

Honorary Treasurer's Report (for the six months ending 31 December 2024)

It is with pleasure that I provide the financial report to members six months ending 31 December 2024.

The club has seen the completion of the new forecourt development. It has made a big difference to the front of the club. The disruption to the club saw a decrease in restaurant and function revenue whilst works had been progressing. Once open we have seen record revenue in the restaurant and improving function performance. The total investment was \$1.121k. Thanks to all involved in the process to make it a great success.

The operating surplus of \$157k is better than last year's \$200k because of 2 abnormal expenses being recorded in this period. \$30k deposit for the 150th ball and \$27k of marina rent that had previously been posted into amortisation. Therefore, the actual comparison would be an improvement of \$14k.

Solid return from all sections of the club.

Minimum wage increase and extra staffing in the sailing office saw employment expenses increased by 3.3%.

Repairs and maintenance saw an increase of 37.6%. Plenty of maintenance going on at the club.

With a reduced depreciation and amortisation, the club seen a reduction in the net deficit of \$135k to \$145k

Statement of Profit or Loss and Other Comprehensive Income

	HY 25	HY 24	Variance
	000's	000's	
Members subscription income	521	500	4.2%
Marina, hardstand and boat storage income	835	707	18.1%
Bar and catering sales	1,584	1,674	-5.4%
Franchise income	21	14	49.3%
Sailing income	146	122	20.3%
Donations, grants & sponsorship income	1	0	123.0%
Other income	47	54	-12.9%
Total revenue	3,155	3,071	2.7%
Bar and catering cost of goods sold	621	682	-9.0%
Employee and contractor expense	1,502	1,453	3.3%
Property expenses	228	206	11.1%
Repairs, maintenance and equipment	176	128	37.6%
Sailing expenses	69	60	14.5%
Administration and other expenses	402	342	17.7%
Total expenses	2,998	2,871	4.4%

Operating surplus before interest, depreciation & amortisation	157	200	-21.5%
Depreciation and amortisation	291	484	-39.9%
Operating deficit before interest	(134)	(284)	-52.9%
Interest income	6	28	-79.1%
Interest expense	17	24	-29.7%
Net finance costs	11	(4)	-375.0%
Net surplus/(deficit) from continuing operations	(145)	(280)	-48.3%

Bar & Catering

The 4 point plan to turn the bar & catering performance around

- COS – menu redesign & focus on wastage. ✓
- Rostering – focus on better planning month to month – reports detailing employment targets based on monthly data. ✓
- Marketing – campaign of localised marketing to Brighton and surrounding suburbs to increase patrons using both the restaurant & function area. ✓
- Functions - improve number and profitability of functions.

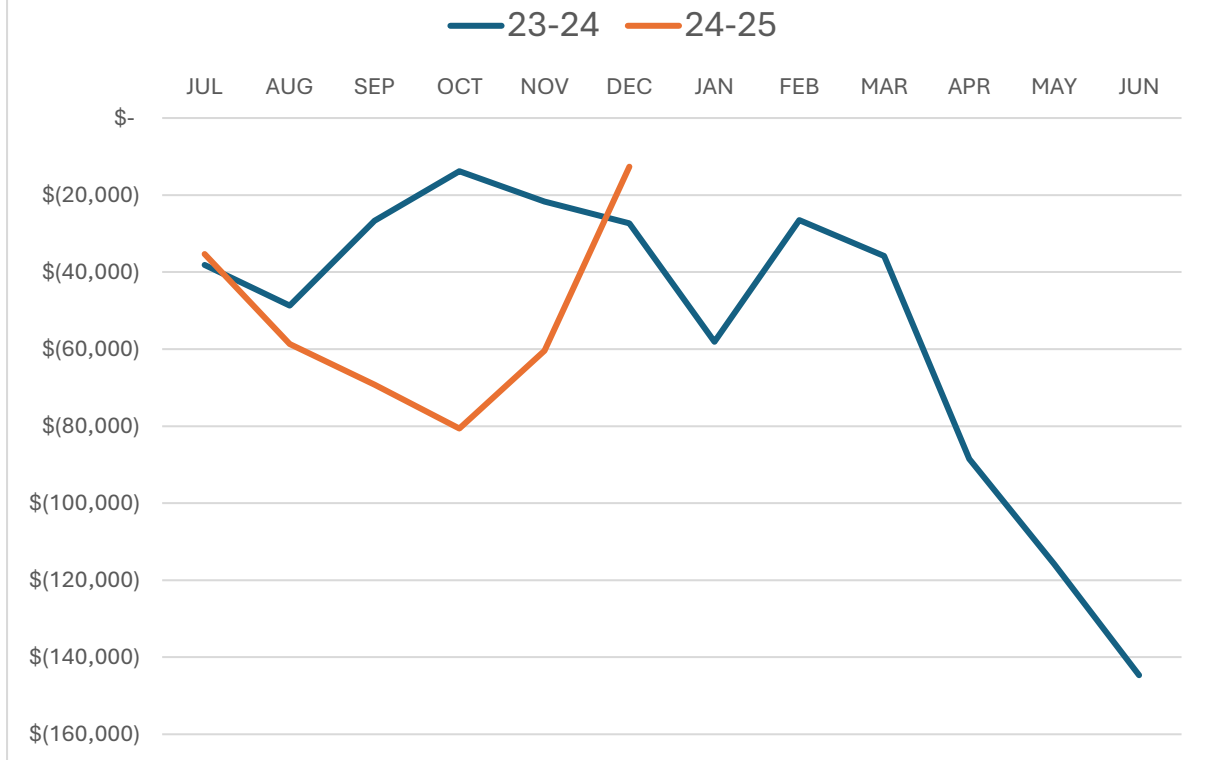
The forecourt development impacted the clubs catering from July to October. After works had finished the restaurant had record months. The new development has definitely made the front of the club much friendlier and it looks fantastic.

Revenue was down 5.4%. Cost of goods was down 9%. Focused roasting saw a decrease in wages. The end figure of a \$100k loss for the half year does not tell the full story.

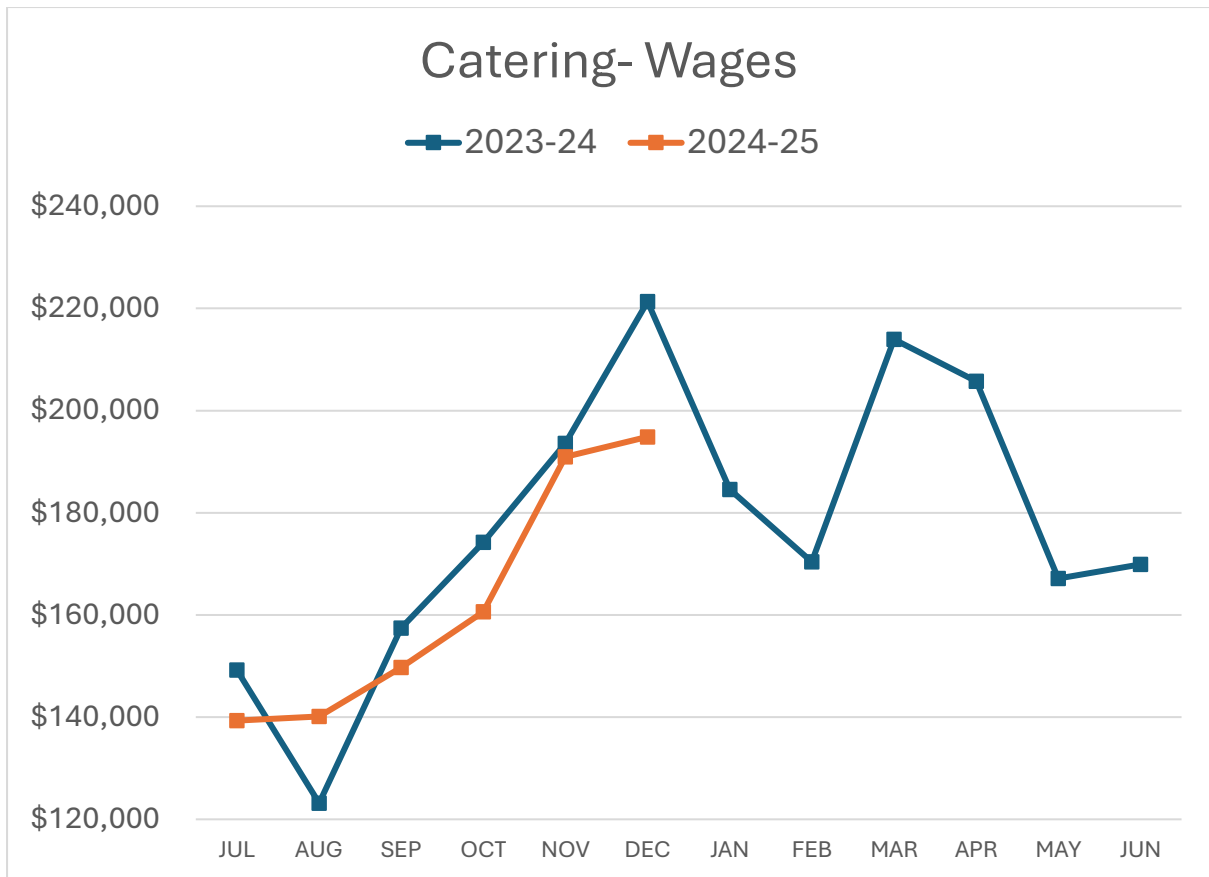
Looking at the catering P/L comparison, note that September & October performance impacted by the forecourt works. November & December had amazing months with record revenue, low COS and controlled wages. The club is looking forward to the continued improvement in these results.

Gross Profit – Bar & Catering Six months ended 31st December 2024	HY25 \$'000	HY24 \$'000	HY23 \$'000
Club Bar & Catering Income	1,178	1,267	1,185
Private function Income	406	407	397
Cost of Goods Sold	621	679	563
Direct Cost Inc. Staff	1,063	1,094	1,005
Gross Profit	(100)	(99)	14

Catering - P/L comparison



This graph compares revenue – cost of sales – catering wages. It is intended to compare year on year performance looking at the main drivers of the catering business.



The bar & catering is a vital service to all members, something new members have mentioned when applying to join the club. It offers a welcome ambience to the club with many members and the public enjoying the offerings. As noted in our membership survey conducted in this financial year, it is an important hub for members to engage, enjoy and be part of the club.

Marina & Hardstand, Membership and sailing

The marina revenue is steady. Marina and hardstand occupancy has maintained last year's levels.

Membership is again stronger than the same time a year ago. At the end of December 2024, the Club had 1667 members compared to the previous period in 2023 of 1641. Full details of all the categories can be found in the membership report.

Sailing & OTB income has increased by \$18k for the six-month period. Regatta's and sailing training programs have driven this.

Capital Expenditure

Capital expenditure for the period totalled \$916k. Significant expenditure on the forecourt development.

Dredging works	\$24k
Other Plant & Equipment	\$31k
Forecourt works	<u>\$861k</u>
	\$916k

Forecourt summary total costs for project

A summary of what the total costs for the project are provided below.

Type of work	Cost
Builder	\$989,777
Engineering/Architect/PM/Surveying	\$70,132
Other Infrastructure	\$25,576
Permits	\$13,465
Services work	\$22,281
Grand Total	\$1,121,231

Cash Flows & Financial Position

Cash and cash equivalents at 31st December 2024 was \$395,219.33 down \$706,057.16 from 30st June 2024. The drop in cash was due to paying for the forecourt development.

The loan for the restaurant and deck has been completed during this period.

Summary

The club has continued to invest in members' services. We have seen the high inflation of the last few years slow, with costs increasing at more reasonable rate, and a steady improvement in revenue.

The forecourt driveway has created a much friendlier frontage to the club. Members and guests have a driveway to drop off and pick up from. Taxis should now be able to find their fare. The front has a greater light allowing all to enjoy and be welcomed in the friendly RBYC manner.

Improvements in the catering section of the club will help improve future operating surpluses and is important as it provides a vital social hub for members to engage, enjoy and be part of the club.

I want to thank all members, management and staff for making the club a fantastic place to be a member. Thanks also to the Finance Committee comprising Commodore Peter Demura, Murray Cowdell, Keith Badger, Andrew Holmes and Phil Hall.

Brett Heath - Honorary Treasurer