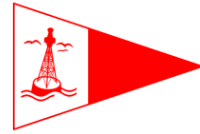


## COMMODORE'S REPORT 2020



Starting as a regular club season the year has turned out unexpected.

We planned and completed most of our programmed events for the season up to March, except that we did lose some due to weather. Covid-19 and the Lockdown kept us off the water from March to July disrupting our season.

### **The Team**

A big thank you to all those that gave their time and energy to the club this year. The Executive has been busy especially with Covid-19 and were sad to see Don Manning retire during the year due to other commitments. Our team of volunteers has done another great year's work making the club work well.

### **Notable Events**

- Hosting Waikawa Boating Club's Wine Race in November
- Sailability Nationals in February
- Another terrific Steinlager Challenge charter in the Hauraki Gulf all through the splendid efforts of Mel Hines
- The first cruise to Port Underwood in over 15 years, thanks to the efforts of our industrious Cruising Captain, Martin Payne
- Well attended technical evenings
- Several new boats delivered to Seaview with the help of club members
- Introduction of text messaging for club racing
- 24 Hour race – another successful event by Theo Muller
- Am Meer in the 2-handed Round North Island Race
- Closure servicing and opening of the harbour mooring buoys
- Tuesday Boating launched by Geunter Wabnitz
- Closed for Covid-19 lockdown for 72 Days (2½ months)
- Covid-19 contact tracing and crew lists
- Disestablishing the club manager role

### **Catering**

This has gone well this year thanks to the efforts Evan Still and his crew. Reliable service and good food when needed is much appreciated. We were planning to run a food survey, but this is a victim of the Lockdown and will have to be reconsidered. Regular Friday food is expected to restart in August.

### **Heating**

Replacement of the heating system has been delayed by the Lockdown. The Executive has discussed this at length and has looked at options and how this could be financed. This included looking at more modern radiant heating and heat pumps. Costs for these options were from about \$25,000, so cheaper options have now been installed at a fraction of the price, expected to be under \$3,000.

### **Tuesday Boating**

This new initiative is being championed by Geunter (Alize). It will be looking at various aspects of boating with a mixture of club sessions and outdoor practical work. The sessions have been enthusiastically received and I am looking forward to seeing more of them.

## Our Finances

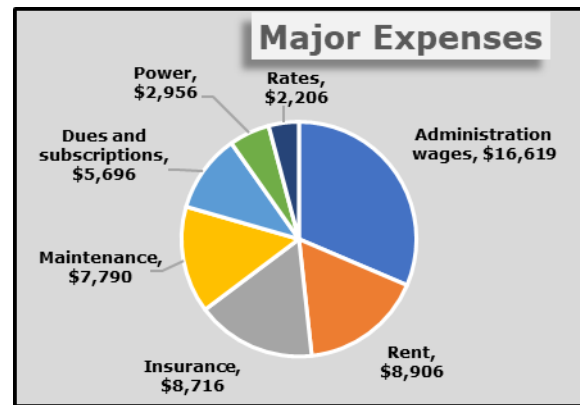
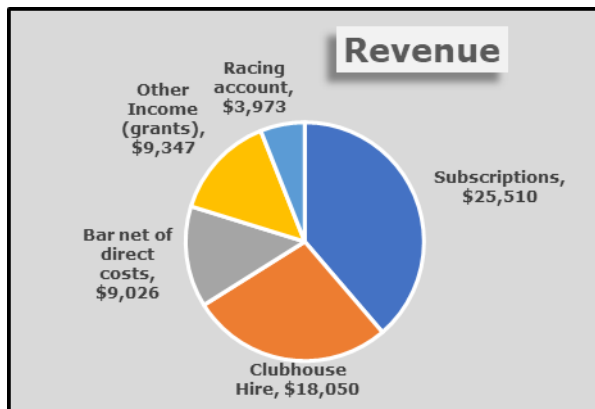
The financial position has already been outlined to members. Disestablishment of the club manager role has been a big step which we are now working through, but it has enabled us to maintain our financial position and to manage what is anticipated to be a more difficult economic year ahead. A big thank you goes to Matthew Nolan who has helped us through the past 20 months and worked through the changes required.

The financial statement details our financial position. The small deficit this year is remarkable. The result achieved by Keith, Matthew, and Lynn particularly, in adapting to the lockdown, minimising expenses, getting subsidies in place, and keeping costs under control. This has been made more complicated by the rent and insurance increases. I am particularly grateful for Keith Murray's careful and dedicated work in managing the accounts so effectively.

The key features of the accounts are:

1. A deficit of \$1,326
2. An increase in cash balance of \$5,400
3. An increase in subscriptions
4. A 25% reduction in expenses
5. A 10% reduction in income
6. No significant change in our financial position

Given the Lockdown and loss of earnings from venue hire and bar revenue, as well as the hit from the rent increase this is a particularly good result. It has been possible because of the support received from; Seaview Marina (grants and rental holiday), Sport New Zealand (grant) and the Government (wage subsidies).



The two charts above show the significant elements of our income and expenses. On the revenue side the big four components are subs and racing fees, venue hire grants and bar income. Grants will vary each year depending on the projects that are eligible for charitable support. Bar income has been declining in the longer term and is expected to rise and fall with the use of the building. Hire of the club is expected to vary with economic conditions. Our experience with subscriptions and race fees is that these are sensitive to price and there was a noticeable increase in members when they were reduced. This limits our ability to balance the books by increasing subscriptions.

Income from subscriptions has increased this year, even with a drop in the number of members. This is a direct result of abandoning the three-month free membership for new marina users. It has also meant a reduction in YNZ levies, and a big saving in the time spent in administering memberships.

On the expenses side the significant cost are shown. The big items are administration and wages (now significantly reduced), Rent that is only for 6 months of the new rate and will be higher next year, and insurance (just increased and will be higher next year).

At the last AGM a suggestion was made that insurance premiums could be reduced by excluding disaster cover that costs some \$5,000. Apart from this there is little further room to reduce costs.

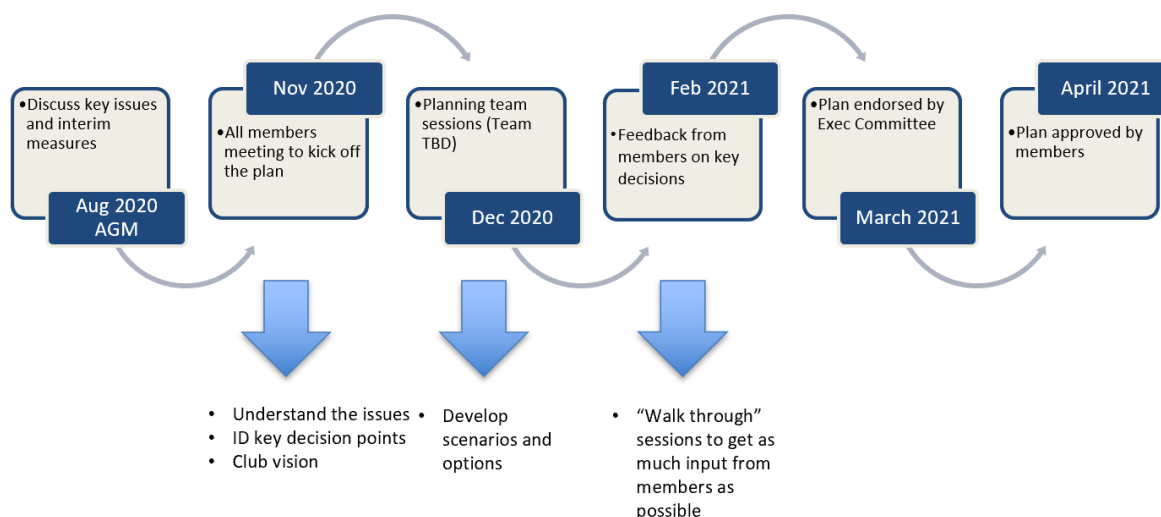
In drafting a budget for the next year, we have planned for the expected economic downturn that could mean maintaining income from subs, the bar, hire of the club and charities will be more challenging. We can manage the increased rent and insurance levels, but it does mean we need more helping in running the club, and there is no margin for unexpected costs or a significant downturn in income more than has been budgeted for.

### Planning

A pivotal point for the club will be the lease renewal and rent review due on 1 Jan 2025 that requires us to give notice to the Marina by June 2024.

If we follow the same trend for the past 5 years with similar costs and income, and assuming similar land value trends for the next 5 years, we will not be able to afford to renew the lease.

This means change, to adapt to our increasing costs and requires planning. Ingrid Harder has prepared a roadmap for how we will address the issues facing the club, how and when we will make decisions about them, and how to engage members in this process. This is shown below.



To put this into effect we are looking for a planning team that will run this process. We would be very keen to hear from anyone that has strategy development or project experience or is particularly interested in the planning process.

The Lockdown has created economic uncertainty that is expected to be significant, but we do not know; when the effects will be felt, how severe they will be or how long it will last. The best anecdotal evidence is that this will be within the next 6 months when we will have a clearer picture. This could well affect our plans and is the reason for the first meeting being delayed to November and allows time to establish the team and do some background work.

## Spring Chickens

A steady year for the SC whose efforts in keeping the club up to date make such a difference. They took the lead in the mooring buoy servicing and upgrading.

## Volunteers

This has added importance this year as we adapt without our manager. We are always interested to hear from someone that can help with some of the tasks we have to do. In the box opposite is a list of some of the roles for the regular running of the club.

## The year ahead

The Sailing committee has been busy preparing the calendar for the year and there will be a few changes to look out for.

Without a manager there will be changes in how we do things. We are looking at all the management activities to be sure we have things covered. Emails and phone messages are being monitored, so enquiries will always be answered. Jennie Darby has volunteered to take over the Clubrooms hire function, after updating venue information, hire charges and procedures.

Its great to be back on the water, and I hope the next year is more settled with Covid-19 mostly behind us.

Max Meyers  
Commodore  
Lowry Bay Yacht Club

## Helping hands

Volunteer co-ordinator – Open  
Planning manager – Ingrid Harder  
Planning team - Open  
Membership – Mary Meyers/Keith Murray  
What’s – On - Open  
Venue Hire – Jennie Darby  
Health and Safety - Ingrid  
Opening Day manager- Open  
Wine Race co-ordinator- Open  
Almanac – Brent Porter/Wendy Edwards/Mary Meyers  
Cutlass – Open  
Tuesday Boating – Geunter Wabnitz  
Website Management – Jamie Reid  
Crew Co-ordinator - Open  
Planning team - Open  
IT Management – Open  
Race Management – Lynn Porter - Open

**LOWRY BAY YACHT CLUB INC**  
**STATEMENT OF FINANCIAL PERFORMANCE**

For period to	Notes	30-Jun-20 Actual 12 months \$	30-Jun-19 Actual 12 months \$
<b>Gross turnover</b>		120,602	145,589
<b>Direct contribution from:</b>			
Subscriptions		25,510	22,620
Clubhouse Rental		18,050	21,814
Bar net of direct costs		9,026	17,696
Other Income		9,347	11,438
Racing account		3,973	-394
Social events		-4,162	-4,686
		<u>61,745</u>	<u>68,488</u>
<b>Expenses</b>			
ACC Levy		83	245
Advertising		0	0
Administration Wages		16,619	26,896
Almanac Costs		665	993
Bank charges		997	1,065
Cleaning		1,378	1,736
Depreciation		2,014	4,084
Dues and subscriptions		5,696	4,521
Hire charges		737	737
Power		2,956	4,033
Insurance		8,716	5,999
Software and other licences		613	1,087
Maintenance	10	7,790	19,125
General expenses		152	855
Rates		2,206	2,111
Rent		8,906	6,200
Honorarium		0	0
Postages & Stationery		1,019	1,823
Security		1,077	1,482
Telephone		1,448	1,502
		<u>63,071</u>	<u>84,492</u>
<b>Total expenses</b>			
		<u>-1,326</u>	<u>-16,004</u>
<b>Net surplus(deficit) for period</b>			

**LOWRY BAY YACHT CLUB INC**  
**STATEMENT OF FINANCIAL POSITION**

<b>As at</b>	30-Jun-20	30-Jun-19
<b>Assets</b>	\$	\$
<b>Current assets</b>		
ANZ cheque account	22,314	19,040
ANZ deposit accounts	84,601	82,418
Cash in Hand (Bar Float)	328	377
Trade receivables	0	1,632
Prepayments and Sundry Receivables	10,097	8,328
Inventory	5,542	5,205
	<hr/>	<hr/>
	122,881	117,000
<b>Fixed Assets</b>	214,515	216,529
	<hr/>	<hr/>
Total Assets	337,396	333,529
	<hr/>	<hr/>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade creditors	13,104	11,058
Bonds and prepaid clubhouse hire	3,357	0
Sundry Accruals	0	0
GST Payable	-1,503	448
Subs received in Advance	0	650
Other Liabilities	4,124	1,733
	<hr/>	<hr/>
	19,082	13,888
	<hr/>	<hr/>
<b>Membership Funds</b>		
Retained Earnings at start of year	121,030	137,034
Surplus (deficit) for year	-1,326	-16,004
Revaluation reserve	198,611	198,611
	<hr/>	<hr/>
Balance at end of year	318,315	319,641
	<hr/>	<hr/>
Total Liabilities	337,396	333,529
	<hr/>	<hr/>

**Presented on Behalf of the Committee**

Commodore  
Treasurer

M Meyers  
K W J Murray

**LOWRY BAY YACHT CLUB INC**  
**STATEMENT OF CASH FLOWS**

	Year to 30-Jun-20	Year to 30-Jun-19
<b>Operations</b>		
Bar sales, clubhouse rental, sponsorship social revenue, food sales and Grants	79,374	102,512
Subscriptions	24,860	23,140
Race fees and sponsorship	13,321	12,300
Interest received	2,083	2,757
Bar costs	-27,334	-28,014
Social costs	-18,883	-24,513
Racing costs	-9,348	-12,695
Administration costs	-58,666	-79,921
	<hr/>	<hr/>
Funds from operating	5,407	-4,435
	<hr/>	<hr/>
<b>Investing</b>		
Change in term Loans		
	<hr/>	<hr/>
Funds from investing	0	0
	<hr/>	<hr/>
<b>Long Term Assets</b>		
Sales of (additions to) fixed assets	0	2,932
	<hr/>	<hr/>
<b>Net cash flow for period</b>	5,407	-1,503
Bank Balances at start of year	101,835	103,338
	<hr/>	<hr/>
<b>Bank Balances at end of period</b>	107,242	101,835
	<hr/>	<hr/>
Reconciliation of surplus for year to cash flows		
Surplus (deficit) for year	-1,326	-16,004
Add back depreciation	2,014	4,084
Change in Accounts receivable	-137	-2,323
Change in Accounts payable	5,193	9,694
Change in Inventory	-337	114
	<hr/>	<hr/>
Funds from Operating as above	5,407	-4,435
	<hr/>	<hr/>

**LOWRY BAY YACHT CLUB INC**  
**TRADING ACCOUNTS**

		Actual 30-Jun-20	Actual 30-Jun-19
<b>Bar</b>			
Bar Sales		36,032	54,426
Bar Cost of Sales		14,043	22,330
		<hr/>	<hr/>
Gross profit from bar		21,989	32,096
		61.0%	59.0%
Deduct			
Bar Staff Wages net of recoveries	11	11,989	13,198
Bar Licences		322	1,178
Other Bar Costs		738	109
		<hr/>	<hr/>
Surplus from bar		8,940	17,611
		24.8%	32.4%
Profit from Regalia Sales		87	85
		<hr/>	<hr/>
Gross Trading Income		9,026	17,696
		<hr/>	<hr/>
<b>Social</b>			
Food Sales		13,063	14,333
Food Costs		-7,750	-11,240
Other food related costs		-8,055	-2,698
		<hr/>	<hr/>
		-2,742	396
<b>Functions</b>			
Ticket sales		1,658	5,494
Function costs		-3,078	-10,576
		<hr/>	<hr/>
		-1,420	-5,082
		<hr/>	<hr/>
Net Social Costs		-4,162	-4,686
<b>Other income</b>			
Advertising Received		749	0
Interest		2,083	2,757
Fishing contest		0	0
Raffle Income		0	-27
Sponsorship, Grants & Donations	11	6,515	8,709
		<hr/>	<hr/>
		9,347	11,438
		<hr/>	<hr/>



**Racing income**

Entry fees		6,106	5,422
Sponsorship & Donations	11	7,215	6,879
		<u>13,321</u>	<u>12,300</u>
<b>Racing expenses</b>			
Payroll - Start Box		1,900	4,593
Kiore RIB Expenses		41	200
Racing Expenses		3,249	3,033
Mark Maintenance		0	0
Prizes		3,467	3,831
Trophies		692	1,038
		<u>9,348</u>	<u>12,695</u>
Net racing surplus(cost)		<u>3,973</u>	<u>-394</u>

**SUMMARY OF FIXED ASSETS**

Item	Cost \$	Book value 30-Jun-19	Additions (sales)	Depreciation Rate	Book Val. \$ 30-Jun-20
24 Hour trade mark	1,095	821		25%CP	547
Cash register	952	222		40%CP	0
Racing marks	3,504	637		10%DV	573
Start box	16,153	0		Scrapped	0
Furniture and Fittings	53,183	3,769		Various	2,976
Clubhouse	223,536	20,614		3.2%DV	19,954
Revaluation	190,466	190,466			190,466
	<u>488,889</u>	<u>216,529</u>	<u>0</u>		<u>214,516</u>
				<u>2,014</u>	

**MEMBERSHIP STATISTICS**

	Numbers 2020	Changes this year			Struck Off	Numbers 2019
		New	Resigned	Change of Category		
Country	10	4	-4	1	-2	11
Family	22	2	-6	0	-4	30
Senior	189	24	-22	-1	-25	213
Life	11	0	-1	0	0	12
Associate	1	1				0
Total	<u>233</u>	<u>31</u>	<u>-33</u>	<u>0</u>	<u>-31</u>	<u>266</u>

# **LOWRY BAY YACHT CLUB INC**

## **NOTES TO FINANCIAL STATEMENTS**

**1**  
These financial statements have been prepared in accordance with generally accepted accounting practices.

**2 MEASUREMENT BASE**  
The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed.

**3 DIFFERENTIAL REPORTING**  
The entity is a qualifying entity for differential reporting by virtue of its size.

Differential reporting exemptions have been applied.

**4 SPECIFIC ACCOUNTING POLICIES**  
The following specific accounting policies which materially affect the measurement of profit and the financial position have been applied:

4.1 Fixed assets are recorded at cost less depreciation calculated at rates based on the items useful life

4.2 Investments are at valuation

4.3 All other assets are recorded at net realisable value.

4.4 Subscriptions are recognised as income only when received

**5 CHANGES IN ACCOUNTING POLICIES**  
There have been no changes in accounting policies

**6 CONTINGENT LIABILITIES**  
There are no contingent liabilities as at balance date

**7 COMMITMENTS**  
There are no capital commitments as at balance date

**8 GOODS AND SERVICES TAX**  
These financial statements have been prepared net of GST.

**9 SIGNIFICANT EVENTS AFTER BALANCE DATE**  
There are no significant events subsequent to the balance and up to the time of preparation of these financial statements, that materially affect the position as it existed at that date.

<b>10 MAINTENANCE</b>	30-Jun-20	30-Jun-19
The following is a summary of the costs incurred:		
General clubhouse maintenance	3,010	3,905

Lighting upgrade	1,449	1,323
Replace BBQ		869
Replace hot water system		6,164
Replace Blinds		1,364
Replace stove		7,118
Repair rear spouting	626	
Repair locks and new key for grill	650	
Mooring costs	2,055	573
	<u>7,790</u>	<u>19,125</u>

## 11 GRANTS

Other income includes grants and sponsorship for specific purposes as follows:

Pub Charity to replace the stove		5,000
Sport NZ Community Resilience Fund	1,000	
Seaview Marina discount of rent	4,453	3,100
Sundry donations	1,062	609
	<u>6,515</u>	<u>8,709</u>

The Racing account includes Sponsorship and donations as follows:

### 24 Hour Race

Heineken	1,465	1,083
Gibson Sheat	1,500	1,500
Infometrics	1,000	1,000
MM Research	250	500
Whiting Financial Services	500	500
Italian Cermaics	500	500
Seaview Marine Centre	250	
East by West Ferries	500	
CPS Design	500	500
Rollrich Panel and Design	500	
Vinings Marine	250	750
Metal Art		250
Youth Race - Capital Blinds		230
R Rowell		65
	<u>7,215</u>	<u>6,879</u>

The wages are net of the Government wage subsidy and recoveries charged for function hire as follows:

Government Covid 19 wage subsidy.	4,200	0
Amounts recovered for function hire.	2,174	1,739
	<u>6,374</u>	<u>1,739</u>

**LOWRY BAY YACHT CLUB INC**  
**REPORT TO THE MEMBERS OF THE LOWRY BAY YACHT CLUB Inc**

I have reviewed the attached financial statements comprising the Statement of Financial Performance, Financial Position, Cash Flows and Notes to the financial statements. The information is stated in accordance with the accounting policies described in the notes to the financial statements.

I have obtained all the information and explanations that I have required.

1. Proper accounting records have been kept by the Club as appears from my examination of those records; and
2. The financial statements have been drawn up to comply with generally accepted accounting practice and give a true and fair view of the financial position of the Club as at 30 June 2020 and the results of its operations for the period ended on that date.

My review was completed on 16 July 2020 and my opinion is expressed as at that date

JG Rushton  
Wellington