

ROYAL PRINCE EDWARD YACHT CLUB

UNAUDITED BALANCE SHEET

AS AT 30 SEPTEMBER 2022

AND

INCOME & EXPENSE STATEMENT

FOR THE 3 MONTHS ENDING 30 SEPTEMBER 2022

ROYAL PRINCE EDWARD YACHT CLUB
Unaudited Income & Expense account for the 3 months to 30 September 2022

	Total 3 Mths Sept 2022 \$	Total 3 Mths Sept 2021 \$	Variance \$
Net Surplus / (Deficit)	<u>(52,721)</u>	<u>32,186</u>	<u>(84,907)</u>

General Commentary

The Club has incurred a loss in the quarter ended 30 September 2022, largely due to costs of the 2 centenary functions held on 4 August at the Club and on 18 September at the Royal Sydney Golf Club. These centenary costs were budgeted.

In the prior corresponding September quarter the Club was closed due to Covid. The surplus achieved reflected subscriptions less fixed expenses.

Losses in the food and beverage operations of the Club are less this quarter than the prior corresponding quarter as the Club has been open and trading.

In the quarter ended 30 September 2021, although the Club was closed it continued to pay for permanent full time members of the TWG staff (Club Venue Manager and head Chef).

Expenditures this quarter are above those of the prior corresponding quarter as the Club was open and operating variable costs were included.

ROYAL PRINCE EDWARD YACHT CLUB

Unaudited Balance sheet as at 30 September 2022

	Notes	Sept 2022 \$	June 2022 \$	June to Sept mvt \$	Sept 2021 \$
ASSETS					
Cash (incl cheque account)		874,379	385,416	488,963	784,319
Term Deposits	1	0	0	0	0
Trade Debtors	2	152,857	75,522	77,335	76,704
Stock on Hand	3	51,613	55,002	(3,389)	43,759
Other incl. prepayments		76,171	90,725	(14,554)	67,785
<i>Total Current Assets</i>		<u>1,155,020</u>	<u>606,665</u>	<u>548,355</u>	<u>972,567</u>
Land & Buildings - at Directors valuation	4	29,400,000	29,400,000	0	29,400,000
Building Additions (net of depreciation)	4	0	0	0	0
		<u>29,400,000</u>	<u>29,400,000</u>	<u>0</u>	<u>29,400,000</u>
Furniture & Fittings (net of depreciation)	4	227,724	236,919	(9,195)	225,548
Plant & Equipment (net of depreciation)	4	334,980	306,777	28,203	308,851
		<u>562,704</u>	<u>543,696</u>	<u>19,008</u>	<u>534,399</u>
<i>Total Fixed Assets</i>		<u>29,962,704</u>	<u>29,943,696</u>	<u>19,008</u>	<u>29,934,399</u>
<i>Total Assets</i>		<u>31,117,724</u>	<u>30,550,361</u>	<u>567,363</u>	<u>30,906,966</u>
LIABILITIES					
Trade Creditors & Accruals		256,826	223,460	33,366	218,297
Members Subscriptions not taken to income	5	421,075	0	421,075	401,927
Development Fund not taken to income	6	142,730	0	0	85,925
Employee Entitlements		32,734	33,374	(640)	26,288
<i>Total Current Liabilities</i>		<u>853,365</u>	<u>256,834</u>	<u>453,801</u>	<u>732,437</u>
Total Net Assets		<u>30,264,359</u>	<u>30,293,527</u>	<u>113,562</u>	<u>30,174,529</u>
EQUITY					
Retained Earnings		2,871,320	2,754,278	117,042	2,840,243
Current Year Earnings	7	(52,721)	117,041	(169,762)	32,186
Future Development Fund Donations	8	61,853	38,301	23,552	4,158
Asset Revaluation Reserve		27,212,922	27,212,922	0	27,212,922
Development Fund	9	170,985	170,985	0	85,020
Total Equity		<u>30,264,359</u>	<u>30,293,527</u>	<u>(29,168)</u>	<u>30,174,529</u>

Notes

For Members information the balance sheet as at September 2021 has been inserted, this 'like for like' comparison removes the 'seasonality' of numbers.

Comments on September 2022 balances

- 1 Monies placed on deposit from receipt of annual Members subscriptions & donations.
- 2 Includes outstanding monies owing on Subscriptions, Boatshed/mooring & storage fees.
- 3 Includes beverage & food stocks on hand together with centenary labelled clothing merchandise
- 4 Balances include depreciation for September quarter 2022 (calc on a monthly basis). Property was revalued as at 30 June 2021, no revaluation was undertaken at 30 June 2022.
- 5 Balance reflects Members annual subscriptions that have not been taken to income at 30/9/2022. Subscription income is taken to the income account on an equal monthly basis.
- 6 Includes FY2023 Development subscription levy received from Members not taken to income at 30 September 2022.
- 7 September 2022 balance equates to the year to date income & expense account and reflects a deficit for the quarter of \$52,721 and excludes Members donations received.
- 8 Represents Future Development Fund donations received from Members, together with interest earned on those donations.
- 9 Represents prior year Development levy received from Members (shown separately from Retained Earnings)

ROYAL PRINCE EDWARD YACHT CLUB
Unaudited Income & Expense account for the 3 months to 30 September 2022

	Comment Note	3 mths Sept 2022 \$	3 mths Sept 2021 \$	Variance \$
Bar Trading				
Bar sales	1	103,808	880	102,928
Net bar purchases after allowing for stock mvts)		<u>(39,459)</u>	<u>471</u>	<u>(39,930)</u>
Gross Profit		64,349	1,351	62,998
<i>Gross margin</i>	e	62%	154%	
Employee costs	f, 2	(12,160)	(10,984)	(1,176)
Other bar associated costs	g, 1	<u>(7,690)</u>	<u>(3,564)</u>	<u>(4,126)</u>
		44,499	(13,197)	57,696
Catering				
Income from Catering	i, 1	98,975	4,299	94,676
Catering costs	j, 3	<u>(187,299)</u>	<u>(58,221)</u>	<u>(129,078)</u>
		<u>(88,324)</u>	<u>(53,922)</u>	<u>(34,402)</u>
Total Bar & Catering	4	<u>(43,825)</u>	<u>(67,119)</u>	<u>23,294</u>
Subscriptions				
Annual subscriptions - membership	a	139,176	131,491	7,685
Annual subscriptions - Sailing Australia affiliation fees	b	0	0	0
Entrance fees	c, 5	10,185	34,886	(24,701)
Development Fund Levy	d	0	0	0
		<u>149,361</u>	<u>166,377</u>	<u>(17,016)</u>
Boat Racing				
Income	6	16,659	1,691	14,968
Centenary regatta sponsorship	7	19,963	0	19,963
Centenary regatta expenses	7	(22,007)	0	(22,007)
Expenses	6	<u>(5,414)</u>	<u>(955)</u>	<u>(4,459)</u>
		9,201	736	8,465
Boat Maintenance, Boatshed, Moorings & Jetty				
Income	8	11,520	14,406	(2,886)
Maritime jetty rent		(1,062)	(1,435)	373
Club moorings & boats	h,9	<u>(20,493)</u>	<u>(12,820)</u>	<u>(7,673)</u>
		<u>(10,035)</u>	<u>151</u>	<u>(10,186)</u>
Sundry Income				
Club Functions	k, 10	13,311	0	13,311
Interest	l, 11	0	0	0
Other	m,12	<u>3,712</u>	<u>17,249</u>	<u>(13,537)</u>
		17,023	17,249	(226)
Expenses				
Club functions & Committee costs	n, 10	(6,873)	0	(6,873)
Centenary Functions - expenses	16	(53,646)	0	(53,646)
Other repairs & maintenance	17	(2,480)	(10,060)	7,580
Employee costs	o, 13	(39,373)	(18,990)	(20,383)
Sailing Australia affiliation fee	p, 14	(4,354)	(3,885)	(469)
Other	q, 15	<u>(55,335)</u>	<u>(40,270)</u>	<u>(15,066)</u>
		<u>(162,062)</u>	<u>(73,205)</u>	<u>(88,857)</u>
Operating Surplus		<u>(40,337)</u>	<u>44,189</u>	<u>(84,526)</u>
Depreciation		(12,384)	(12,003)	(381)
Net operating Income		<u>(52,721)</u>	<u>32,186</u>	<u>(84,907)</u>
Future Development Fund Donations		<u>23,552</u>	<u>2,068</u>	<u>21,484</u>

General comments on presentation:

- a FY2023 subscriptions are taken to income on an equal monthly basis, currently approx. \$46,392 pm. FY2023 income forecast to be approx. \$558k.
- b Subscriptions include Sailing Australia affiliation fees.
- c Entrance fees are taken to income when the new Member is charged.
- d Represents monies collected specifically for development projects, FY2023 monies of \$158K yet to be allocated from the balance sheet.
- e Targeted gross profit margin on bar sales targeted at greater than 56% for FY2023. Bar closed in FY2022 until 18 October 2021.
- f Represents an allocation of total salaries to run the bar.
- g Includes stocktaking fee; gas bottles; bar sundries; and an allocation from administration of power, gas & waste, telephone & internet costs.
- h Includes Club boat maintenance, jetty maintenance and mooring repairs.
- i Represents income generated from Club catering and functions managed by the Trippas White Group (TWG), excludes Sunday Series, WOW & Younger Member functions.
- j Costs includes the costs of running the catering and function services provided to Members.
- k Income received from Members and their invited guests attending special Club functions, not included in the catering function. Includes Younger Member functions, Bridge, WOW and Sunday series.
- l Represents income received from funds on deposit, at differing interest rates and differing term periods depending on Club forecast requirements, excludes interest on Future Development Fund monies
- m Includes merchant fees recovered, merchandise sales and other income plus Covid Gov't assistance.
- n Costs of running club functions (incl Sunday series costs) and other Club Committee costs, not included in the catering function.
- o Represents Club staff costs after the allocation to bar trading.
- p Pro rata annual affiliation fee payable to Sailing Australia.
- q Other costs include rates & taxes, internal cleaning costs, insurance, accounting & audit costs and other operating costs required to run the Club, details attached.

Notes

- 1 Club traded normally during the September 2022 quarter. In the previous corresponding quarter the Club was closed due to Covid. Income in the September 2021 quarter included liquor stock sales.
- 2 Prior September quarter included additional component of Assistant Manager's salary net of Gov't assistance. There was no Gov't assistance in the quarter to September 2022.
- 3 Prior September quarter included fixed costs incurred during Club closure, incl 2 Trippas White full time employees.
- 4 The Beverage and catering functions should be viewed as the one income stream as both functions compliment each other. The September 2021 loss was reflective of fixed Club costs during the Covid .
- 5 Income from new members joining the Club. Membership of the Club is now full with a growing waiting list. New members are admitted when vacancies exist.
- 6 Timing difference as the prior year fees and expenses were incurred later in FY2022 as the sailing season was delayed by Covid restrictions.
- 7 The income represents pro rata sponsorship from the Renault Group, who have generously contributed \$45,000 to the running of the Centenary regatta.
- 7 The expenses reflect costs incurred to date in running the Centenary regatta.
- 8 Reduction in September 2022 quarter income reflects some moorings being vacant. New leasees are being sought.
- 9 Timing difference as the Wawn was serviced earlier than in prior years.
- 10 No Club functions held in September 2021 quarter due to Covid restrictions.
- 11 Currently no funds on deposit, as cash held for operating activities and wharf construction costs.
- 12 Other income in September 2021 quarter largely represented by Gov't grant (associated with Covid) of \$15k.
- 13 Employee costs include salary cost of Operations manager who commenced in Nvember 2021.
- 14 September 2021 quarter reflects reduction in fees paid to Sailing Australia due to Covid.
- 15 Increased costs in September 2022 quarter due to Club trading normally and incurring operational expenses.

	3 mths Sept 2022 \$	3 mths Sept 2021 \$
Other Expenses		
5-6100 Club clothing & sundry expenses	(1,550)	0
6-1000 Accounting costs & temporary administration staff.	(4,283)	(4,481)
6-1005 Auditors remuneration	(2,875)	(2,937)
6-1200 Bank charges	(223)	(142)
6-1202 Merchant fees	(1,238)	(1,015)
6-1300 Cleaning services & supplies	(11,324)	(700)
		No clubhouse cleaning costs during Club shutdown in September 2021 quarter
6-1309 Computer expenses	(3,450)	(2,351)
		Includes website redesign and computer repairs
6-1311 Consulting Fees	0	0
6-1600 Filing fees	(21)	0
6-1605 Garbage	(1,906)	(355)
6-1630 General expenses	(556)	(490)
6-1700 Insurance	(14,198)	(12,551)
		Increased costs due to ISR policy increases (general floods & fires)
6-1800 Interest expense	0	0
6-2000 Legal fees	0	0
6-2100 Licensing Fees	(372)	(168)
6-2110 Utilities - Power, water & gas	(1,897)	(2,976)
		Timing as costs will be incurred later in year.
6-2300 Printing, postage & stationary	(409)	(786)
6-2360 Rates & taxes	(7,758)	(7,603)
6-2450 Security & Fire protection	(5,166)	(1,606)
		Additional security for premises protection (from beach goers)
6-2468 Subscriptions	(1,132)	(891)
6-2470 Telephone, internet & Foxtel	(2,978)	(1,218)
		No Foxtel charges during club closure in September 2021 quarter
6-2475 Training	0	0
Allocation to bar/ catering (Utilities, telephone etc.)	6,000	0
		No allocation to operations as Club closed during September 2021 quarter.
	<u>(55,336)</u>	<u>(40,270)</u>