

FINANCE COMMITTEE REPORT TO APRIL BOARD MEETING

The Finance Committee met on April 4th 2025. Present were: Anthony Rowley, Treasurer; Rick Dyck, Finance Committee member; Wayne Hunter, General Manager; Yoshiyuki Hirado, Chief Accountant. Committee member Robert Whiting was unable to attend.

The committee noted a sharp reduction in the club's cash-flow deficit in the year to the end of February 2025 when the deficit fell to 24.4 million yen compared with 43.1 million in the preceding year (when pension payments to retiring staff needed to be made).

The deficit to end of February 2025 appears larger than was actually the case because the contribution from "accounts receivable" was carried over into March, owing to February being a short month. When this is included, the latest year to date cash flow deficit was nearer 2 million yen only.

Despite this improving trend, however, cash flow is still in negative territory and we need to reverse this situation in order to rebuild the financial reserves the club needs in order to meet forthcoming expenditures on maintenance, staff pension obligations etc as well as to establish a comfortable reserve "cushion."

The Finance Committee is providing inputs to the Task Force which is looking at future revenue and expenditure streams and how these can be improved.

The committee also noted that, while initiation fees (in respect of new members) declined to 1.44 million yen in February (compared to 2 million yen in January) these fees showed significant improvement in the year to end of February 2025 – rising to 19.4 million yen against 11.9 million yen in the preceding year.

Respectfully submitted.

Anthony Rowley
Treasurer