

December 2022 Management Accounts



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Executive Summary

YTD Total

YTD EBITDA to December is £1,302k. This is £776k worse than budget.

- Events overall are (£983) below budget. Crufts are (£598k) below budget. This is mostly due to a reduced amount of trade stands at the show. Discover Dogs is (165k) below budget, the revenue was lower than anticipated by (£165k). There are also some smaller events that offset which includes the agility events expenditure of (£196k) which was not budgeted.
- Registrations are £355k ahead of budget. This is mainly due to higher than budgeted Income with registrations revenue at £774k above budget, Transfers Revenue £59k over budget. This is offset by Kennel Name, Import and Change of Name revenue which is (£299k) lower than budget
- Healthcare is (£105k) down against budget. This is due to spending on marketing to drive opportunity to Agria.
- Publications are (£155k) and this is due to lower income than budgeted for Breed Record Sales Supplement and an increase in postage costs
- Petlog YTD is (£380k) lower than budget due to much lower sales of the Petlog Premium products
- Puppy Sales are £149k ahead of budget due to the budget assuming this product to be FOC from 1st July yet still charging for this service.
- Emblehope is £125k ahead of budget due to the Sale of Ewes & Insurance claim reimbursement
- Property is £550k ahead of budget. The property expenditure has fallen due to the rates cost being brought down from the budgeted £100k per month to £20k per month following new professional advice and a £259k write back for maintenance provision.
- Digital spend is (£120k) worse than budget due to an increase in costs for CRM licensing fees

Executive Summary

Monthly Total

Monthly EBITDA for Dec 22 is (£499k) , this is (592k) worse than budget

- Publications reports a variance of (£72k) below budget, the income for breed record supplement is lower than budgeted in December and costs have increased as the postage costs were (£41k) in December.
- Petlog is showing as (£175k) below budget this month largely due to a reduction in revenue across the premium products although this month the basic registrations income was £20k ahead of budget.
- Emblehope Farm is showing an unfavourable variance of (£52) as costs have increased for the professional fees for the refurbishment of the farm house, these were not in the original December budget.
- Canine Activities are (£86k) below budget this month due to event travel costs and printing
- Finance costs have increased by (£76k) overall, the main factors were consultancy costs (£13k) & Telephone costs were (£43k) more than budgeted this month. The telephone higher costs are due to a change of supplier and new system being implemented.
- Property & Business Support costs were less than budgeted at £226k mainly due to the change in rate provision at £80k below budget and further £259k written back to property maintenance. An exceptional rate provision reversal has been made of £3,667k which is reported below the line.

P&L v budget (Monthly and YTD)

Business area		December 2022					December YTD 2022						
		Income	Staff costs	Expenditure costs	Profit/(loss)	Budget	Variance	Income	Staff costs	Expenditure costs	Profit/(loss)	Budget	Variance
Core commercial	Events	1	(41)	(100)	(140)	(91)	(49)	4 430	(428)	(5 179)	(1 177)	(194)	(983)
	Registrations	719	(209)	(1)	509	532	(23)	9 972	(1 907)	(11)	8 054	7 699	355
	Healthcare	302			302	302	0	3 520			3 520	3 625	(105)
	Publications	5	(40)	(99)	(134)	(62)	(72)	122	(329)	(692)	(899)	(744)	(155)
	Investment income	14			14	14	(0)	168			168	169	(1)
Agile commercial	Petlog	137	(71)	(4)	62	238	(175)	2 783	(767)	(102)	1 914	2 294	(380)
	Puppy sales register/FAP	13			13	0	13	238			238	89	149
Membership breakeven	Membership Subscription & Club	44	(61)	(41)	(58)	(11)	(47)	448	(564)	(270)	(386)	(366)	(20)
	SASS	24	(21)	(11)	(8)	8	(16)	302	(223)	(65)	14	14	(0)
	ABS	5	(48)	(23)	(66)	(48)	(19)	95	(446)	(308)	(659)	(581)	(78)
	Library & Gallery	0	(18)	(1)	(19)	(18)	(2)	3	(203)	(11)	(211)	(208)	(3)
	GCDS & KCAI	(1)	(14)	(8)	(22)	(7)	(16)	76	(145)	(51)	(120)	(49)	(71)
Emblehope	28	(6)	(76)	(54)	(2)	(52)	427	(88)	(335)	4	(122)	125	
Public benefit	Health & welfare	(4)	(47)	(10)	(61)	(37)	(24)	45	(485)	(63)	(503)	(523)	20
	Canine activities/Sport governance		(138)	(53)	(190)	(104)	(86)		(1 145)	(366)	(1 511)	(1 458)	(53)
	YKC	(3)	(12)	(0)	(15)	(7)	(8)	46	(119)	(17)	(90)	(105)	15
Corporate support departments	CEO, incl legal & strategy		(46)	(109)	(155)	(116)	(39)		(579)	(819)	(1 399)	(1 455)	56
	Finance		(61)	(81)	(142)	(66)	(76)		(445)	(412)	(857)	(817)	(40)
											(2 079)		
	Property & Business Support		(6)	(22)	(28)	(214)	186		(65)	(2 014)		(2 630)	550
	Marketing & communications		(31)	(42)	(73)	(47)	(26)		(338)	(252)	(590)	(565)	(25)
	IT		(54)	(96)	(150)	(110)	(40)		(717)	(810)	(1 527)	(1 392)	(135)
HR		(31)	(51)	(82)	(64)	(19)		(321)	(280)	(601)	(603)	2	
Total EBITDA		1,283	(954)	(829)	(499)	93	(592)	22,675	(9,314)	(12,059)	1,302	2,078	(776)
Total EBITDA				3,646	3,646					3,646	3,646		
Total EBITDA		1,283	(954)	2,817	3,147			22,675	(9,314)	(8,413)	4,948		

Balance Sheet

The Kennel Club: Management accounts (£k)		
Balance Sheet		
As at 31 December 22		
	Actual at	
	31 December 2022	30 November 2022
Fixed assets		
Freehold, fittings, software, etc	36,046	35,720
Heritage Assets	3,931	3,931
Investments	8,866	8,866
	48,843	48,517
Current assets		
Stock	155	155
Debtors and Prepayments	4,284	1,867
Cash at bank and on deposit	7,396	8,838
	11,835	10,860
Less: Current liabilities		
Creditors	1,186	637
Deferred Income and Accruals	6,016	7,624
Corporation/ Deferred Tax	2,552	2,552
Pension liability	3,083	3,116
	12,836	13,928
Total Net Assets	47,843	45,449
Represented by:		
Establishment fund	47,053	47,053
Movement in Investment	(1,770)	(1,770)
Surplus/(Deficit) (year to date)	2,559	166
Total Reserves	47,843	45,449

Debtors & Prepayments	Dec-22	Nov-22	Variance
Trade debtors	1,927	205	- 1,722
Other debtors	108	113	5
Prepayments and accrued income	2,249	1,549	- 700
Total	4,284	1,867	- 2,417

Creditors	Dec-22	Nov-22	Variance
Trade creditors	402	268	- 134
Other taxes and social security costs	497	110	- 387
Other creditors	286	258	- 28
Total	1,186	637	- 549

Deferred Income & Accruals	Dec-22	Nov-22	Variance
Deferred Income	5,662	3,790	1,872
Accruals	353	3,833	- 3,480
Total	6,016	7,624	1,608

Balance Sheet

Total reserves at the end of December 2022 are £47,843k

Trade debtors have increased by £1,722k due to invoicing for Crufts 2023

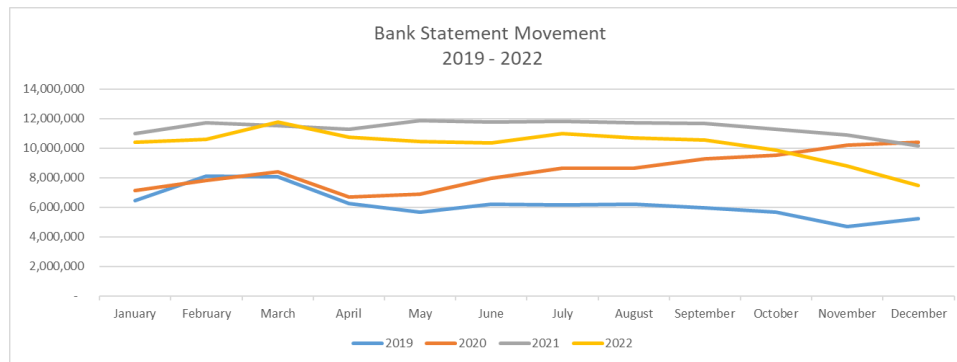
Prepayments have increased by £700k due to invoices for Crufts 23

Deferred income has increased by £1,872k due to revenue for Crufts 2023

Accruals have been reduced by £3,480k mainly by the release of the business rates provision

Balance Sheet & Cash Flow

The Kennel Club: Management accounts (£k)			
Balance Sheet			
	Actual	Budget	
	December 2022	December 2022	
Fixed assets			
Freehold, fittings, software, etc	36,046	35,255	
Heritage Assets	3,931	4,189	
Investments	8,866	10,313	
	48,843		49,757
Current assets			
Stock	155	117	
Debtors and Prepayments	4,284	2,143	
Cash at bank and on deposit	7,396	10,921	
	11,835		13,181
Less: Current liabilities			
Creditors	1,186	1,463	
Deferred Income and Accruals	6,016	9,024	
Corporation/ Deferred Tax	2,552	1,142	
Pension liability	3,083	7,751	
	12,836		19,380
Total Net Assets	47,843	43,558	
Represented by:			
Establishment fund	47,053	43,385	
Movement in Investment	(1,770)		
Surplus/(Deficit) (year to date)	2,559	173	
Total Reserves	47,843	43,558	



Year on year - Revenue

Revenue	YTD Dec-21 £,000	YTD Dec-22 £,000	Variance £,000
Events	253	4 430	4 177
Petlog	3 018	2 783	(235)
Registrations	5 188	4 892	(296)
Healthcare	3 625	3 550	(75)
Transfers	3 174	2 370	(804)
Pedigree	2 490	1 854	(636)
Sundry	1 229	888	(340)
Kennel Name	875	726	(149)
Emblehope	1 102	427	(675)
Show	90	265	175
Publications	143	122	(21)
Puppy Sales	221	238	17
Import/re-export	161	111	(50)
Change of Name	15	19	4
Total Revenue	21,584	22,675	1,091

Revenue

- Revenue has increased in 2022 by £1,091k mainly due to events like Crufts not being able to take place in 2021. Other areas such as transfers and pedigree are experiencing a decrease in income
- Crufts had revenues of £3,969k. Crufts wasn't held in 2021 to compare but 2020 had revenues of £4,341k. The main variance is due to reduced number of trade stands and admissions.
- Emblehope has decreased by £675k against the prior year due to timber income in 2021
- Petlog revenue is (£235k) lower compared to prior year due to decline in premium products being sold
- Registrations (£296k), Transfers (£804k) and Pedigrees (£636k) are lower than prior year due to the end of the puppy boom that was experienced in 2021 due to COVID and the surge in puppy demand.

Year on year - Expenditure

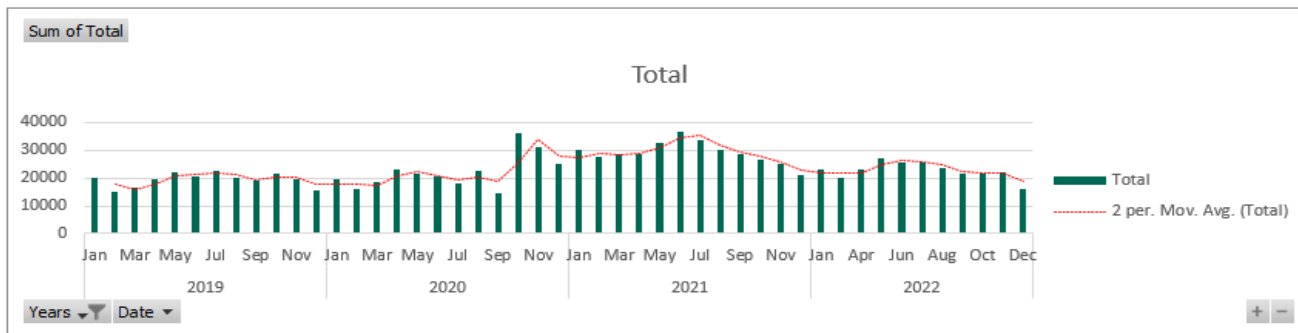
Expenditure	Actual YTD Dec-21 £,000	Actual YTD Dec-22 £,000	Variance £,000
Staff Costs	9,493	9 532	39
Rent & Rates	1,036	1 533	497
Publications	1,144	1 230	86
Legal & Professional	830	974	144
Marketing	423	518	95
Telephone	297	271	(26)
Staff Travel & Expense Costs	160	242	82
Committee Expenses	63	195	132
Event Costs	1,547	5 363	3 816
IT Costs & Maintenance	454	792	338
Bank and Card Costs	90	112	22
Press & Lobbying	111	163	52
Food Costs	51	133	82
Live Stock and feed	83	111	28
Grants & Donations	5	16	11
Educational Seminars	1	43	42
Merchandise	20	26	6
Miscellaneous	86	83	(3)
Timber	109	25	(84)
Gallery	25	11	(14)
Total Costs	16,027	21,373	5,345

Expenditure

- Expenditure is £5,345k higher compared to the prior year.
- Crufts costs in 2022 were £4,216k. Crufts wasn't held in 2021 to compare but 2020 had expenditure of £4,114k. The main variance is due to increases in venue costs.
- Committee expenses are £132k more than last year due to an increase in face to face meetings in 2022.
- IT Costs & Maintenance has increased by £338k this is mainly due to the CRM Implementation.
- Rent & Rates were lower in 2021 due to a reduction in business rates in this year.

Registration Volumes since 2019

Registrations (in units)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD
2019	19,850	15,278	16,394	19,629	21,983	20,426	22,809	20,144	18,954	21,408	19,716	15,672	232,263
2020	19,593	15,813	18,774	23,194	21,545	20,332	18,182	22,683	14,724	36,272	31,198	25,043	267,353
2021	30,033	27,560	28,836	28,597	32,721	36,488	33,896	30,186	28,487	26,850	24,869	20,840	349,363
2022	23,155	20,167	23,031	24,300	26,973	25,820	25,851	23,424	21,524	21,832	21,932	15,927	273,936





THE KENNEL CLUB