially successful Ilkley Trophy, which made over £100k for the first time, and a major stride forward from the tournaments run in June 2018 and 2019 in many respects. ILTSC events recorded a total profit of £116k for the year which will be shortly gift aided to the Club.

Current year – 6 months to September 2024

At the half-year, current year trading has been strong supported by a further material increase in gym membership, enabling us to generate a trading profit of £132k in the first six months of the year, materially above budget and ahead of the preceding year (FY24: £75k). This, coupled with another £100k+ profit from the Ilkley Trophy in Summer 2024, has allowed us the freedom to continue to invest in upgrading the club’s facilities in a number of areas as highlighted above.

Total cash balances at the end of October 2024 were just over £619k (Oct 23: £450k), notwithstanding the infrastructure investment made over the last twelve months, including some unbudgeted expenditure. [At that point we also still hadn’t received £58k for our share of Trophy ticket revenue]

As I handover the reins to my successor, I would suggest that one of the principal financial challenges facing the Club will be to manage the club to generate a sufficient level of profitability and cash to continue to maintain and develop the club’s infrastructure, whilst not over-focusing on profit. We are a members’ club and that should and will remain the focus.



Andrew Merrick

Treasurer

15 November 2024