

Claremont Yacht Club (Inc)

Half Yearly General Meeting 21 March 2019

Treasurer's Report

Members, on behalf of the General Committee, I present the Treasurer's half-yearly report for the six months period ended 31 December 2018.

Trading performance for the six months ended 31 December 2018:

Our Club achieved a total surplus for the six month period ended 31 December 2018 of \$157,787 (Dec 2017: \$196,796) after allowing for non-cash depreciation of \$121,734 (2017: \$123,258). This half-year result is \$42,856 behind our budget of \$200,750, as a result of lower than anticipated income from our jetty system.

Jetty Income for the six months is \$434,498 (Dec 2017: \$521,913) which is a reduction of \$87,415. Maintenance expenditures of \$81,255 (2017: \$72,161) have been incurred year to date. Pen users will have observed the works to repair pilings during the period as well as the new non-slip surfacing applied to jetty catwalks. My thanks goes to our staff and volunteer members working tirelessly to keep our marina facilities in great shape.

As of 31 December 2018, pen availability sits around 21.2% compared to 16.7% at the same time last year. I encourage members to continue to promote our welcoming club environment and excellent river location to help increase the number of boats residing in our marina.

Bar, Restaurant and Functions income is \$459,252 (2017: \$415,370), up 10% on the prior period. External function enquiries continue to improve and our clubroom facilities remain in demand for the hosting of special events for our members.

Pleasingly, our club is also achieving greater consistency in food and beverage activities. Management and Chef have not only delivered delectable dishes for club functions, special events and casual dining, but also improved meal quality and costings considerably to the benefit of all members. If you have not made it down to the Club recently, I recommend you come and sample the latest food and beverage menu for yourself.

Net surplus in F&B operations for the six-month period is \$30,211, which is 7% higher than last year. This is after accounting for the increased labour costs incurred following the appointment of a permanent F&B manager. Off the back of our improved trading performance, the General Committee approved that recent beverage cost increases be absorbed, with no changes to our bar pricing proposed during this current financial year.

Membership subscriptions and nominations totalled \$164,518 (2017: \$171,681) for the period. Senior membership numbers have reduced commensurate with the reduced number of boats currently housed in our marina.

Membership fees for next year have been under consideration by the General Committee. Our Club thrives on the comradery of like-minded boating enthusiasts and the General Committee is dedicated to increasing club participation in all categories of members. To this end, rather than increasing subscriptions for FY19/20, the General Committee is proposing to reduce subscription fees in favour of a greater contribution towards redeemable house support credits - giving value

back to members and rewarding Club participation. The General Committee need your help to achieve our participation and growth goals for the Club and your support here is most appreciated.

Fuel trading margin is \$14,292 (2017: \$9,286) and regalia trading resulted in margin of \$1,293 (2017: deficit of \$653).

Total Admin Expenditure of \$255,654 (2017: \$301,629) is lower on diligent cost control and our mortgage loan interest costs totalled \$14,362 for the period (2017: \$35,686).

Balance Sheet as at 31 December 2018

Total member's funds and reserves at 31 December 2018 are \$17,185,967, including cash at bank of \$176,417 and current member debtors of \$697,649. The majority of this member debtor balance has subsequently been collected.

I would like to remind members of the Club's automatic account payment capability, where member accounts are auto-settled via credit card on due dates. If you have not provided your credit-card details and authority to utilise this service, please contact the office to get setup and to avoid any future embarrassment on missing payment deadlines. This also greatly helps with our Club's cash-flow management.

The mortgage loan account continues to reduce and sits at \$1,154,000 as at 31 December 2018. I am pleased to highlight that the General Committee approved a further \$154,000 loan repayment during January 2019, repaying our entire variable rate loan component and bringing the outstanding balance to \$1,000,000.

Once the fixed term component of this loan matures in April 2019, further repayments will be possible and the General Committee will continue to look to extinguish debt as a matter of priority where funds allow.

Future outlook

The General Committee remains focussed on improving club participation and attracting more boats into our marina system. Despite a large reduction in marina income this year to date, the Club achieved a partial offset to this shortfall through stronger performance in other operating areas. While our net surplus is approximately \$42,000 behind budget year to date, securing new boats into our marina can considerably improve this result during the second half of the financial year.

The General Committee adopts strict capital management policies and is committed to expend member funds prudently, prioritising critical maintenance activities, the continuity of house service, and the repayment of our debt.

As we move through the second half of this financial year and into FY19/20, our financial position will continue to strengthen. This will allow the General Committee to start to explore more significant capital investment opportunities to enhance our Club facilities for the long-term.

Dave Andrews
Honorary Treasurer

Claremont Yacht Club Inc				
Income & Expenditure Statement for the six months ended	31-Dec-18	31-Dec-17	Change	Change
	\$	\$	\$	%
Trading Income				
Bar, Restaurant & Functions				
Sales	459,252	415,370	43,882	10.6%
Cost of sales	-167,443	-171,343	3,900	-2.3%
Gross profit	291,809	244,027	47,782	19.6%
Direct labour costs and overheads	-261,598	-215,780	-45,818	21.2%
Surplus/(deficit)	30,211	28,247	1,964	7.0%
Regalia				
Sales	5,630	3,805	1,825	48.0%
cost of sales	-4,337	-4,458	121	-2.7%
Surplus/(deficit)	1,293	-653	1,946	-298.0%
Fuel				
Sales	141,322	130,512	10,810	8.3%
cost of sales	-127,030	-121,226	-5,804	4.8%
Surplus/(deficit)	14,292	9,286	5,006	53.9%
Total Trading Surplus	45,796	36,880	8,916	24.2%
Other Income				
Membership and nominations	164,518	171,681	-7,163	-4.2%
Pens & moorings income	434,498	521,913	-87,415	-16.7%
Other income	5,049	18,222	-13,173	-72.3%
Total other income	604,065	711,816	-107,751	-15.1%
Expenditure				
Admin expenses	255,654	301,629	-45,975	-15.2%
Jetty expenses	81,255	72,161	9,094	12.6%
Committee expenses	19,069	19,166	-97	-0.5%
Total expenditure	355,978	392,956	-36,978	-9.4%
EBITDA	293,883	355,740	-61,857	-17.4%
Interest	14,362	35,686	-21,324	-59.8%
Depreciation	121,734	123,258	-1,524	-1.2%
Net surplus for the period	157,787	196,796	-39,009	-19.8%

Claremont Yacht Club Inc			
Balance Sheet	31-Dec-18	30-Jun-18	31-Dec-17
as at	\$	\$	\$
Current Assets			
Cash at bank and on hand	176,417	99,700	208,405
Trade debtors	697,649	756,065	717,483
Inventory	63,968	56,146	55,027
Sundry debtors & prepayments	25,058	5,627	49,772
Total current assets	963,092	917,538	1,030,687
Non-current Assets			
Building and jetties - at cost	4,954,737	4,941,249	4,854,234
Accumulated depreciation	-437,930	-377,063	-305,996
Revaluation	12,452,608	12,452,608	12,452,608
	16,969,415	17,016,794	17,000,846
Furniture & fixtures	608,487	602,300	578,520
Accumulated depreciation	-565,752	-545,820	-495,970
	42,735	56,480	82,550
Plant & Equipment	2,332,271	2,331,771	2,331,770
Accumulated depreciation	-1,122,831	-1,081,896	-1,036,127
	1,209,440	1,249,875	1,295,643
Total Non-current Assets	18,221,590	18,323,149	18,379,039
Total Assets	19,184,682	19,240,687	19,409,726
Current Liabilities			
Trade creditors & accruals	128,939	178,934	158,485
Provision for employee benefits	48,045	31,301	15,510
Receipts in advance	562,158	589,954	601,357
Unredeemed vouchers	90,019	91,833	96,378
Total Current Liabilities	829,161	892,022	871,730
Non-current Liabilities			
Mortgage loan	1,154,000	1,304,000	1,604,000
Donations and trophy funds	15,554	16,589	35,046
Total Non-current Liabilities	1,169,554	1,320,589	1,639,046
Total Liabilities	1,998,715	2,212,611	2,510,776
Net Assets	17,185,967	17,028,076	16,898,950
Members funds	4,733,359	4,575,468	4,446,342
Asset revaluation reserve	12,452,608	12,452,608	12,452,608
Total Member Funds and Reserves	17,185,967	17,028,076	16,898,950