

RICHMOND YACHT CLUB (INC)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

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RICHMOND YACHT CLUB (INC)

YEAR ENDED 30 APRIL 2021

TREASURER'S REPORT

I am pleased to present this report to the members of Richmond Yacht Club. As you will note from the Statement of Financial Performance, the club made a net loss of \$3,834 this year but lower compared to the \$29,839 loss made in the previous year.

Revenue

Total revenue was 2.5% lower than last year with the continued impact from the Covid-19 lockdowns reducing our venue hire and social room revenue. Many of the booking made were cancelled due to ongoing uncertainty on mass gatherings. However the opposite can be said for our racing revenue which was up 25% with all events going ahead as planned with good numbers, and an addition event, the Gulf Triangle, being added on to the Route 66. Annual subscription revenue was also 9% up on last year, in particular our crew membership with good attendance of our Friday Night Special series.

Lomocean continue to provide us important rental income for the top floor of the building and remains unchanged. Interest revenue has also decreased by 45% with all BNZ term investment on annual renewals with current interest rates now only 0.8%.

Overall revenue has also been aided by the receipt of grants, donations, and sponsorships through the year. Thanks again to Victoria Cruising Club for again providing a donation towards the administration, promotion, and operation of the Victoria Friday Night Special race series. Thanks to our many sponsors that provide gift vouchers used as racing prizes. A list of all our sponsors is shown on our website and Plain Sailing magazine and I encourage our members to support these businesses.

Expenses

Overall, the expenses were lower compared to last year by 31K or 13%. Repairs and maintenance expenditure last year included a \$52K spend for the repair of a large section of the Clubhouse roof. No major spend was undertaken this year just the usual plumbing and electrical maintenance.

Agreement was reached with Panuku on the land rent with a 20% increase on our ongoing rent. This was agreed based on back dating the increase to the beginning of the review period of January 2017. This has resulted in a required lumpsum payment of \$16K which has been settled in May and subsequent to balance date. Clubhouse costs were 2% higher which include some additional spend in sailing events. Depreciation of assets was lower with many assets being fully depreciated during the year. Additional printing spend has gone into producing the Plain Sailing Magazine which continues to communicate interesting stories from and to our club membership. It has also been used to help to promote our sponsors businesses to acknowledge their contribution to the club. Insurance premium costs and all other expenses are at similar levels to last year.


Balance Sheet

The club continues to be in a good financial position, maintaining the same level of cash reserves available for future expenditure. This year the committee has undertaken to prepare a long term maintenance plan to assess and estimate the cost of future capital expenditure that is reasonably expected for a clubhouse building of its current age. In summary \$195K is estimated to be required in the next five to ten years for upgrades to switch board, plumbing, heating and flooring. This leaves the club a contingency fund of approximately \$150K to cover any unexpected repairs or maintenance.

Fixed assets have decreased due to annual deprecation, there were no disposals and the only significant addition was the replacement of a chiller unit. All known accounts payable and accruals have been accounted for and includes the Panuku back rent paid after balance date.

Closing Comments

I would like to thank the committee and all our volunteers that help organise, promote and run our events. It all helps to ensure we minimise the cost of running the club that benefits all members. I would especially like to thank Kate Herstell for her work throughout the year in the office and Mike McGlone for reviewing these accounts.


.....
Steve Morriss CA, Treasurer

RICHMOND YACHT CLUB (INC)

YEAR ENDED 30 APRIL 2021

FINANCIAL REVIEW

TO THE MEMBERS OF THE RICHMOND YACHT CLUB (INC)

I have reviewed the financial statements on pages 3 to 5. The financial statements provide information about the past financial performance of the Club for the year ended 30 April 2021 and its financial position as at that date. The information is stated in accordance with the accounting policies described in Note 1 to the financial statements.

Committee's responsibilities

The Committee is responsible for the preparation and presentation of financial statements which present fairly the financial position of the Club as at 30 April 2021 and its financial performance for the year ended on that date.

Reviewer's responsibilities

I am responsible for expressing an independent opinion on the financial statements presented by the Committee and reporting my opinion to you.

Basis of opinion

The review includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- (a) the significant estimates and judgements made by the Committee in the preparation of the financial statements; and
- (b) whether the accounting policies are appropriate to the circumstances of the Club, consistently applied and adequately disclosed.

I performed the review so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

I have no relationship with or interests in the Club other than in my capacities as reviewer and as an ordinary sailing member.

Qualification


In common with other organisations of a similar nature, control over the income from race entries and social activities prior to being recorded is limited. It was not practicable to extend my examination of income from race entries and social activities beyond the accounting for the amounts received as shown by the accounting records of the Club, or to determine the effect of the limited control.

Qualified Opinion

In this respect alone I have not obtained all the information and explanations I have required.

In my opinion, except for the adjustments, if any, that might have been necessary had I been able to obtain sufficient evidence concerning income from race entries and social activities, the financial statements present fairly the financial position of the Club as at 30 April 2021 and its financial performance for the year ended on that date, in accordance with generally accepted accounting practice in New Zealand.

My review was completed on 18th June 2021 and my qualified opinion is expressed as at that date.


.....
Mike McGlone CA (Retired)
Honorary Auditor

RICHMOND YACHT CLUB (INC)
STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021

2020 \$		2021 \$
	Accumulated funds	
476,106	Beginning of the year	446,268
(29,839)	Gain/(Loss) for the year	(3,834)
<u>446,268</u>	End of year	<u>442,434</u>
	Represented by:	
	Non-current assets	
100,134	Fixed assets (Note 2)	93,528
	Current assets	
700	Cash on hand	700
4,614	Cash at bank – BNZ	7,435
339,525	Cash on deposit – BNZ	369,744
6,346	Stock – bar and items for resale	6,739
-	Prepayments	-
-	GST receivable	-
75	Accounts receivable	110
<u>451,393</u>	Total Assets	<u>478,256</u>
	Current Liabilities	
(500)	Bonds	(2,000)
7,198	GST Payable	340
(11,824)	Accounts Payable/Accruals	(34,161)
<u>(5,125)</u>	Total Liabilities	<u>(35,822)</u>
<u>446,268</u>	Net assets	<u>442,434</u>

The attached notes form part of these financial statements.

RICHMOND YACHT CLUB (INC)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 APRIL 2021

2020		2021
\$		\$
	Revenue	
36,712	Subscriptions	39,970
21,496	Dinghy Locker Fees	22,848
30,255	Racing	37,896
36,179	Social Room	32,021
22,460	Venue Hire	12,794
10,708	Interest	5,846
43,778	Rental	43,778
5,000	Grants, donations and sponsorship	5,000
917	Sundry Income	2,263
207,505	Total revenue	202,416
	Expenses	
(2,263)	Bank fees	(2,400)
(59,935)	Clubhouse	(61,108)
(12,862)	Depreciation	(10,947)
(41,334)	Employment and honorariums	(42,490)
(527)	General expenses	(2,048)
(13,410)	Insurance	(13,420)
(1,304)	Legal and consulting	(1,799)
0	Loss/(profit) on disposal of fixed assets	0
(11,805)	Postage, printing and stationery	(15,544)
(10,474)	Power, gas and water	(7,814)
(24,368)	Rent and rates	(38,774)
(56,626)	Repairs and maintenance	(7,459)
(2,437)	Phone and eftpos	(2,446)
(237,344)	Total expenses	(206,249)
(29,839)	Net (deficit)/surplus	(3,834)

The attached notes form part of these financial statements.

RICHMOND YACHT CLUB (INC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements are prepared for the members of Richmond Yacht Club (Inc) ("the Club") and for the purposes of complying with the requirement to prepare annual financial statements under the Incorporated Societies Act 1908.

As the Club is not large nor a public benefit entity, there is no requirement to prepare the financial statements in accordance with the Accounting Standards Framework administered by the External Reporting Board.

The financial statements of the Club have been prepared on a going concern basis using historical cost accounting. They do not purport to disclose the current values of the Club's assets.

The following specific accounting policies have been adopted:

- Income from subscriptions and racing has been brought to account on an accrual basis.
- Expenditure is accounted for on an accrual basis.
- Bar stock and items for resale have been valued at the lower of cost and net realisable value.
- Fixed assets are recorded at historical cost less accumulated depreciation.

Furniture, fittings and equipment bought in the period up to 30 April 2009 have been depreciated at rates ranging from 10% to 50% on a diminishing value basis. Furniture, fittings and equipment bought from 1 May 2009 onwards have been depreciated at rates ranging from 10% to 40% on a straight line basis as we believe this will more readily reflect the value of the assets.

Trophies are stated at nominal cost and are not depreciated.

Clubhouse improvements are depreciated on a straight line basis on an estimated life not exceeding 50 years.

There have been no significant changes in accounting policies from those applied in the prior year.

2. FIXED ASSETS

	<u>2021</u>			<u>2020</u>			<u>2021</u>	<u>2020</u>
	Cost	Accum dep'n	NBV	Cost	Accum dep'n	NBV	Dep'n for year	
Furniture & fittings	164,067	(152,628)	11,439	159,726	(150,002)	9,724	2,626	4,541
Clubhouse improvements	295,257	(214,178)	81,079	295,257	(205,857)	89,400	8,321	8,321
Trophies	1,010	-	1,010	1,010	-	1,010	-	-
	460,334	(366,806)	93,528	455,993	(355,859)	100,134	10,947	12,862

3. COMMITMENTS

The club has no known commitments (2020 - Nil).