

ROYAL PRINCE EDWARD YACHT CLUB
Unaudited Income & Expense account for the 3 months to 30 September 2023

	Total 3 Mths Sept 2023 \$	Total 3 Mths Sept 2022 \$	Variance \$
Net Surplus / (Deficit)	(3,687)	(52,721)	49,034

General Commentary

The Club has incurred a small loss in the quarter ended 30 September 2023, as the Club returns to normal trading after the Centenary year. In the prior corresponding September quarter the loss was largely due to the costs of the 2 centenary functions, held on 4 August at the Club and on 18 September at the Royal Sydney Golf Club.

Losses in the food and beverage operations of the Club are less this quarter than the prior corresponding quarter as usage has increased after excluding the Centenary events in the prior year.

Expenditures this quarter are above those of the prior corresponding quarter largely due to current inflationary cost pressures.

The result for the quarter is better than the Board approved budget for the same period.

ROYAL PRINCE EDWARD YACHT CLUB

Unaudited Balance sheet as at 30 September 2023

	Notes	Sept 2023 \$	June 2023 \$	June to Sept mvt \$	Sept 2022 \$
ASSETS					
Cash (incl cheque account)		699,426	78,850	620,576	874,379
Term Deposits	1	0	0	0	0
Trade Debtors	2	124,248	92,752	31,496	152,857
Stock on Hand	3	42,819	40,967	1,852	51,613
Other incl. prepayments		96,545	95,138	1,407	76,171
<i>Total Current Assets</i>		963,038	307,707	655,331	1,155,020
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
		29,400,000	29,400,000	0	29,400,000
Furniture & Fittings (net of depreciation)	4	295,874	209,422	86,452	227,724
Plant & Equipment (net of depreciation)	4	838,822	719,306	119,516	334,980
		1,134,696	928,728	205,968	562,704
<i>Total Fixed Assets</i>		30,534,696	30,328,728	205,968	29,962,704
<i>Total Assets</i>		31,497,734	30,636,435	861,299	31,117,724
LIABILITIES					
Trade Creditors & Accruals		278,041	191,066	86,975	256,826
Members Subscriptions not taken to income	5	451,784	0	451,784	421,075
Development Fund not taken to income	6	143,250	0	0	142,730
Employee Entitlements		29,856	31,482	(1,626)	32,734
<i>Total Current Liabilities</i>		902,931	222,548	537,133	853,365
Total Net Assets		30,594,803	30,413,887	324,166	30,264,359
EQUITY					
Retained Earnings		3,192,733	3,105,238	87,495	2,871,320
Current Year Earnings	7	(3,687)	87,494	(91,181)	(52,721)
Future Development Fund Donations	8	192,835	8,233	184,602	61,853
Asset Revaluation Reserve		27,212,922	27,212,922	0	27,212,922
Development Fund	9	0	0	0	170,985
Total Equity		30,594,803	30,413,887	180,916	30,264,359

Notes

For Members information the balance sheet as at September 2022 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 RPEYC labelled clothing merchandise
- 4 Balances include depreciation for September quarter 2023 (calc on a monthly basis). Property was revalued as at 30 June 2021, no revaluation was undertaken at 30 June 2023. Additions include: Grease trap, replacement RIB, Kitchen renovation work and new kitchen appliances together with new video equipment.
- 5 Balance reflects Members annual subscriptions that have not been taken to income at 30/9/2023. Subscription income is taken to the income account on an equal monthly basis.
- 6 Includes FY2024 Development subscription levy received from Members not taken to income at 30 September 2023.
- 7 September 2023 balance equates to the year to date income & expense account and reflects a deficit for the quarter of \$3,687 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). All monies received to 30 June 2023 have been allocated to projects.

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	Comment Note	3 mths Sept 2023 \$	3 mths Sept 2022 \$	Variance \$
Bar Trading				
Bar sales	1	120,684	103,808	16,876
Net bar purchases after allowing for stock mvts)		<u>(56,767)</u>	<u>(39,459)</u>	<u>(17,308)</u>
Gross Profit		63,917	64,349	(432)
<i>Gross margin</i>	e	53%	62%	
Employee costs	f, 2	(13,286)	(12,160)	(1,126)
Other bar associated costs	g, 1	<u>(6,738)</u>	<u>(7,690)</u>	<u>952</u>
		<u>43,893</u>	<u>44,499</u>	<u>(606)</u>
Catering				
Income from Catering	i, 1	118,709	98,975	19,734
Catering costs (incl function wage costs recovered)	j, 3	<u>(173,757)</u>	<u>(187,299)</u>	<u>13,542</u>
		<u>(55,048)</u>	<u>(88,324)</u>	<u>33,276</u>
Total Bar & Catering	4	<u>(11,155)</u>	<u>(43,825)</u>	<u>32,670</u>
Subscriptions				
Annual subscriptions - membership	a	151,707	139,176	12,531
Annual subscriptions - Sailing Australia affiliation fees	b	0	0	0
Entrance fees	c, 5	14,598	10,185	4,413
Development Fund Levy	d	0	0	0
		<u>166,305</u>	<u>149,361</u>	<u>16,944</u>
Boat Racing				
Income	6	7,700	16,659	(8,959)
Centenary regatta sponsorship	7	0	19,963	(19,963)
Centenary regatta expenses	7	0	(22,007)	22,007
Expenses	6	<u>(4,210)</u>	<u>(5,414)</u>	<u>1,204</u>
		<u>3,490</u>	<u>9,201</u>	<u>(5,711)</u>
Boat Maintenance, Boatshed, Moorings & Jetty				
Income	8	11,887	11,520	367
Maritime jetty rent		(1,139)	(1,062)	(77)
Club moorings & boats	h,9	<u>(22,380)</u>	<u>(20,493)</u>	<u>(1,887)</u>
		<u>(11,632)</u>	<u>(10,035)</u>	<u>(1,597)</u>
Sundry Income				
Club Functions	k, 10	16,695	13,311	3,384
Interest	l, 11	0	0	0
Other	m,12	<u>9,489</u>	<u>3,712</u>	<u>5,777</u>
		<u>26,184</u>	<u>17,023</u>	<u>9,161</u>
Expenses				
Club functions & Committee costs	n, 10	(18,701)	(6,873)	(11,828)
Centenary Functions - expenses	16	0	(53,646)	53,646
Other repairs & maintenance	17	(28,541)	(2,480)	(26,061)
Employee costs	o, 13	(38,016)	(39,373)	1,357
Sailing Australia affiliation fee	p, 14	(4,571)	(4,354)	(217)
Other	q, 15	<u>(65,929)</u>	<u>(55,336)</u>	<u>(10,593)</u>
		<u>(155,758)</u>	<u>(162,062)</u>	<u>6,304</u>
Operating Surplus		<u>17,434</u>	<u>(40,337)</u>	<u>57,771</u>
Depreciation	18	(21,121)	(12,384)	(8,737)
Net operating Income		<u>(3,687)</u>	<u>(52,721)</u>	<u>49,034</u>
Future Development Fund Donations		<u>184,602</u>	<u>23,552</u>	<u>161,050</u>

General comments on presentation:

- a FY2024 subscriptions are taken to income on an equal monthly basis, currently approx. \$52,859 pm. FY2024 income forecast to be approx. \$610k.
- 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, FY2024 monies of \$143K yet to be allocated from the balance sheet.
- e Targeted gross profit margin on bar sales targeted at greater than 56% for FY2024, as per FY2023.
- f Represents an allocation of total salaries to run the bar, calculated as 40% of TWG Revenue Managers salary.
- 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. Function cost wage recoveries are offset against Catering costs incurred, FY2023 recoveries shown in Other Sundry Income.
- 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, when received.
- n Costs of running club functions (incl Sunday series costs) and other Club Committee costs, not included in the catering function.
- o Represents Club administrative 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 2023 quarter. In the previous corresponding quarter the Club held Centenary events. Growth in sales reflects increased usage. Margins down on FY2023 due to type of drinks sold.
- 2 There was no Gov't assistance in the FY2024 quarter, nor the prior corresponding quarter.
- 3 TWG experienced inefficiencies in current FY2024, prior year included indirect centenary expenses.
- 4 The Beverage and Catering functions should be viewed as the one income stream as both functions compliment each other. The September 2023 loss is pleasing compared to the prior corresponding quarter, which included indirect centenary costs. \$32k improvement.
- 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 Decrease in FY2024 income and expenses reflect timing differences as income & costs will be received later in the year.
- 7 The FY2023 income represents pro rata sponsorship from the Renault Group, who have generously contributed \$45,000 to the running of the Centenary regatta.
- 7 The FY2023 expenses reflect costs incurred to date in running the Centenary regatta.
- 8 FY2024 income expected to be lower as some moorings are currently vacant.
- 9 Decrease expected in FY2024 boat maintenance as new RIB purchased (which was not budgeted), thus reducing maintenance costs..
- 10 FY2024 income & costs include Spring garden party, no similar party in FY2023. Centenary functions were in a separate expense code.
- 11 Currently no funds on deposit, as cash held for operating activities and major capital works.
- 12 Other income in September 2023 quarter includes profit on sale of RIB outboard motor (\$6,704).
- 13 Employee costs include salary cost of Operations Manager and Club Secretary.
- 14 Full affiliation fees were paid to Sailing Australia in both years, no Covid discounts.
- 15 Increased costs in September 2023 quarter due to Club trading normally and incurring operational expenses, reflective of inflationary costs.

	3 mths Sept 2023 \$	3 mths Sept 2022 \$	
Other Expenses			
5-6100	Club clothing & sundry expenses	(840)	(1,550) Costs of merchandise sales
6-1000	Accounting costs & temporary administration staff.	(4,295)	(4,283)
6-1005	Auditors remuneration	(3,000)	(2,875)
6-1200	Bank charges	(145)	(223)
6-1202	Merchant fees	(1,425)	(1,238)
6-1300	Cleaning services & supplies	(10,440)	(11,324)
6-1309	Computer expenses	(8,591)	(3,450) FY2024 ncludes upgarde of computer security
6-1311	Consulting Fees	0	0
6-1600	Filing fees	(334)	(21)
6-1605	Garbage	(1,114)	(1,906)
6-1630	General expenses	(418)	(556)
6-1700	Insurance	(16,480)	(14,198) FY2024 includes Increased costs due to ISR policy increases.
6-1800	Interest expense	0	0
6-2000	Legal fees	0	0
6-2100	Licensing Fees	(385)	(372)
6-2110	Utilities - Power, water & gas	(1,759)	(1,897)
6-2300	Printing, postage & stationary	(763)	(409)
6-2360	Rates & taxes	(11,035)	(7,758)
6-2450	Security & Fire protection	(2,985)	(5,166) Prior year security included premises protection (from beach goers)
6-2468	Subscriptions	(1,399)	(1,132)
6-2470	Telephone, internet & Foxtel	(3,681)	(2,978) FY2024 includes rental of new telephone system
6-2475	Training	(2,840)	0 FY2024 includes Directors attending compliance training
	Allocation to bar/ catering (Utilities, telephone etc.)	6,000	6,000
	<u>(65,929)</u>	<u>(55,336)</u>	

General comments:

Reflects inflationary costs over prior year comparative.