



The MG Car Club Ltd

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Treasurer's Report for year to June 2007

All figures in the text below are in £'000.

Introduction

We made a profit of £12.1k in the second quarter, £2.1k below budget. We remain £21.8k ahead of budget, and have made a profit to date of £18.4k. At this time last year, we had lost £28.5k.

Subscriptions

MGCC subs are slightly down from budget, reflecting drops in membership. The MGE subscriptions are still on budget, but will drop away sharply from next month as the budget assumed we would remain with MGE.

Magazine

We are slightly behind budget, as the pricing structure in Q2 reverted to the 2006 system, but are well ahead of last year. From July, costs should fall to about £5.5k per month, more than compensating for the drop in MGE subscriptions.

Events

The Q2 figures include the Regency Run, Oulton Park and Silverstone International. The Regency Run entries were down, but we still broke even. Oulton Park was an outstanding success-race entries were up and costs held to budget. Despite the weather, Silverstone International made an overall profit of nearly £12k, only some £2.2k worse than budget. Advance ticket sales were high, partially offsetting very low gate sales on the day; costs were held down and race entries were a record high, though reduced by the cancellation of one race. Trade stand income fell heavily from budget and last year. In the first half, events produced £31.3k of profit vs. a budget of £13.4k and £12.4k last year.

Regalia

We are in cumulative small loss so far, compared to a budget profit of £7.2k, reflecting write down of old stocks, but we are not yet in receipt of our commission from Performance Clothing for Silverstone.

Fixed Operating Costs

Staff costs are significantly higher than budget, by £10.6k but are still some £6.1k below last year's costs. Nevertheless, we are still saving a substantial £13.6k in operating costs, primarily because of low spends against high budgets for new spends in PR, Market Research and the website. These savings will not remain later in the year.

Summary

I believe we must regard Silverstone International as a success, in view of the weather. Although we have fallen a little behind budget this quarter, we are still well ahead for the half year and the second half should remain ahead. I believe it is now very likely that the Club will have a year of respectable profit, after two years of heavy losses.

John Dutton, Thursday, 19th July 2007

Report on Silverstone International

This report is not for publication outside the Board.

The management accounts have a page of figures for Silverstone International.

The figures are shown for the whole event in comparison with 2006 and budget; and they are split between racing and non-racing using judgmental allocation of the proportions relevant to each.

Overall, we made a profit of £11.8k, compared to a budget of £14.0k, and a 2006 actual of £21.0k.

Racing entry income at £101.0k was £8.6k up on budget but £4.1k down on 2006. This was after accruing £2.2k for repayments due on cancellation of the last event. Entries were up, but prices down, from 2006.

Gate money was £53.5k, £5.1k down from 2006, and £6.5k down from budget. In contrast, advance sales were up on 2006, but sales on the day were substantially down.

Trade stand sales were only £11.5k, £4.6k down on 2006, and £3.5k down on budget. Most of this income is from advance sales, so the weather was not the main factor.

Programme sales were slightly down on budget and 2006, but costs net of advertising income were down by £1.5k.

The BBQ made a small loss, the profit on sales being offset by complimentary tickets, mainly to staff.

Costs were slightly up on budget by £1.7k, but significantly down on 2006 by £5.2k, the main saving being on equipment hire.

The split between racing and non racing has been amended slightly from 2006, as the costs of Events Management had been wholly allocated to racing-it is now more meaningfully allocated 50% to each.

The outcome is that racing made a profit of £11.2k, £5.6k above budget but £4.1k below 2006.

Non racing just made a small profit of £0.6k, £7.9k below budget and £5.0k below 2006. The low gate money was the key reason along with low trade stand sales.