

FINANCE COMMITTEE REPORT TO JUNE BOARD MEETING

The Finance Committee met on June 8th, 2025. Present were: Anthony Rowley, Treasurer; Rick Dyck, Finance Committee member; Robert Whiting, Finance Committee member; Wayne Hunter, General Manager; Yoshiyuki Hirado, Chief Accountant.

The committee noted a deterioration in club total revenues during the month of April this year compared with April 2024 while total expenditures increased, causing the gross deficit for the month to rise to 6.24 million yen. The deterioration reflected lower initiation fees and room rental compared to 2024, although dues revenue improved.

Year to date cash flow to April nevertheless improved from 2 million yen to 7.5 million yen owing to a high revenue month in March and the resulting cash receipt in April.

The latest available data offer little cause for optimism but, rather, reflect the difficult environment in which the club is operating now and has been operating for a number of years.

If at all possible, in FY 2025-26, it is important for the club to try to maintain a positive cash flow and perhaps take a reserve (albeit modest) for future years. We have no major pension payouts scheduled this fiscal year, nor do we have any scheduled maintenance or facilities expenses, although the GM reported a fire door repair of 500k yen will be incurred. Contingencies happen. As will be shown in the task force report, we need to carefully manage cash this year and next, in preparation for major cash expenses in the near future.

This situation, along with an assessment of club financial prospects in the medium to longer term will be explained in considerably greater detail in the report of the Long-Term Task Force report to be presented to the Board at its next meeting, on June 9th.

All that can be said with any reasonable degree of certainty is that the club can survive financially for a maximum of two years from now absent remedial actions proposed in the Task Force report.

Respectfully submitted

Anthony Rowley
Treasurer