



ANNUAL GENERAL MEETING

WEDNESDAY 1st JULY 2026





THE RAG
ARMY & NAVY CLUB

WELCOME FROM

THE CHAIRMAN

Colonel Neil Johnson



AGENDA

1. Chairman's Opening Remarks
2. Approval of Minutes - AGM 2025
3. Matters arising from previous Minutes
4. Election of Directors
5. Chairman's Annual Report
6. Re-appointment of Auditors
7. Ordinary Resolution
8. Any Other Competent Business





APPROVAL OF MINUTES

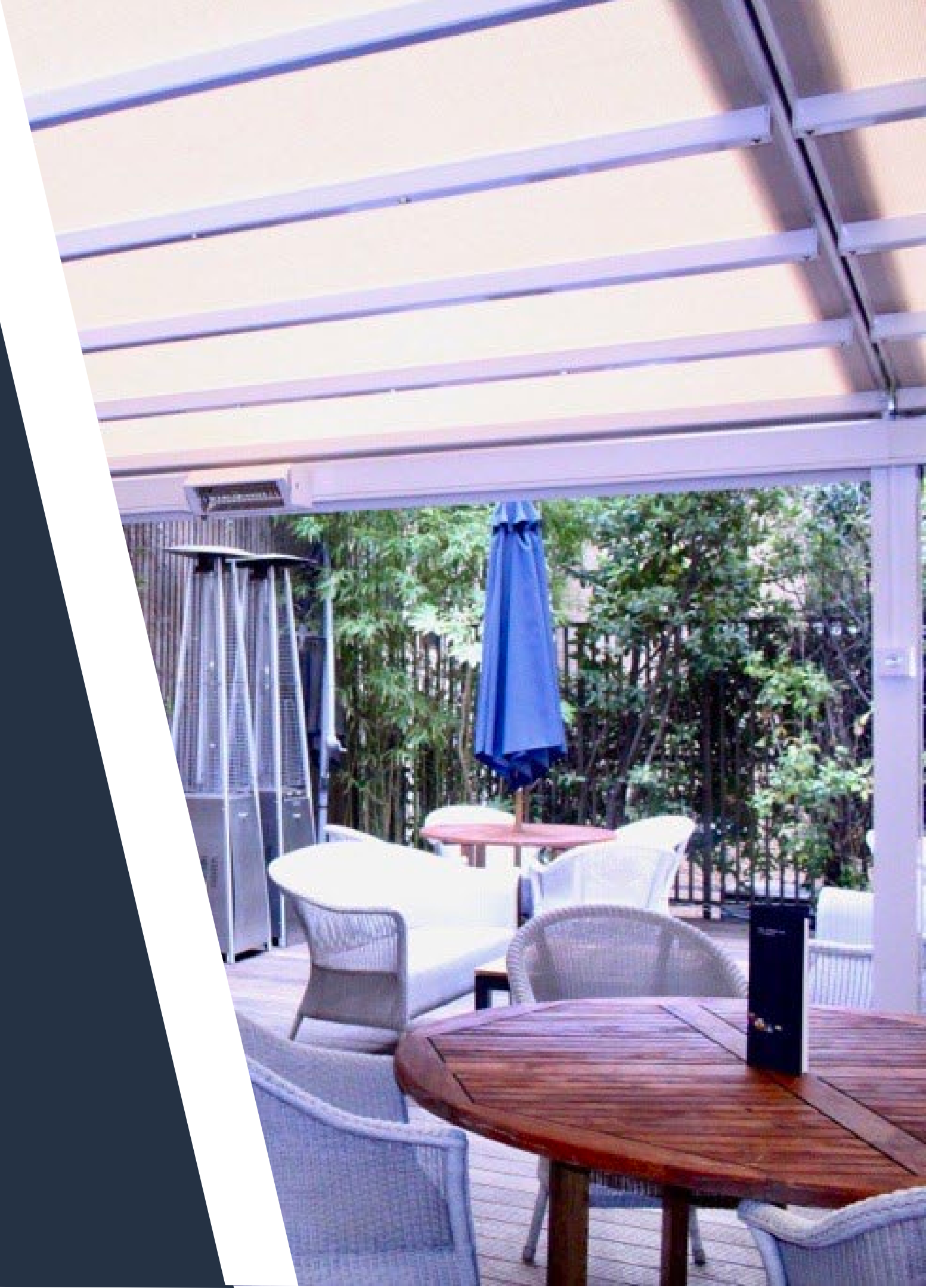
AGM 2025





THE RAG
ARMY & NAVY CLUB

ELECTION OF DIRECTORS





THE RAG
ARMY & NAVY CLUB



Mr Harry Neal Hindley Farmer

Proposer: Reverend James Mcwhirter RN

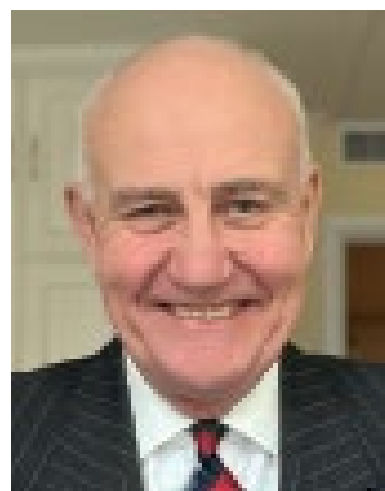
Seconder: Lord Fermoy



Mrs Lizzie McWhirter MA

Proposer: Lieutenant Commander Andrew Martin

Seconder: Miss Georgina Whiteside



Lieutenant Colonel M.E. Spragg

Proposer: Brigadier James Tanner OBE

Seconder: Major General Peter Grant Peterkin CB OBE





THE RAG
ARMY & NAVY CLUB

CHAIRMAN'S ANNUAL REPORT

AGM 2026





THE RAG
ARMY & NAVY CLUB

Colonel Neil Johnson

Chairman



Financial Position

- We remain in a healthy financial position
- A surplus each year remains essential
- It is that discipline that allows us to live within our means
- We now know what we need to do, and we have a plan

Building and Priorities

- The Club is now 60 years old
- The audit of facilities and plant has confirmed the need for refresh and replacement
- This is not simply cosmetic; it includes essential items such as the switchboard
- The works will be phased, with priority given to the most critical

Club Performance

- Membership continues to perform well
- Financial performance is also strong
- We have a well-managed and thriving Club
- My thanks to Sara and her team for their professionalism and hard work

Thanks and Club Life

- The access ramp is finally complete
- The Pall Mall Room, Drawing Room and Terrace refurbishments were highly successful and well received
- My thanks to Board colleagues, Trustees, Georgina, and all staff
- The Life Honorary Members' Lunch, Club Functions and support of Rag members all help to define the Club's unique culture

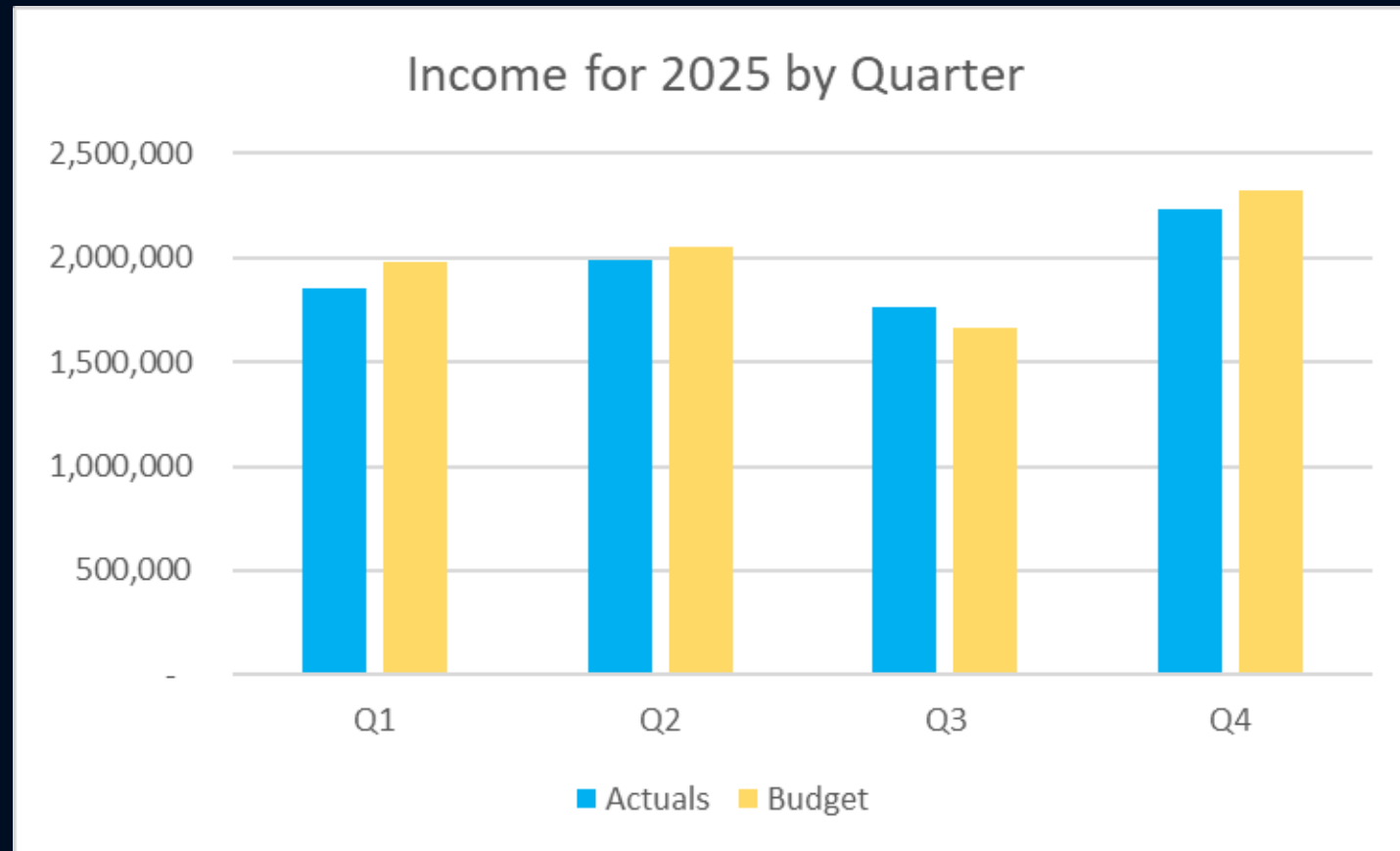


THE RAG
ARMY & NAVY CLUB

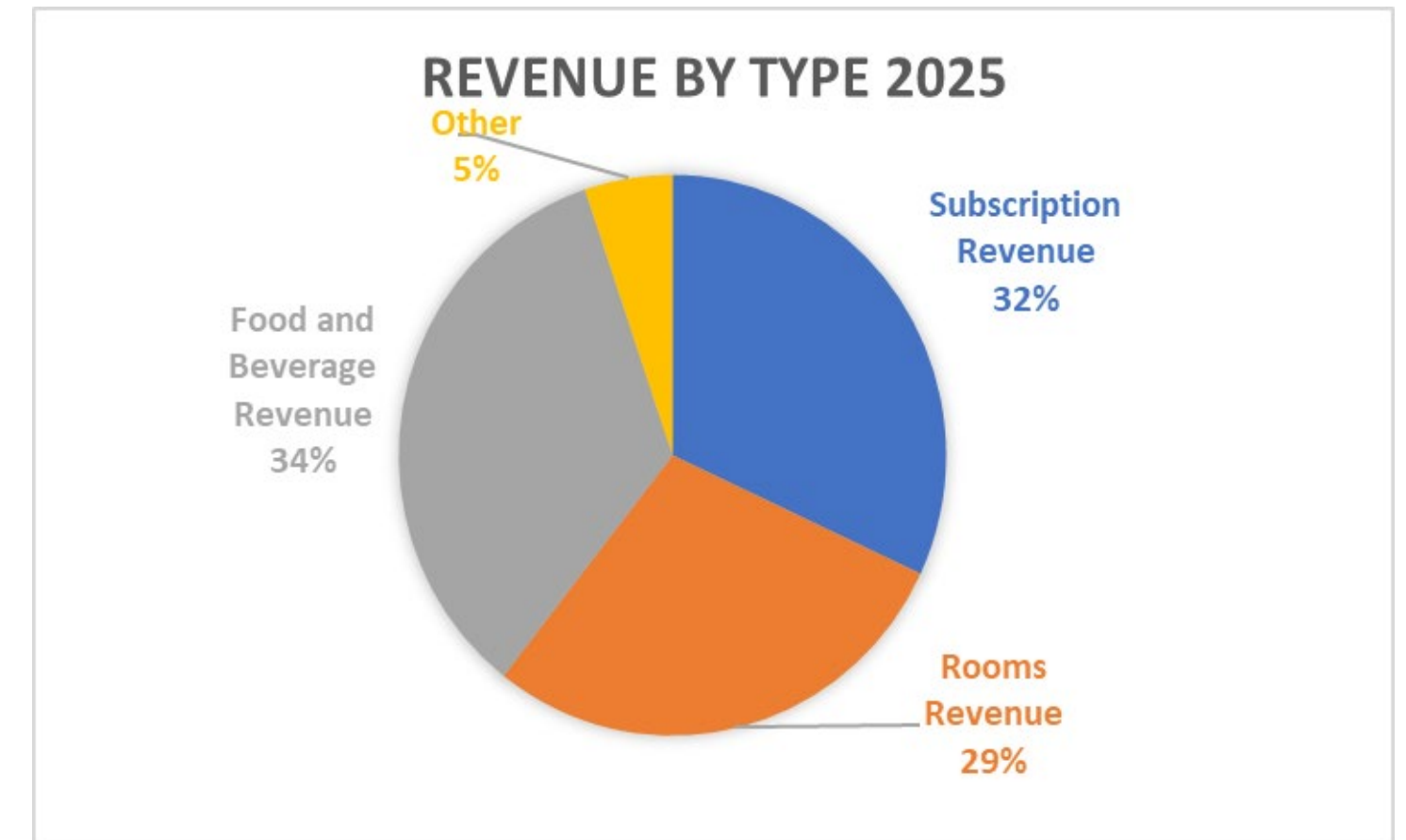
ALAN HAIG
CHAIRMAN OF THE
FINANCE AND AUDIT COMMITTEE



FINANCE COMMITTEE REPORT



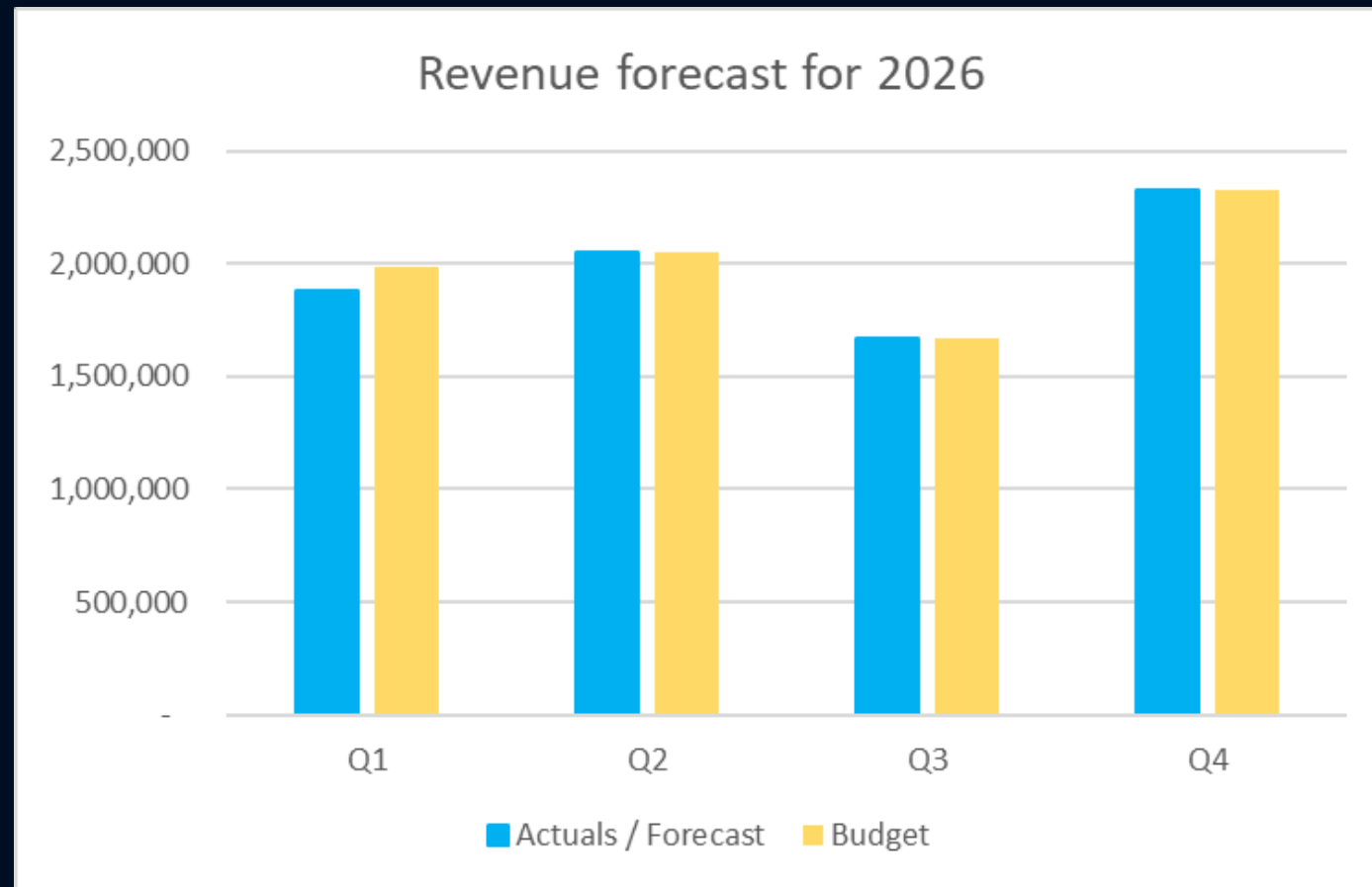
- Q1 – Sales slightly below budget but effective cost management and payroll savings
- Q2 – Easter accommodation deals and stronger marketing increased revenue
- Q3 – Pall Mall Room refurbishment caused short-term disruption, while fine weather supported strong Ribbon Bar patronage
- Q4 – Stronger occupancy and secondary spend in the bar and dining areas coupled with Event Revenue exceed budget



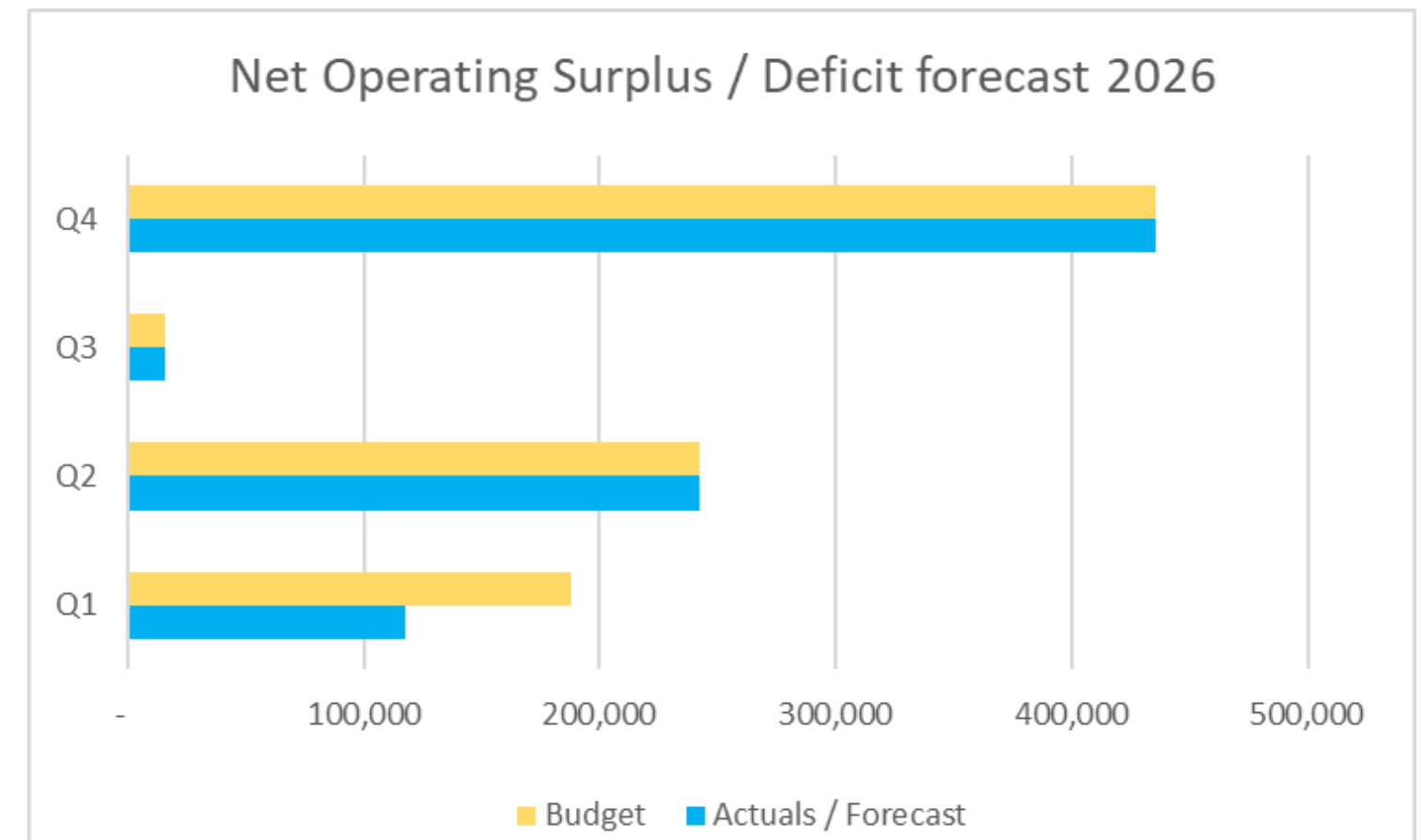
- ❖ Subscription Revenue - £ 2,501,463
- ❖ Rooms Revenue - £ 2,242,529
- ❖ Food and Beverage Revenue - £ 2,680,288
- ❖ Other - £ 405,555

- Passive Subscription Revenue with a more active Food and Beverage revenue adversely affecting overall costs.

FORECAST FINANCIAL PERFORMANCE FOR 2026



- Q1 – 7th Floor closed - impacting rooms revenue
- Q2 – Quieter quarter, driven by geopolitical uncertainty
- Q3 – Revenue impact on the Naval Club transition
- Q4 – Strong fourth-quarter BOB and early Christmas event sales supporting performance

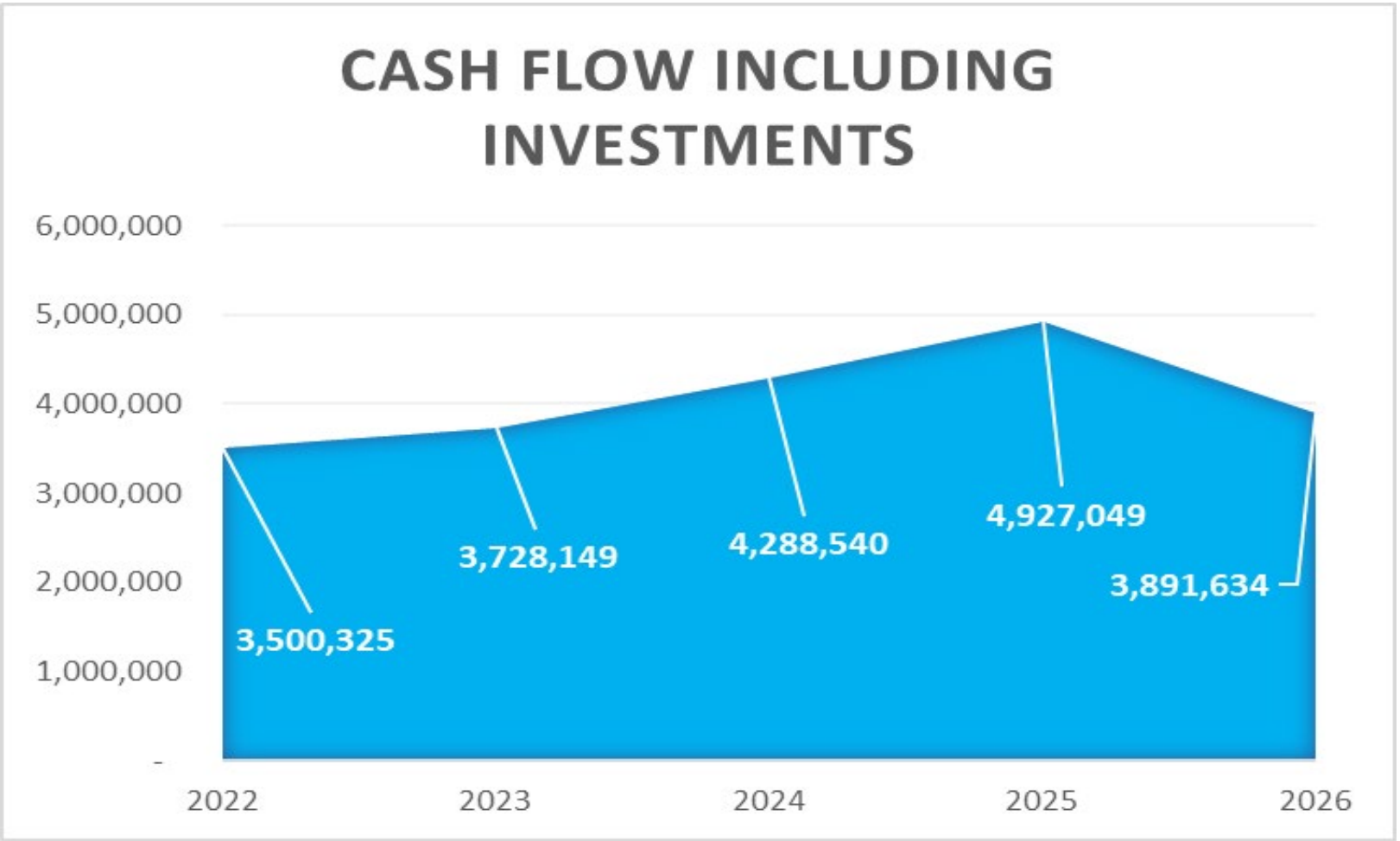
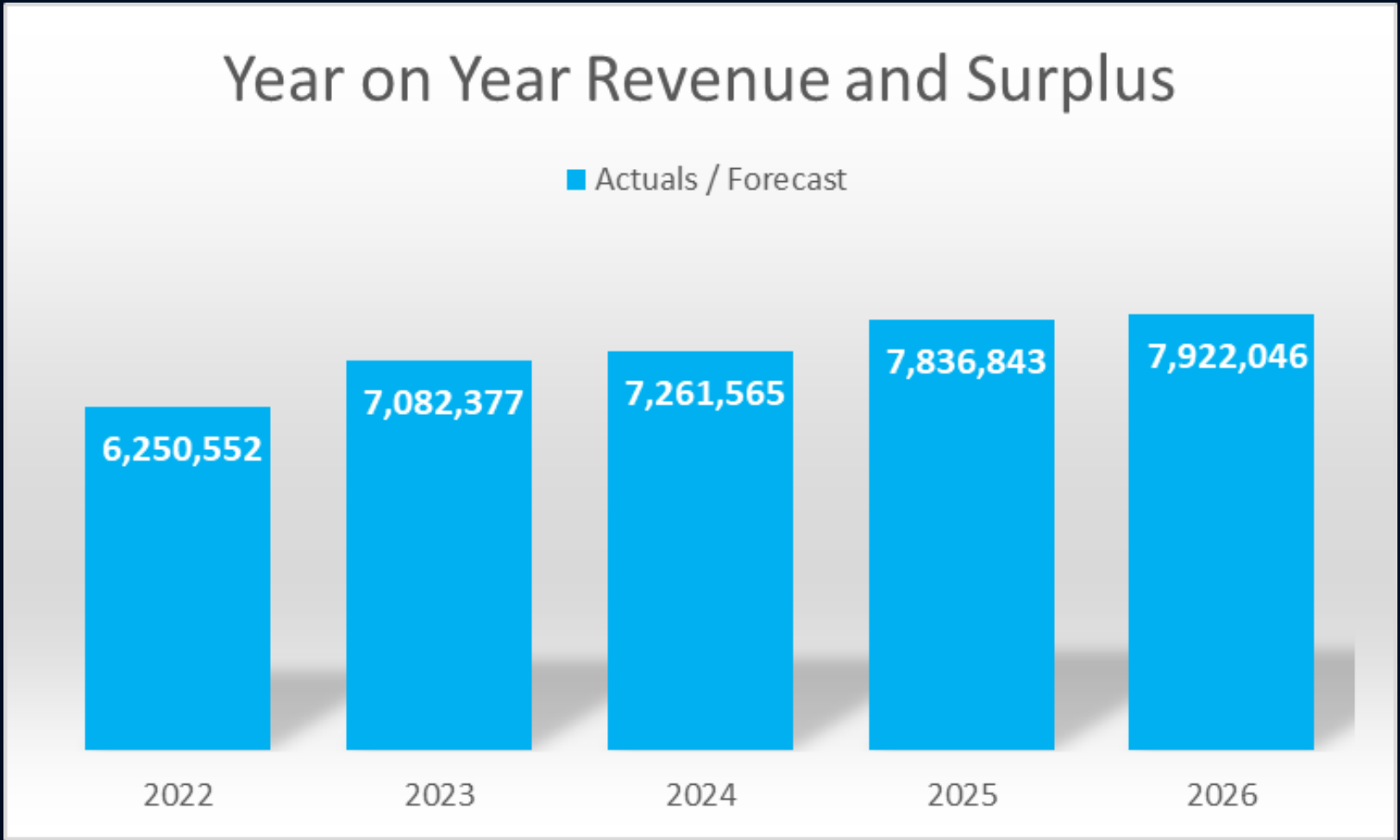


- Margins benefit from favourable utility prices
- Margins challenged by inflation-led hikes
- Cost performance affected by further industry pay increases

LOOKING TO 2026 & YEAR ON YEAR COMPARISON

- Increase in new joiners
- Continued drive on new members
- Inflation-driven year-over-year revenue increases
- Optimistic forecast for Q4 in 2026 on the back of a strong Q4 in 2025

- 2025 strong investment growth
- £414k in capital payments completed during 2025
- Includes key investments: £77k on Bedroom Refurbishment, £150k on Pall Mall, £40k on Meeting Pods, £60k on Major Project Survey Fees, £23k on His Majesty The King’s Portrait
- A halt on Capital expenditure in Q1 of 2026 benefits cash flow
- 2026 capital plans include substantial expenditure





THE RAG
ARMY & NAVY CLUB

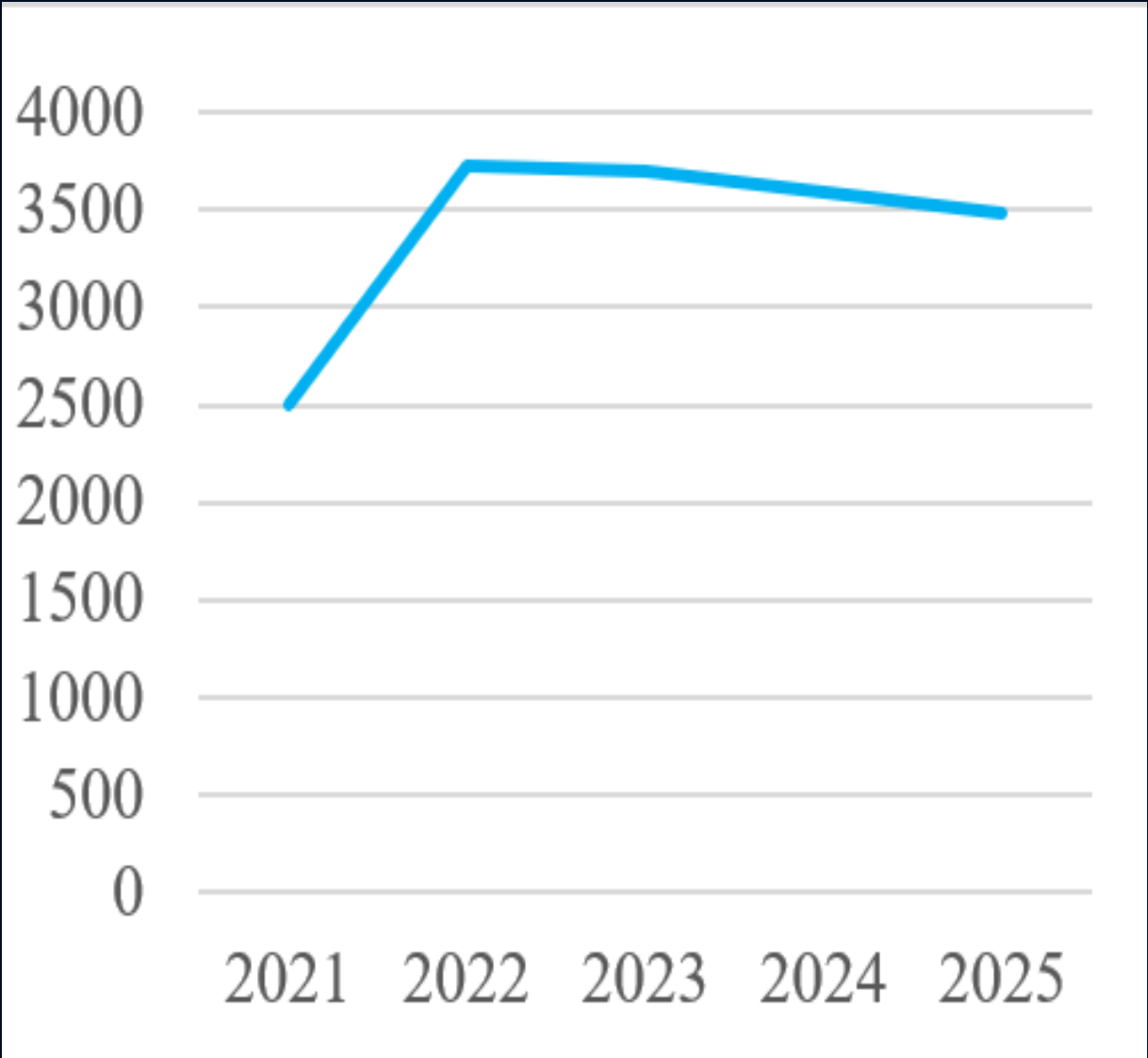
Lieutenant Colonel

MARK SPRAGG

CHAIRMAN OF THE MEMBERSHIP
COMMITTEE



MEMBERSHIP COMMITTEE REPORT



PAYING MEMBERSHIP

RETENTION

Continued Cost of living & Geopolitical uncertainty

Highest death rate in recent years with 107 deaths in 2025

Retention Rate for 2025 was up from 95.7% in 2024 to 96.9%

GROWTH

Fighting back with 169 new members so far this year compared with 132 last year.

Increased proportion of paying members since 2024

Received 60 Member referrals in 2025 compared with 42 in 2024

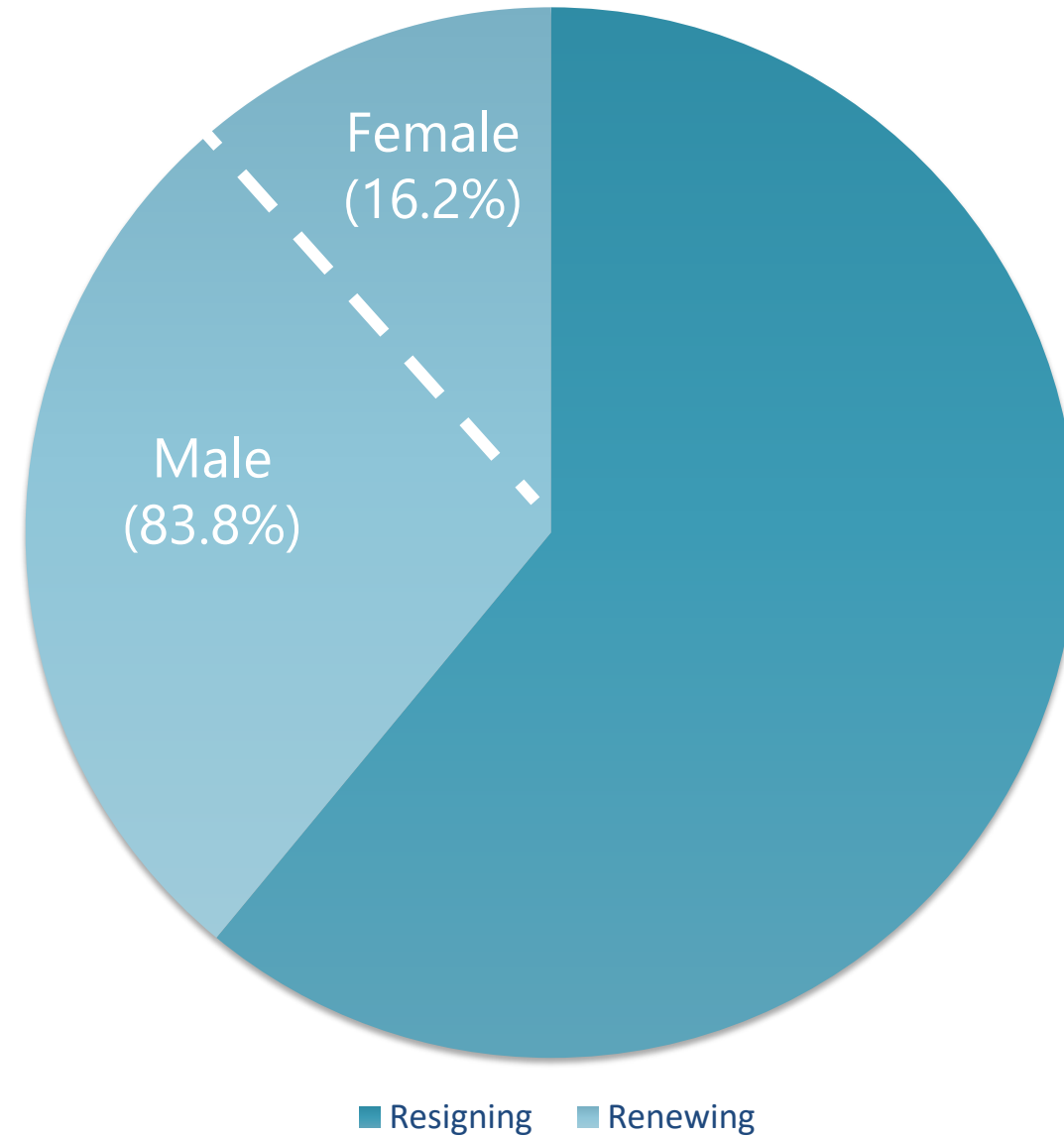
MILITARY MEMBERS

Awareness raising campaign in service publications

Continuing to build relationships with Associations including ARNO, Britannia and FAAOA

Represent 31% of new joiners in 2025

Naval Club Members



RETENTION RATE

39%

341 renewals
out of 874

341

renewals against an
estimated 100 – 200

Average age of
renewals

73.4



DEMOGRAPHICS

AVERAGE AGE NEW JOINERS

51

(2024 – 53)

Number of new Members

230

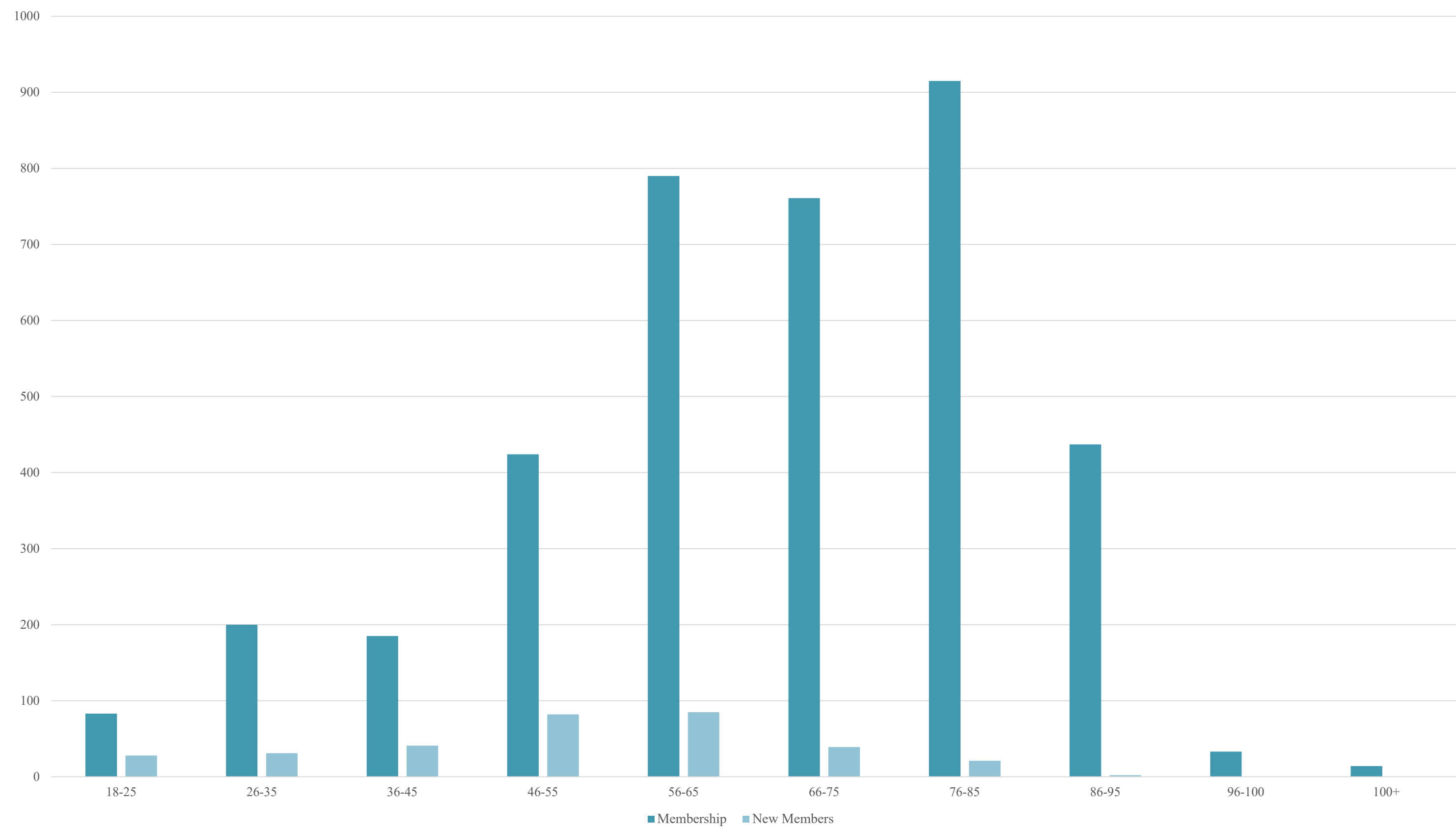
(2024 – 216)

Resignations at renewal 2025

157

(2024 – 191)

MEMBERSHIP OVERVIEW – AGE



Membership Committee



Peter
Lamb



Georgina
Whiteside



Bill
Conroy



Lizzie
McWhirter



David
Kenworthy

Membership Team



Tim
Smart



Rose
Collins



THE RAG
ARMY & NAVY CLUB



THE RAG
ARMY & NAVY CLUB

SARA KENT

CHIEF EXECUTIVE OFFICER



2025/26 SUCCESSES



SOUNDPROOF BUSINESS PODS



THE PALL MALL ROOM



THE ACCESSIBILITY RAMP



THE DRAWING ROOM



Lieutenant Commander

BRYCE O'HARA

Chair

CapEx Sub-Committee



What Is The CapEx Sub-Committee?

- CapEx Sub-Committee (CSC) was set up by the Board to advise and assist the CEO with oversight of the main CapEx works. CSC reports to the project to safeguard the future of the Club.



Lt Cdr Bryce O'Hara
Board Member



Anthony Cunha
Financial Controller



John Theophilus
Previous Finance &
Audit Chairman



Maj Gen Michael
Charlton-Weedy
Club Trustee



Gaurav Sarin
Finance & Audit
Committee & Architect



Edward Lumley
Member & Construction
Project Manager

Governance of the CapEx Sub-Committee

- Formally set up by the Board
- Operates under delegated authority from the Board
- Provides advisory recommendations to the CEO on capital expenditure decisions within Sub-Committee scope
- Safeguard the long-term future of the Club through structured, phased capital planning
- Projects funded exclusively from operational profits cash flow
- Information published in-Club and on the Members' section of the website
- Oversees phased delivery

Terms of Reference

- To have a strategic oversight of the refurbishment of all the bedrooms
- To have a strategic oversight of the development of an onsite gym
- To have strategic oversight of development of an accessibility ramp

It has also expanded to:

- A full feasibility study
 - which identified that the building was not compliant with current Fire and Health & Safety regulations
- The correction and implementation of Fire and Health & Safety regulations mechanical, plant and equipment installation, including lifts

Why are Mechanical, Electrical, and Plant Equipment Upgrades Important?



LV Switchgear



Building Ventilation Supply Fan Unit

What Will Be Delivered?

Priority 1

- Accessibility Ramp ✓
- Full feasibility study ✓
- Extensive surveys of the building infrastructure ✓
- Full technical design for all envisaged CAPEX works

Priority 2

- Upgrade Mechanical, Electrics and Plant
- Electrical distribution
- Heating and cooling
- Water pressure
- 7th floor refurbishment

Other Priorities

(In no particular order)

- Lifts
- Creation of onsite gym
- 6th floor refurbishment
- 5th floor refurbishment
- 4th floor refurbishment
- 3rd floor refurbishment

How Will The Project Be Funded?

- The CapEx projects will be funded from the Club's operating cash flow and capital reserves.
- The project is moving forward in phases for this reason.



THE RAG
ARMY & NAVY CLUB

Q&A

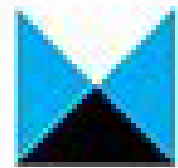
ON RELEVANT MATTERS





THE RAG
ARMY & NAVY CLUB

Re-appointment of Auditors



MOORE Kingston Smith



 **Kingston Smith**



**ANY OTHER
COMPETENT BUSINESS**





CHAIRMAN'S CONCLUDING REMARKS

