



Presentation to Members of Kilkenny County Council

By
Dermot Gaynor, Chief Executive
The Watershed
12th March 2018

The Journey so Far

- December last was the 9th anniversary of our opening
- The Watershed has established itself as an integral and significant part of Kilkenny's infrastructure
- By virtue of it's throughput and excellent location, it is clear to all that it is much used and a very busy place
- It serves very significant numbers in the community
- I would be confident that it is seen as an example of very good investment of public money
- We have taken the vision and converted it into a successful and sustainable business

2017

Another very satisfactory year:

- Year on year income growth of 7% was recorded
- Operational surplus was again achieved
- No major issues experienced
- 600k+ visits
- Range of activities and spread of users continues to grow (see next slide)
- No noticeable negative impact from new competition in the local market experienced

Where does our Income Come From?

Membership fees: 17.7% of total income

Pay As You Go: 19.4%
37.1%

- The Pay as You Go customer is hugely facilitated at the Watershed - we are delivering well to our accessibility mandate
- With 660K+ visits and total income a little less than €2m, the average value per visit is only €3 approx!
- 'Business speak' would describe our business as having a very large number of 'low ticket' transactions
- The day to day operational challenge is to handle large numbers efficiently, safely and with good levels of customer service

Where does the other 62.9% of our business come from?

- Swim Lessons.....	18.4%
- Camps/Parties/School Tours.....	9.2%
- Pool Rental.....	8.5%
- Synthetic & Grass Pitches.....	5.7%
- Hall & Studio Rental.....	4.6%
- Fitness Classes.....	3.8%
- Track.....	1.2%
- Retail Sales.....	<u>11.5%</u>
	62.9%

Costs

With safety paramount, our business is by definition labour intensive

	<u>As a % of Total Income</u>
Staff Costs.....	58%
Other:	
Energy.....	9%
Rates & Water Rates.....	5%
Insurance.....	4%

That is €0.76 of every €1 of income eaten up before any marketing, IT, telephone, stationery, cleaning, equipment and grounds maintenance etc., etc. costs are considered! It is a very 'tight' business

What is new?

- Kilkenny Senior & Intermediate Camogie Squads now use The Watershed as their base
- New software system (Legend) implemented during 2017
 - Membership management, access control, P.O.S., booking system, mis, booking on-line
- Volleyball Ireland – we have just negotiated a partnership with them which will bring tournaments and championships to Kilkenny
 - An Ireland v N Ireland volleyball festival takes place on St Patrick's Day
 - They will work with us to create a new volleyball club in Kilkenny
 - Joint funding of new equipment
- Virtual Fitness Classes (screen based, no instructor, new to Kilkenny) allows us to expand our programme with minimal staff cost and more time options for our customers
- Sports Capital Programme 2017
 - €45.5k allocation received
 - Race standard & electronic timing compatible pool starting blocks
 - Gym & athletics equipment

And Finally

- This is my last visit to update you
- Thank you to the members and the executive for your support over the years
- Thank you to our excellent Chair, Billy Murphy
- We have appointed an incoming Chief Executive, Tina Dowling, who I know will do an excellent job