



Finance Director's Report – 2024

Overview

As of 31 December 2024, the Federation reported net assets of £235,380. Which is comparable to prior year of £233,802, whilst I had forecast a full year profit in the 2024 budget of £64k we have only achieved a minor profit of c.£2k. Whilst Q1 and Q2 were tracking quite well to this, Q3 and Q4 saw some significant spend on international competition and a true up of the membership position really reflected the reality of the underlying position.

Income Performance

For 2024, total income came in at £618k, £21k ahead of budget, this is driven primarily by British competition entry fees well ahead of budget by £45k and internationals up on budget by £33k, offset by underperformance in sponsorship income against budget by £41k and membership income below expectation by £25k.

Memberships for FY24 ended on 6,395 plus an additional 266 none lifter members, up on FY23 numbers of 6,034 and 55 non lifter members. Whilst this is an improvement it falls short of the +20% we had budgeted for.

Sponsorship income whilst well up on FY23 number of £17k at £44k has fallen some way short of budget expectation of £88k, this is largely due to SBD agreement with home nations (distribution of 50% of the SBD income to HN's not correctly budgeted) and the expected deal with another major sponsor we had budgeted not coming to fruition in FY24.

As per prior quarters income from international Championships attended is well up on budget as to be expected since we attended and had more lifters competing at internationals this year, in total we had 559 lifters compete internationally in 2024 compared to 443 in 2023. Which again was well up on budget expectations which simply tracked prior year numbers.

Operating Expenses

Total expenses for the year ended on £615,922, which was £83.5k above budget expectation and £221k above that of FY23.

- International Competitions: The largest expense, at £304k, exceeded budget by £102k, due to increased travel, hotel, and entry fees for international lifters and coaches.

International spend breakdown

Hotels - £144k

Entry and doping fees - £74k

Ref expense / hotel claims - £47k

Coaching expense / hotel claims - £39k

Total = £304k

Hotels for lifters and part of the entry and doping fees is recovered through the income line as noted above, this leaves a net loss position for the year of £131k (against budgeted loss of £62k).

The £131k can be viewed as follows:

International entry fees covered by the Fed = £44k (£74k - £30k paid by lifters for anti doping).

Ref expense / hotel claims = £47k

Coaching expenses / hotel claims = £39k

All other areas of over or under spend, are immaterial in comparison to this, but there are some items of note:

- Audit and accounting fee from FY22 was recognised and un-budgeted in Q1 = (£6k).
- Overspend on BLM (old website support and hosting) – (£5k).
- Administrative expenses over spent by (£4k) against budget, which covered docu-sign and an upgrade to the zoom license to allow the online AGM to take place.
- Some un-budgeted legal expenses in defence of a claim against discrimination against the Federation (£3.6k).
- We released £30k FY23 drug testing provision to the P&L and at the same time made a provision for legal expenses of £20k to cover on-going legal claims and released costs incurred during FY24 of £10k.

Balance Sheet Summary

The balance sheet as of 31 December 2024 shows:

- Cash at bank and in hand: £331k, up £10k from 2023 year end and still in a strong position.
- Creditors: £166.5k due within one year, primarily consisting of accruals (mostly FY24 drug testing fee accruals - £60k), legal provision £20k divisional rebates – 2024 divisional rebates due 2025 (£47k), and deferred income – FY25 British comp entry fees deferred to FY25 and FY25 membership income deferred to following year (£40k).

Conclusion

Whilst 2024 saw strong income performance, particularly in international activities, British competition entry fees and coaching course income, the substantial overspend in international competition related expenses has eroded profitability.

The Federation managed a break-even year, despite the large increase in international expenditure, this was driven largely by the agreed policy to fund the head coach and referee's international hotel expenses, however, as alluded to in Q3's report we also saw a number of instances of poor administration which left the Federation holding the bill for competition entries left on nominations and some un-cancelled hotel bookings.

The Federation has made strides to improve the administrative controls around the international entry fees, bookings and hotel management with the appointment of Teresa Chapman into her role as the international team administrator and I'm confident any leakage that had occurred in 2024 should not repeat in FY25.

Despite the very high international spend in the year, the overall financial health of the Federation remains stable and as long as the Fed can continue to maintain a break even position I do not anticipate any financial difficulty upcoming but we must be mindful of the controls required around

the international entry and hotel fees which is fast becoming the biggest admin burden of the Federation.