

**ROYAL PRINCE EDWARD YACHT CLUB**

**UNAUDITED BALANCE SHEET**

**AS AT 30 SEPTEMBER 2020**

**AND**

**INCOME & EXPENSE STATEMENT**

**FOR THE 3 MONTHS ENDING 30 SEPTEMBER 2020**

**ROYAL PRINCE EDWARD YACHT CLUB**

**Unaudited Income & Expense account for the 3 months to 30 September 2020**

|                    | Total<br>3 Mths<br>Sept<br>2020<br>\$ | Total<br>3 Mths<br>Sept<br>2019<br>\$ | Variance<br>\$ |
|--------------------|---------------------------------------|---------------------------------------|----------------|
| <b>Net Surplus</b> | <u>85,927</u>                         | <u>59,966</u>                         | <u>25,961</u>  |

**General Commentary**

The Club has made a surplus in the quarter ended 30 September 2020, due to the Club closure, as Members subscriptions normally are used to support the Club's operating activities.

Losses in the food and beverage operations of the Club, as it was closed throughout the quarter. The Club continued to reimburse TWG for its two full time staff allocated to the Club (Venue Manager and Head Chef) during the closure. Any Gov't support given to TWG was reimbursed to the Club.

Expenditures are below those of the prior corresponding period, due to the Club's closure. Additionally the Club received direct Gov't assistance of \$18k during the quarter.

Cash surpluses have been used to pay contractors and consultants during the R&R construction programme

ROYAL PRINCE EDWARD YACHT CLUB

Unaudited Balance sheet as at 30 September 2020

|  | Notes | Sept<br>2020<br>\$ | June<br>2020<br>\$ | June to Sept<br>mvt<br>\$ | Sept<br>2019<br>\$ |
|--|-------|--------------------|--------------------|---------------------------|--------------------|
| <b>ASSETS</b>                              |       |                    |                    |                           |                    |
| Cash (incl cheque account)                 |       | 1,499,643          | 990,086            | 509,557                   | 150,277            |
| Term Deposits                              | 1     | 0                  | 1,114,475          | (1,114,475)               | 2,208,549          |
| Trade Debtors                              | 2     | 136,923            | 45,551             | 91,372                    | 92,157             |
| Stock on Hand                              | 3     | 10,137             | 10,137             | 0                         | 31,104             |
| Other incl. prepayments                    |       | 40,753             | 62,864             | (22,111)                  | 45,122             |
| <b>Total Current Assets</b>                |       | <b>1,687,456</b>   | <b>2,223,113</b>   | <b>(535,657)</b>          | <b>2,527,209</b>   |
| Land & Buildings - at Directors valuation  |       | 20,081,112         | 19,649,990         | 431,122                   | 19,649,990         |
| Building Additions (net of depreciation)   | 4     | 1,068,638          | 431,122            | 637,516                   | 7,914              |
|  |       | <b>21,149,750</b>  | <b>20,081,112</b>  | <b>1,068,638</b>          | <b>19,657,904</b>  |
| Furniture & Fittings (net of depreciation) | 4     | 190,749            | 169,349            | 21,400                    | 49,296             |
| Plant & Equipment (net of depreciation)    | 4     | 166,481            | 140,037            | 26,444                    | 105,332            |
|  |       | <b>357,230</b>     | <b>309,386</b>     | <b>47,844</b>             | <b>154,628</b>     |
| <b>Total Fixed Assets</b>                  |       | <b>21,506,980</b>  | <b>20,390,498</b>  | <b>1,116,482</b>          | <b>19,812,532</b>  |
| <b>Total Assets</b>                        |       | <b>23,194,436</b>  | <b>22,613,611</b>  | <b>580,825</b>            | <b>22,339,741</b>  |
| <b>LIABILITIES</b>                         |       |                    |                    |                           |                    |
| Trade Creditors & Accruals                 |       | 205,807            | 424,805            | (218,998)                 | 142,115            |
| Members Subscriptions not taken to income  | 5     | 383,966            | 0                  | 383,966                   | 357,593            |
| Development Fund not taken to income       | 6     | 83,685             | 0                  | 0                         | 82,030             |
| Employee Entitlements                      |       | 22,946             | 19,938             | 3,008                     | 18,592             |
| <b>Total Current Liabilities</b>           |       | <b>696,404</b>     | <b>444,743</b>     | <b>167,976</b>            | <b>600,330</b>     |
| <b>Total Net Assets</b>                    |       | <b>22,498,032</b>  | <b>22,168,868</b>  | <b>412,849</b>            | <b>21,739,411</b>  |
| <b>EQUITY</b>                              |       |                    |                    |                           |                    |
| Retained Earnings                          |       | 1,833,522          | 1,584,406          | 249,116                   | 1,584,406          |
| Current Year Earnings                      | 7     | 85,927             | 249,119            | (163,192)                 | 59,966             |
| Future Development Fund Donations          | 8     | 1,388,069          | 1,144,829          | 243,240                   | 904,525            |
| Asset Revaluation Reserve                  |       | 18,928,214         | 18,928,214         | 0                         | 18,928,214         |
| Development Fund                           | 9     | 262,300            | 262,300            | 0                         | 262,300            |
| <b>Total Equity</b>                        |       | <b>22,498,032</b>  | <b>22,168,868</b>  | <b>329,164</b>            | <b>21,739,411</b>  |

Notes

For Members information the balance sheet as at September 2019 has been inserted, this 'like for like' comparison removes the 'seasonality' of numbers.

Comments on September 2020 balances

- 1 Monies placed on deposit from receipt of annual Members subscriptions & donations. All funds on deposit had been recalled as at 30 September 2020 for R&R Contractor payments.
- 2 Includes outstanding monies owing on Subscriptions, Boatshed/mooring & storage fees (\$136,923). FY2021 Member subscriptions were only dispatched in July 2020 (due to the pandemic and Club closure).
- 3 Includes beverage stocks on hand during Club closure.
- 4 Balances include depreciation for September quarter 2020 (calc on a monthly basis), R&R Contractor payments and Interior design costs to date. Allocation between repairs and capital works will be determined post project completion.
- 5 Balance reflects Members annual subscriptions that have not been taken to income at 30/9/2020. Subscription income is taken to the income account on an equal monthly basis.
- 6 Includes FY2021 Development subscriptions received from Members not taken to income at 30 September 2020.
- 7 September balance equates to the year to date income & expense account and reflects a surplus for the quarter of \$85,927
- 8 Represents Future Development Fund donations received from Members, together with interest earned on those donations.
- 9 Represents prior year Development levy (part of subscriptions) received from Members.  
The FY2021 subscriptions received of \$83,635 sits within current liabilities.

**ROYAL PRINCE EDWARD YACHT CLUB**  
**Unaudited Income & Expense account for the 3 months to 30 September 2020**

|   | Comment<br>Note | 3 mths<br>Sept<br>2020<br>\$ | 3 mths<br>Sept<br>2019<br>\$ | Variance<br>\$  |
|---|-----------------|------------------------------|------------------------------|-----------------|
| <b>Bar Trading</b>                                      |                 |                              |                              |                 |
| Bar sales   | 1               | 0                            | 75,689                       | (75,689)        |
| Bar purchases   |                 | (1,663)                      | (34,729)                     | 33,066          |
| Net stock movement<br>(mvt in open/close balance)       |                 | 0                            | 11,055                       | (11,055)        |
| Net bar purchases after allowing for stock mvts)        |                 | <u>(1,663)</u>               | <u>(31,088)</u>              | <u>29,425</u>   |
| Gross Profit  |                 | (1,663)                      | 44,601                       | (46,264)        |
| <i>Gross margin</i>                                     | e               | #DIV/0!                      | 59%                          |                 |
| Employee costs  | f, 2            | (1,690)                      | (11,858)                     | 10,168          |
| Other bar associated costs                              | g, 3            | 0                            | (7,696)                      | 7,696           |
|   |                 | <u>(3,353)</u>               | <u>25,047</u>                | <u>(28,400)</u> |
| <b>Catering</b>   |                 |                              |                              |                 |
| Income from Catering                                    | i, 4            | 0                            | 74,804                       | (74,804)        |
| Catering costs  | j, 5            | (30,640)                     | (136,028)                    | 105,388         |
|   |                 | <u>(30,640)</u>              | <u>(61,224)</u>              | <u>30,584</u>   |
| <b>Total Bar &amp; Catering</b>                         | 6               | <u>(33,993)</u>              | <u>(36,177)</u>              | <u>2,184</u>    |
| <b>Subscriptions</b>                                    |                 |                              |                              |                 |
| Annual subscriptions - membership                       | a               | 128,139                      | 124,950                      | 3,189           |
| Annual subscriptions - Sailing Australia affilia        | b, 13           | 0                            | 16,658                       | (16,658)        |
| Entrance fees   | c, 7            | 29,780                       | 28,529                       | 1,251           |
| Development Fund Levy                                   | d               | 0                            | 0                            | 0               |
|   |                 | <u>157,919</u>               | <u>170,137</u>               | <u>(12,218)</u> |
| <b>Boat Racing</b>                                      |                 |                              |                              |                 |
| Income  | 8               | 6,318                        | 15,731                       | (9,413)         |
| Expenses  |                 | (588)                        | (1,910)                      | 1,322           |
|   |                 | <u>5,730</u>                 | <u>13,821</u>                | <u>(8,091)</u>  |
| <b>Boat Maintenance, Boatshed, Moorings &amp; Jetty</b> |                 |                              |                              |                 |
| Income  | 9               | 12,303                       | 13,561                       | (1,258)         |
| Maritime jetty rent                                     |                 | (1,009)                      | (1,000)                      | (9)             |
| Club moorings & boats                                   | h               | (14,399)                     | (13,235)                     | (1,164)         |
|   |                 | <u>(3,105)</u>               | <u>(674)</u>                 | <u>(2,431)</u>  |
| <b>Sundry Income</b>                                    |                 |                              |                              |                 |
| Club Functions  | k, 11           | 0                            | 5,675                        | (5,675)         |
| Interest  | l, 10           | 929                          | 5,014                        | (4,085)         |
| Other   | m, 12           | 20,032                       | 4,023                        | 16,009          |
|   |                 | <u>20,961</u>                | <u>14,712</u>                | <u>6,249</u>    |
| <b>Expenses</b>   |                 |                              |                              |                 |
| Club functions & Committee costs                        | n, 11           | 0                            | (11,432)                     | 11,432          |
| Other repairs & maintenance                             |                 | (1,982)                      | (5,785)                      | 3,803           |
| Employee costs  | o, 13           | (20,341)                     | (14,503)                     | (5,838)         |
| Sailing Australia affiliation fee                       | p, 14           | (11,105)                     | (16,658)                     | 5,553           |
| Other   | q, 15           | (22,187)                     | (47,093)                     | 24,906          |
|   |                 | <u>(55,615)</u>              | <u>(95,471)</u>              | <u>39,856</u>   |
| <b>Operating Surplus</b>                                |                 | <u>91,897</u>                | <u>66,348</u>                | <u>25,549</u>   |
| Depreciation  | 16              | (5,970)                      | (6,382)                      | 412             |
| <b>Net operating Income</b>                             |                 | <u>85,927</u>                | <u>59,966</u>                | <u>25,961</u>   |
| <b>Future Development Fund Donations</b>                |                 | <u>243,240</u>               | <u>254,887</u>               |                 |

**General comments on presentation:**

- a FY2021 subscriptions are taken to income on an equal monthly basis, currently approx. \$43,025 pm. FY2021 income forecast to be approx. \$521k.
- 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, FY2021 monies of \$83K yet to be allocated from the balance sheet.
- e Targeted gross profit margin on bar sales targeted at greater than 54% for FY2021.
- 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 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 closed for the entire September 2020 quarter
- 2 Includes additional component of Assistant Manager's salary net of Gov't assistance, prior period only included Venue manager's salary.
- 3 Club closed for the entire September 2020 quarter
- 4 Club closed for the entire September 2020 quarter
- 5 Fixed costs incurred during Club closure, incl 2 Trippas White full time employees, net of Gov't assistance.
- 6 The Beverage and catering functions should be viewed as the one income stream as both functions compliment each other. The loss is reflective of fixed Club costs during the Covid and R&R closure.
- 7 Income from new members joining the Club. The Club now has a membership waiting list.
- 8 Timing difference as fees expected to be received later in the year.
- 9 Income for moorings, storage and lockers fees for is billed annually and taken to income on a monthly basis.
- 10 Reduced income reflective of reduced interest rates available for funds on deposit together with decreasing surplus funds due to R&R payments.
- 11 Club closed for the entire September 2020 quarter, monthly Committee meeting held remotely via Zoom meetings.
- 12 Other income largely represented by Gov't assistance during Covid of \$18k.
- 13 Employee costs include remote office costs whilst Club closed, as administration function continued remotely during Club closure
- 14 Reflects reduction in fees paid due to change of Sailing Australia financial year.
- 15 Reduced costs due to Club closure.
- 16 Depreciation consistent with prior year. Depreciation charge will be reviewed upon R&R completion.

|   | 3 mths<br>Sept<br>2020 | 3 mths<br>Sept<br>2019   |
|---|------------------------|--|
|   | \$                     | \$   |
| <b>Other Expenses</b>                                     |                        |  |
| 5-6100 Club clothing & sundry expenses                    | 0                      | (225)  |
| 6-1000 Accounting costs & temporary administration staff. | (3,045)                | (5,146)  |
| 6-1005 Auditors remuneration                              | (2,500)                | (2,338)  |
| 6-1200 Bank charges                                       | (205)                  | (347)  |
| 6-1202 Merchant fees                                      | (1,122)                | (1,685)  |
| 6-1300 Cleaning services & supplies                       | 0                      | (7,269) No cleaning costs during R&R shutdown                                |
| 6-1309 Computer expenses                                  | (1,181)                | (1,544)  |
| 6-1311 Consulting Fees                                    | 0                      | (300)  |
| 6-1600 Filing fees  | 0                      | 0  |
| 6-1605 Garbage  | (213)                  | (786)  |
| 6-1630 General expenses                                   | 0                      | (255)  |
| 6-1700 Insurance  | (5,152)                | (10,574) Timing as FY2020 costs currently borne by Girvan Group              |
| 6-1800 Interest expense                                   | 0                      | 0  |
| 6-2000 Legal fees   | 0                      | (1,288)  |
| 6-2100 Licensing Fees                                     | (178)                  | (73)   |
| 6-2110 Utilities - Power, water & gas                     | 2,302                  | (4,424) Refund of prior year overcharge                                      |
| 6-2300 Printing, postage & stationary                     | (838)                  | (5,366) Reduction due to information emailed (rather than mailed) to members |
| 6-2360 Rates & taxes                                      | (7,456)                | (7,541)  |
| 6-2450 Security & Fire protection                         | (1,696)                | (1,517)  |
| 6-2468 Subscriptions                                      | 0                      | 0  |
| 6-2470 Telephone, internet & Foxtel                       | (903)                  | (2,415) No Foxtel during cClub closure                                       |
| 6-2475 Training   | 0                      | 0  |
| Allocation to bar/ catering (Utilities, telephone etc.)   | 0                      | 6,000 No allocation to operations as Club closed                             |
|   | <u>(22,187)</u>        | <u>(47,093)</u>  |