

REPORT OF THE FINANCE DIRECTOR

Period 1-9-24 to 31-8-25

Introduction

This report includes accounts for the WCU for the period 1 September 2024 to 31 August 2025.

Current Financial Position

The set of accounts presented to you are a draft set which still requires auditing. As it currently stands the WCU does not have an appointed auditor. Any changes that are made as a result of any audit will be communicated to members at a future meeting.

During 2024-25 the WCU has shown a deficit of £8,307.30 and this compares to a surplus shown in 2023-24 of £8,505.68. The deficit in 2024-25 generally relates to the payment of items that were owed as at 31-8-24. For example, £3,000 owed to the English Chess Federation for their share of a grant the WCU received in 2023-24 and £5,677.77 owed for costs relating to the 2024 Chess Olympiad for which a grant was received in 2023-24 from FIDE. Over the 2 years 2023-24 and 2024-25 we have made a small surplus of £198.38.

At the year end the WCU only holds £13,137.44 which includes restricted funds as outlined in Note 3 of the accounts totalling £5,444.25. This leave the WCU with £7,693.19 of unrestricted funds which is not a sound financial position for the WCU to be in.

Notes to the accounts

Accompanying the financial statements are a series of notes relating to the following items:-

- Analysis of WCU contribution to events 2024-25
- Assets
- Restricted Funds
- Donations

Hopefully these notes provide useful information and are self explanatory.

Future prospects

The deficits shown over the last few years have significantly reduced WCU reserves and this is not sustainable in the long term. Current fee levels were increased for the season 2023-24 and remained in place as shown below for season 2024-25. With the AGM being after the start of the current season I had no authority but to keep fees at this level for 2025-26.

Existing WCU members - Adults - £20 and Juniors (U-18 on 1/9/2025) - £10

New WCU members - Adults - £10 and Juniors (U-18 on 1/9/2025) - £5

Each year the tournaments we run cost the WCU between £4,000 to £6,000 and with our membership fees totalling just under £10,000 this is not a sustainable position for the long term. I have previously suggested we should look to reduce or remove prizes from our tournaments to see if this can help our financial position but to date this has not been tested.

The current management board has not been effective at generating additional sources of finance and it has been incredibly frustrating that the current management board has not met for the last two

years. Members of the management board generally work in isolation with a number of members not making any positive contribution.

At the AGM in 2024 I offered my resignation as finance director but in the absence of a replacement agreed to continue in this role until a replacement was found. Unfortunately, at no point during the last 12 months was a replacement found. My current view is that the current management board is failing in its remit and as a result I have reached the conclusion that I will no longer be prepared to carry on in the roles of Finance Director and Membership Secretary.

The WCU is in desperate need of new proactive people to come forward for the good of chess development in Wales and I very much hope that this is the case at this year's AGM.

Jason Garcia

Finance Director – Welsh Chess Union