

**Medway Yacht Club**  
**Reports and Accounts**  
**for the year ended**  
**31st August 2015**

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**Medway Yacht Club**  
**Hon. Treasurer's report on the financial accounts of the Club**  
**for the year ended 31 August 2015**

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This report, to be read in conjunction with the financial accounts set out on pages 5 – 11, summarises the results for the year.

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Income</b>	<b>613,802</b>	<i>632,917</i>
<b>Expenditure</b>	<b>(535,373)</b>	<i>(581,727)</i>
<b>Depreciation</b>	<b>(46,439)</b>	<i>(53,363)</i>
	<hr/>	<hr/>
<b>Surplus (deficit) for the year</b>	<b>31,990</b>	<i>(2,173)</i>
	<hr/> <hr/>	<hr/> <hr/>

Our total income dropped by £19,000 to £613,000 but our expenditure more than compensated as it was down by £46,000 to £535,000.

The net result was a surplus of £31,990 (see also page 5) compared with a deficit in 2013-14 of £2,174.

Part of the reduction in our income was due to the lower takings in the Bar & Galley (approximately £14,000 lower). Despite increased subscription income, from the 5% uplift and new members, other sources of income lost ground.

The principal reductions in expenditure of £46,000 comprised £14,000 in the Bar & Galley, £13,000 in overheads, and £12,000 in site repairs. There were also lower mooring maintenance charges, but these will rise in 2015-16.

Despite lower income in the Bar & Galley the overall deficit did not increase due to the sustained effort of the House Committee to improve the profit margins in the Galley with was lifted by 5%.

To appreciate the outcome of the year in cash terms turn to page 7. Our surplus of £31,990 is arrived at after depreciation of £46,439, the notional cost of the use of our fixed assets. If that is added back to the surplus together with working capital adjustments, and the actual spend on fixed assets of £16,780 deducted, we arrive at the addition to our cash resources for the year of £67,284 (2014: £24,207), mainly due to the reduction of our expenditure.

Contributions to the Development Fund amounted to £24,408 following the agreed increase to £50 per head.

We are now handily placed to afford the capital expenditure programme which is already underway.

## Hon. Treasurer's Report (continued)

### Expenditure on fixed assets in the year

	£
Galley equipment	6,774
Initial spending on the Gas Project	5,378
Rebuild of Marguerite's engine	4,185
Office and other furniture	443
	<hr/>
	16,780
	<hr/>

### MEMBERSHIP

<b>At 31 August</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Single (inc.intro & grads.)	235	270	244	241	<b>251</b>
Family (inc.intro & grads.)	177	178	162	153	<b>152</b>
Out of Port	45	35	49	53	<b>58</b>
Single Veteran	69	61	60	58	<b>57</b>
Family Veteran	44	42	45	43	<b>42</b>
Out of Port Veteran	9	7	7	7	<b>7</b>
Juniors and Cadets	3	4	3	1	<b>6</b>
Life	11	11	9	9	<b>9</b>
Guardian		-	-	-	<b>7</b>
Winter berthing		-	-	-	<b>4</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	593	608	579	565	<b>593</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

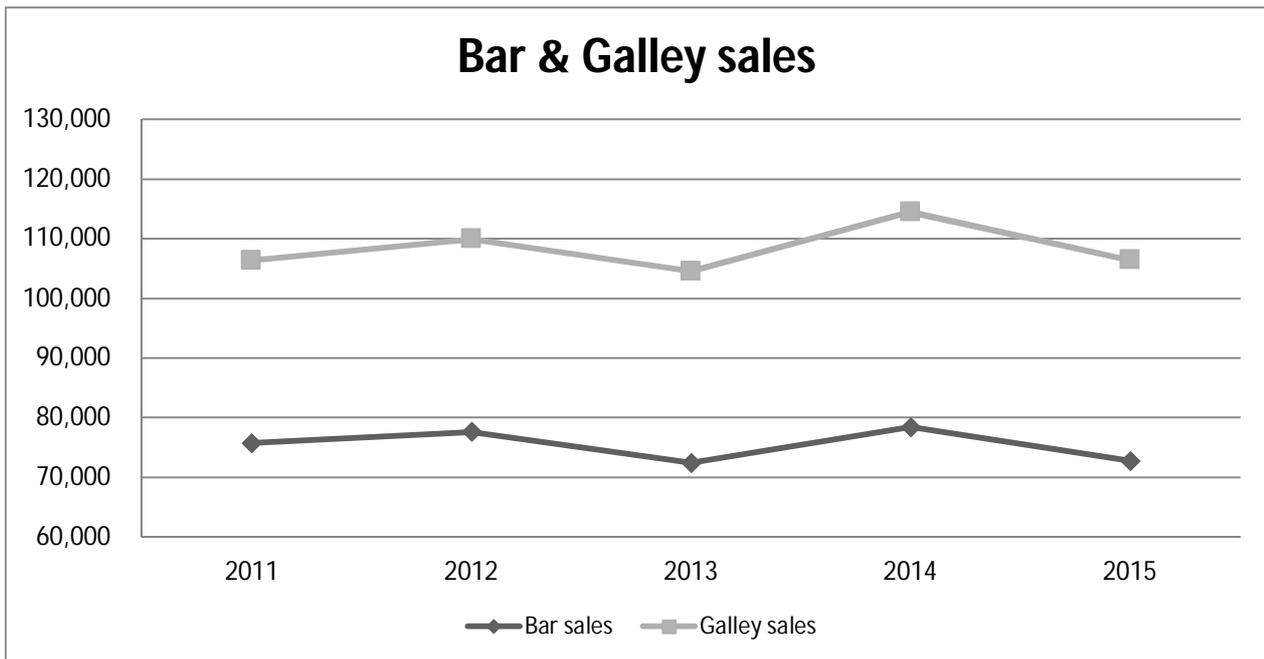
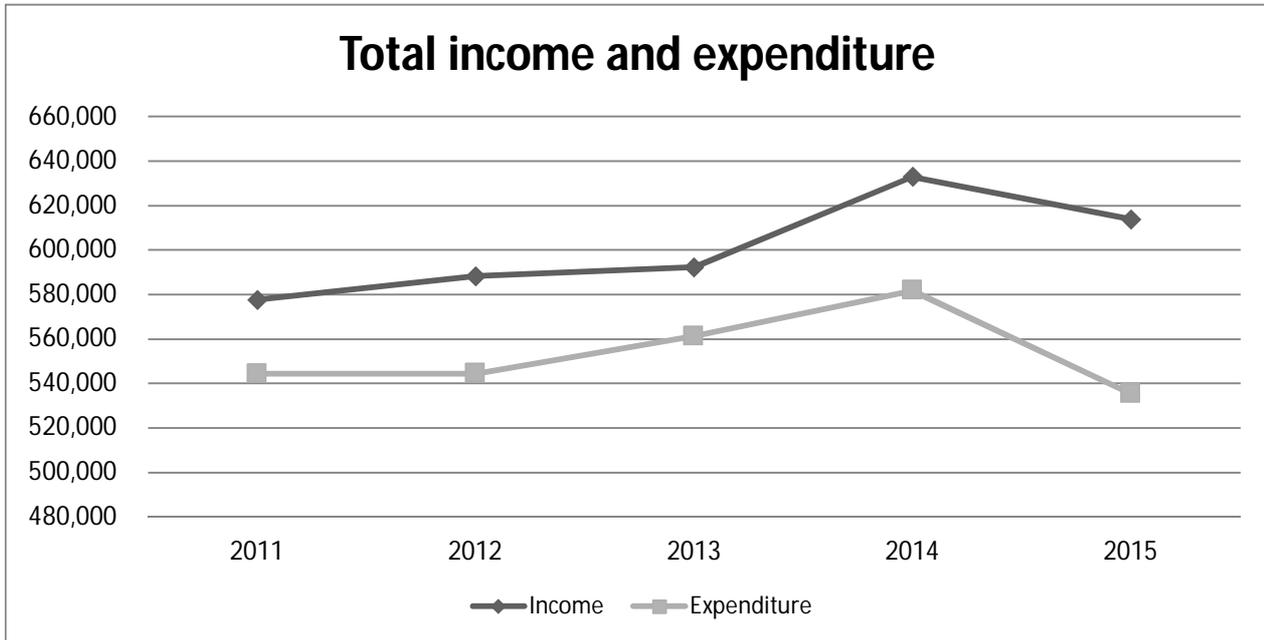
### Bar and Galley performance:

<b>Year to 31 August</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	£	£	£	£	£
<b><u>BAR</u></b>					
<b>Sales</b>	75,752	77,618	72,428	78,417	<b>72,731</b>
<b>Cost of sales</b>	49,147	47,174	40,399	45,047	<b>41,531</b>
<b>Profit %age</b>	35.1%	39.2%	44.2%	42.6%	<b>42.9%</b>
<b><u>GALLEY</u></b>	£	£	£		£
<b>Sales</b>	106,356	109,912	104,525	114,462	<b>106,420</b>
<b>Cost of Sales</b>	71,683	67,697	67,377	70,722	<b>60,283</b>
<b>Profit %age</b>	32.6%	38.4%	35.5%	38.2%	<b>43.4%</b>

## Hon. Treasurer's Report (continued)

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For those who prefer graphs to numbers



The accounts set out on pages 5-11 have been unanimously approved by the Management Committee as showing a true and fair view of the state of the Club's affairs as at 31 August 2015 and of its surplus for the year then ended.

Following their review of the accounts, UHY Hacker Young, Chartered Accountants, has confirmed that there are no matters that need to be brought to the attention of the Members (see page 4).

*Hon. Treasurer*

## **CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT ON THE UNAUDITED FINANCIAL STATEMENTS OF MEDWAY YACHT CLUB**

### **TO THE MEMBERS OF MEDWAY YACHT CLUB ('The Club')**

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We have performed certain procedures in respect of the Club's unaudited financial statements for the year ended 31st August 2015 as set out on pages 5 to 11, made enquiries of the Club's officers and assessed accounting policies adopted by the Committee, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the Club's Members, as a body, in accordance with the terms of our engagement letter dated 14th January 2011. It has been released to the Members on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the Committee's own internal purposes or as may be required by law or by a competent regulator) or in part, without prior written consent. Our work has been undertaken so that we might state to the Members those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Club and the Members as a body, for our work, for this report or for the conclusions we have formed.

#### **RESPECTIVE RESPONSIBILITIES**

The Committee have confirmed that they have met their duty and have prepared financial statements for the year ended 31st August 2014 which show a true and fair view of the state of affairs of the Club and of its results for the year. In preparing those financial statements, they are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent; and
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Club will continue in operation.

Our responsibility is to form and express an independent conclusion, based on the work carried out, to the Members on the financial statements.

#### **SCOPE**

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with Generally Accepted Accounting Practice in the United Kingdom. If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations and internal controls, and we have not done so. We are not required to, and we do not, express an opinion on these financial statements.

#### **CONCLUSION**

Based on our work, nothing has come to our attention to refute the Committee's confirmation that the financial statements give a true and fair view of the state of the Club's affairs as at 31st August 2015 and of its results for the year then ended and have been properly prepared in accordance with Generally Accepted Accounting Practice in the United Kingdom.

Chartered Accountants

# Medway Yacht Club

## Income & Expenditure Account for the year ended 31 August 2015

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	Notes	2014-15	2013-14
<b>Income</b>		<b>£</b>	<b>£</b>
Members' subscriptions		142,840	132,145
Members' entry fees		630	3,092
Mooring fees, licences and conservancy		129,066	133,623
Winter and summer berthing		57,749	62,800
Dinghy & trolley parking		24,933	23,749
Travel hoist, scrubbing and maintenance		33,795	36,905
Fixed hoist and hauling out		7,193	14,930
Scrubbing trolley (LD)		16,882	15,640
Bar and galley income	2.1	179,151	192,879
Income from Club goods and training	2.2-3	6,391	3,935
Income from the Regatta	2.4	8,237	10,188
Miscellaneous income	2.5	6,776	2,602
Interest receivable less tax		159	428
		<hr/>	<hr/>
		613,802	632,916
		<hr/>	<hr/>
<b>Expenditure</b>			
Staff costs		223,972	226,743
Purchases for the bar and galley	2.1	101,814	115,769
Overheads	3	99,987	113,067
Mooring costs, licences and conservancy		53,968	58,178
Shoreside facility costs		7,756	11,899
Site repairs and renewals		24,684	36,386
Club boat expenses		11,707	9,674
Costs of Club goods and training	2.2-3	5,428	2,876
Costs of the regatta	2.4	6,057	7,135
		<hr/>	<hr/>
		535,373	581,727
		<hr/>	<hr/>
<b>Income less expenditure before depreciation</b>		<b>78,429</b>	<b>51,190</b>
Notional cost of depreciation of the Club's assets	5	(46,439)	(53,363)
		<hr/>	<hr/>
<b>Surplus / (Deficit) for the year</b>	<b>4</b>	<b>31,990</b>	<b>(2,173)</b>
		<hr/>	<hr/>

# Medway Yacht Club

## Balance Sheet

At 31 August 2015

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	Notes	2015		2014	
		£	£	£	£
<b>Fixed assets</b>	<b>5</b>		<b>452,856</b>		<b>482,515</b>
<b>Current assets</b>					
Stock	1(b)	13,889		17,201	
Sundry debtors and prepayments		47,741		51,403	
Bank deposits		263,854		165,200	
Cash at bank and in hand		7,802		14,764	
		<u>333,286</u>		<u>248,568</u>	
<b>Less: Current liabilities</b>					
Deferred subscription income		106,683		102,917	
Creditors		23,909		38,439	
Government agencies		9,192		16,089	
Accruals		38,558		22,236	
		<u>178,342</u>		<u>179,681</u>	
<b>Net current assets</b>			<b>154,944</b>		<b>68,887</b>
<b>Total assets less current liabilities</b>			<b>607,800</b>		<b>551,402</b>
<b>Financed by:</b>					
<b>Unrestricted surplus</b>	<b>4</b>		<b>527,181</b>		<b>495,191</b>
<b>Development fund</b>	<b>4</b>		<b>73,166</b>		<b>48,758</b>
<b>M. Waights Library fund</b>	<b>4</b>		<b>7,454</b>		<b>7,454</b>
			<u>607,801</u>		<u>551,403</u>

Approved on .....

..... *Commodore*

..... *Vice Commodore*

..... *Hon. Treasurer*

# Medway Yacht Club

## Cash flow statement for the year ended 31 August 2015

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	Notes	2015		2014	
		£	£	£	£
<b>Surplus / (Deficit) for the year</b>			<b>31,990</b>		<b>(2,173)</b>
Add back depreciation	5	<b>46,439</b>		53,363	
Decrease / (increase) in stock		<b>3,312</b>		664	
Decrease / (increase) in debtors and prepayments		<b>3,662</b>		(6,294)	
(Decrease) / increase in creditors		<b>(1,339)</b>		(13,546)	
			<u><b>52,074</b></u>		<u>34,187</u>
<b>Net cash inflow from operating activities</b>			<b>84,064</b>		<b>32,014</b>
Expenditure on fixed assets:			<b>(16,780)</b>		<b>(8,807)</b>
Legacy received			-		1,000
			<u><b>67,284</b></u>		<u>24,207</u>
<b>Increase of cash from all activities</b>			<b>67,284</b>		<b>24,207</b>
Contributions and net interest added to the Development Fund			<b>24,408</b>		13,501
			<u><b>91,692</b></u>		<u>37,708</u>
<b>Total cash inflow</b>			<b>91,692</b>		<b>37,708</b>
Total cash balances at 1 September 2014			<b>179,964</b>		142,256
			<u><b>271,656</b></u>		<u>179,964</u>
<b>Total cash balances at 31 August 2015</b>			<b>271,656</b>		<b>179,964</b>

# Medway Yacht Club

## Notes to the accounts

### for the year ended 31st August 2015

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#### 1 Accounting policies

The following are the main accounting policies of the Club.

**a) Historical Cost Convention**

The accounts are prepared under the historical cost convention which takes no account of the effect of inflation.

**b) Stock**

All stock has been valued at the lower of net realisable value and cost.

**c) Depreciation**

Fixed assets, except for freehold land, are depreciated in equal annual instalments over their economic life.

**d) Accruals basis**

Income and expenditure are accounted for over the periods to which they relate.

# Medway Yacht Club

## Notes to the accounts (continued)

For the year ended 31 August 2015

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2	Net surplus/(deficit) from various activities			
	2015		2014	
	£	£	£	£
<b>2.1 Bar and galley</b>				
Bar sales		72,731		78,417
<u>Less:</u> Beverage	41,531		45,047	
Staff costs	19,796		18,524	
Direct overheads	1,084		2,712	
	<u>          </u>	<u>(62,411)</u>	<u>          </u>	<u>(66,283)</u>
Surplus on the Bar		<u>10,320</u>		<u>12,134</u>
Galley sales		106,420		114,462
<u>Less:</u> Food	60,283		70,722	
Staff costs	64,639		65,053	
Direct overheads	16,099		15,911	
	<u>          </u>	<u>(141,021)</u>	<u>          </u>	<u>(151,686)</u>
(Deficit) on the Galley		<u>(34,601)</u>		<u>(37,224)</u>
<b>(Deficit) on bar and galley</b>		<u>(24,281)</u>		<u>(25,090)</u>
<b>2.2 Club goods</b>				
Sales	1,445		1,686	
<u>Less:</u> Cost of goods	(2,437)		(1,506)	
<b>(Deficit) / Surplus on club goods</b>	<u>          </u>	<u>(992)</u>	<u>          </u>	<u>180</u>
<b>2.3 Training</b>				
Receipts	4,946		2,249	
<u>Less:</u> Costs	(2,991)		(1,370)	
<b>Surplus on training</b>	<u>          </u>	<u>1,955</u>	<u>          </u>	<u>879</u>
<b>2.4 MYC Regatta</b>				
Receipts	8,237		10,188	
<u>Less:</u> Costs	(6,057)		(7,135)	
<b>Surplus on regatta</b>	<u>          </u>	<u>2,180</u>	<u>          </u>	<u>3,053</u>
<b>2.5 Miscellaneous income</b>				
Locker Hire		870		670
Race Fees		30		540
Hire Fees From Club House & Library		317		390
(Deficit) on club self-funding functions		(1,032)		(680)
Yard and visitor fees		1,500		778
Other income		5,091		905
		<u>          </u>		<u>          </u>
		<u>6,776</u>		<u>2,603</u>

# Medway Yacht Club

## Notes to the accounts (continued)

### For the year ended 31 August 2015

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<b>3 Overhead expenses</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Rates	17,242	15,578
Insurance	12,773	11,966
Lighting, heating and sewage	19,322	22,882
Repairs, disposables, maintenance	10,191	10,992
Cleaning and laundry	14,752	17,978
Printing, postage, telephone and stationery	10,503	13,494
Sundry expenses	341	1,302
Assurance and stocktaking fees	2,952	2,184
Legal and professional fees	2,174	2,548
Subscriptions, donations and presentations	2,770	3,252
Sailing scene	877	2,310
Security & marquee hire	3,523	3,096
Bank and credit card charges	2,330	4,019
Other clubhouse costs	237	1,449
Library expenses	-	17
	<hr/>	<hr/>
	<b>99,987</b>	<b>113,067</b>

### 4 Surplus and Funds

	<b>Unrestricted surplus</b>	<b>Develop-ment fund</b>	<b>M. Waights Library fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At the beginning of the year</b>	<b>495,191</b>	<b>48,758</b>	<b>7,454</b>	<b>551,403</b>
Contributions received in the year	-	24,287	-	24,287
Surplus for the year	31,990	-	-	31,990
Bank interest on Fund (net of tax of £30)	-	121	-	121
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At year end</b>	<b>527,181</b>	<b>73,166</b>	<b>7,454</b>	<b>607,801</b>

## Medway Yacht Club

### Notes to the accounts (continued)

#### For the year ended 31 August 2015

##### 5 Fixed assets

	Freehold Land £	Buildings £	Boats £	Moorings £	Shoreside Facilities £	Travel Hoist £	Scrubbing Trolley £	Tractors £	Office Equipm't £	Club Furniture £	Galley Equipm't £	Total £
<b>Cost:</b>												
At 01/09/14	70,000	323,886	113,521	37,060	288,584	126,840	49,975	9,576	15,201	33,737	38,088	1,106,468
Additions	-	5,378	4,185	-	-	-	-	-	324	120	6,773	16,780
Cost of disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31/08/15	70,000	329,264	117,706	37,060	288,584	126,840	49,975	9,576	15,525	33,857	44,861	1,123,248
<b>Depreciation:</b>												
At 01/09/14	-	96,691	106,252	32,641	223,482	38,058	44,214	9,576	13,808	26,718	32,513	623,953
Charge for year	-	8,576	3,373	-	13,900	12,684	3,337	-	778	1,527	2,264	46,439
Eliminated on disp	-	-	-	-	-	-	-	-	-	-	-	-
At 31/08/15	-	105,267	109,625	32,641	237,382	50,742	47,551	9,576	14,586	28,245	34,777	670,392
<b>Net Book Value:</b>												
At 31/08/15	70,000	223,997	8,081	4,419	51,202	76,098	2,424	-	939	5,612	10,084	452,856
At 31/08/14	70,000	227,195	7,269	4,419	65,102	88,782	5,761	-	1,393	7,019	5,575	482,515