

RICHMOND YACHT CLUB (INC)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

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RICHMOND YACHT CLUB (INC)

YEAR ENDED 30 APRIL 2023

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 profit of \$3,081 this year which is higher compared to the \$13,986 loss made in the previous year.

Revenue

Total revenue was 27% higher than last year which was impacted from the Covid-19 lockdowns, but is also the highest recorded revenue level to date.

Racing revenue was up 42%. Changes in our race fee pricing to incentivise RYC membership has helped to grow sail pass revenue by 50%, Friday night special revenue 125% and general membership by 12%. It was good to see good boat numbers participating in our racing events. Revenue for our major events the Route 66 and Gulf Triangle was up 22%.

Bar sales were 67% up on last year returning to pre-covid levels with good takings on Wednesday night and Friday Night Special post-race prizegiving's. Private functions revenue was also up 50%.

Lomocean continue to provide us important rental income for the top floor of the building and remains unchanged, however we are in negotiations to increase this rental in the new year.

Interest revenue has also increased providing an overall return of 2.6% per annum. Now that interest rates have increased significantly in the last 6 months the BNZ term investment has been re-invested at 5.25%. The Milford Asset Diversified Income managed fund should also continue to provide the club a higher return in the long term.

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.

Expenses

Overall, the expenses were higher compared to last year by 34K or 17%. The clubhouse cost makes up most of this increase with 16K increased cost associated with the higher bar and event revenue which includes bar purchases and cleaning costs. Wage cost are 5K higher with pay increases and additional bar staff paid for private events. Rent is higher as we are accruing for the proposed rent increase by Panuku. Consulting costs included a valuation report as part of the Panuku rent review. Insurance costs are up as a result of an increase in premiums and sum insured value. General expenses include additional Facebook advertising of 3K.


Balance Sheet

The club continues to be in a good financial position with positive cashflow to meets its current operating expenditure. The club holds sufficient cash reserves to meet its future Asset maintenance plan. No major capital expenditure is planned in the short term. Fixed assets have decreased due to annual depreciation, there were no disposals, and the only significant addition was a TV for the clubhouse. All known accounts payable and accruals have been accounted for and includes an accrual for the proposed Panuku rent increase.

Closing Comments

The Club is vortunate to be in better financial shape in comparison to some other clubs. We are not reliant on one source of revenue and keep our cost low by relying on volunteer labour. There continues to be concern with our slow reduction in members year on year, as the cost of boat ownership continues to increase and the cost of living in Auckland central continue to push people further away.

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.


.....
Steve Morriss CA, Treasurer

RICHMOND YACHT CLUB (INC)

YEAR ENDED 30 APRIL 2023

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 2023 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 2023 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 2023 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 13th June 2022 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 2023

2022 \$		2023 \$
	Accumulated funds	
442,434	Beginning of the year	428,448
(13,986)	Gain/(Loss) for the year	3,081
<u>428,448</u>	End of year	<u>431,529</u>
	Represented by:	
	Non-current assets	
84,087	Fixed assets (Note 2)	74,594
	Current assets	
700	Cash on hand	700
9,202	Cash at bank – BNZ	9,357
356,558	Cash on deposit – BNZ	217,373
7,922	Stock – bar and items for resale	7,857
-	Investments	150,033
3,188	Accounts receivable	1,387
<u>461,657</u>	Total Assets	<u>461,301</u>
	Current Liabilities	
(3,500)	Bonds	(500)
(1,279)	GST Payable	(1,048)
(28,430)	Accounts Payable/Accruals	(28,224)
<u>(33,209)</u>	Total Liabilities	<u>(29,772)</u>
<u>428,448</u>	Net assets	<u>431,529</u>

The attached notes form part of these financial statements.

RICHMOND YACHT CLUB (INC)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 APRIL 2023

2022		2023
\$		\$
	Revenue	
32,864	Subscriptions	35,199
24,570	Dinghy Locker Fees	24,582
30,899	Racing	44,065
28,455	Social Room	47,406
13,260	Venue Hire	25,641
2,773	Interest / Investment Income	9,738
43,778	Rental	43,778
5,648	Grants, donations and sponsorship	5,000
2,707	Sundry Income	677
184,954	Total revenue	236,086
	Expenses	
(1,806)	Bank fees	(1,924)
(63,920)	Clubhouse	(79,953)
(10,421)	Depreciation	(10,536)
(45,660)	Employment and honorariums	(50,570)
(1,224)	General expenses	(3,796)
(15,156)	Insurance	(16,393)
(1,834)	Legal and consulting	(4,224)
0	Loss/(profit) on disposal of fixed assets	0
(11,599)	Postage, printing and stationery	(12,303)
(8,326)	Power, gas and water	(9,507)
(31,120)	Rent and rates	(35,947)
(5,425)	Repairs and maintenance	(5,296)
(2,449)	Phone and eftpos	(2,556)
(198,940)	Total expenses	(233,005)
(13,986)	Net (deficit)/surplus	3,081

The attached notes form part of these financial statements.

RICHMOND YACHT CLUB (INC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

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.

- Investment in the Milford Asset Diversified Income managed funds is valued at fair market value.

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

2. FIXED ASSETS

	<u>2023</u>			<u>2022</u>			<u>2023</u>	<u>2022</u>
	Cost	Accum dep'n	NBV	Cost	Accum dep'n	NBV	Dep'n for year	Dep'n for year
Furniture & fittings	166,090	(157,827)	8,263	165,047	(155,170)	9,877	2,657	2,542
Clubhouse improvements	295,257	(229,936)	65,321	295,257	(222,057)	73,200	7,879	7,879
Trophies	1,010	-	1,010	1,010	-	1,010	-	-
	462,357	(387,763)	74,594	461,314	(366,806)	84,087	10,536	10,421

3. COMMITMENTS

The club has no known commitments (2022 - Nil).