



Annual Report and Accounts 2018

The one hundred and fifty third **Annual General Meeting** will be held at the Club House at 1830 hours on **Saturday 13th April 2019** for the purposes of considering the **Report of the General Committee** and the **Accounts** for the year ended 31st December 2018 and transacting the business detailed in the **Agenda** enclosed.

OFFICERS AND OFFICIALS (December 2018)

Admiral

H.R.H. The Prince Philip, Duke of Edinburgh K.G., K.T., G.B.E.

President:

Mike Moody

Commodore:

Norman Doidge

Vice Commodore:

Richard Haycock

Rear Commodores:

Michael Webster (Sailing)

Peter Forey (House)

Hon Secretary:

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Hon Treasurer:

Nick Woodward

Hon Legal Adviser:

Lisa Thompson

General Committee:

Commodore, Vice Commodore, Rear Commodores, Hon Secretary,
Hon Treasurer, Mike Brown, Liz Canham

The following are co-opted: Peter Boote, Tricia Daniels, Peter Osborne

Office

Tel. (01803) 752496

Royal Dart Yacht Club

The Commodore's Annual Report to the Members for 2018

2018 has certainly been an eventful year for the club.

We started the year expecting a relatively stable time inherited from the previous success of 2016 and 2017 but were suddenly hit by a greater than expected fall in membership renewals, with a 13% loss rather than the usual 8%. This represented 120 fewer members and £10,000 loss of income. With sailing thriving this was a bit of a surprise but we realised that it was the poor appeal of the catering and social side which meant many people saw little reason to continue their membership. The search for a new chef was a top priority and when Richard Haycock took over the reins of the bar and catering committee the reasons behind this became apparent and some previously rejected applications were reviewed and we have all tasted the result. Hayden has exceeded our expectations and coupled with active management of the social programme in conjunction with the food driving it, we have, since late June at least seen great support for Friday evenings on the terrace and a renewed interest in staying for supper after racing. Also, after a cold long winter it is perhaps easy to forget how lucky we were with the weather in 2018.

Membership and Members Services

The renewal figures have shown that the hemorrhage of members has stopped, and it is up to us all to help to now reverse that trend and see numbers climb again. My thanks to Liz Canham as membership secretary and Melinda and Suzanne in the office who have overseen the process. It is also up to all of us to use the club, particularly at quiet times. We hope to expand the range of services: a coffee stop in the morning, a light snack at lunchtime, regular Sunday lunches. However, keeping to budget and at least breaking even in 2019 will be a challenge. Building on the improvements while increasing our efficiency and use of club facilities by members and increasing membership numbers will need to be coupled with tight budgetary control this year.

Financial Position

But a few months of summer are not enough to carry the whole year and financially it has not yet been the financial success it needs to be. With staff costs temporarily high, coupled with a number of other factors the accounts for this year do show clearly unsustainable losses. The excess of expenditure over income has been £79,000 of which around £30,000 will actually be spent in 2019. Staff costs represent the largest share of the rest and include substantial one-off costs that will not be repeated. Current assets excluding fixed assets although reduced are still a healthy £173,000.

We could have made it look better, or we could have spent less. Making it look better by putting the cost of the new IT system (around £15000) into 2019. Spend less by hanging on to the old IT system until it fails completely and leaves us without the ability to run the club properly. We could have reduced the staff budget by running fewer and smaller events, just when the demand was rising and the value of being a member was becoming worthwhile.

Instead we have persisted with the restructuring of the catering operation, very successfully according to the feedback we have received, and intend to see through the new IT system introducing much of the new functionality you would expect of a modern organisation, as well as securing the database and providing a modern showcase for the club on the internet.

Premises Improvement

We could have deferred the improvements to the kitchen, keeping the inefficient layout incurring additional staffing needs and limiting the numbers we can cater for. We have instead replaced very old equipment with new modern flexible and reliable ovens, rationalised the previously rather ad-hoc cold storage facilities and look forward to better service and lower staff costs.

Apart from final completion of the Quarterdeck, the kitchen improvements and some low cost but effective redecoration in the bar, other major projects have been put on hold and will remain so until we can be sure of adequately financing the improvements. More extensive changes to the bar and Cadet Room to improve the vista onto the terrace and over the water are ambitious and will require detailed planning, evaluation and costing. Development of the cottage into changing rooms with some accommodation above will require innovative funding methods and so is a longer-term aim. My particular thanks go to Peter Forey who has managed all these developments and to Peter Fairhurst, whose invaluable knowledge of the building goes back over many years.

Special Interest Groups and Junior Sailing

On the sailing front we have seen full and varied programmes from Ladies Afloat and Boys in Boats with a smaller but much valued Cruising programme, and I thank all the organisers of those groups for their efforts. Junior Sailing, with the financial backing of the RDYST have run not just the 13 week Junior Sailing Programme and the July Junior Sailing Week, but two schools' weeks for local primary schools, a School's Challenge Week for Dartmouth Academy, Summer evening Racing and end of season Regatta. My thanks go to all the many Ladies who have jointly run the LA programme, Kit Noble and his huge team who run Junior Sailing, and Jacky Nield who has shepherded the cruising programme along.

RDYST

The Royal Dart Youth Sailing Trust has enjoyed a splendid year of fundraising with an especially successful Auction of Promises which along with grants and donations from Sport England, Rockfish and others enabled it to finance the six RS Quest dinghies which have played a vital role in delivering the youth sailing programme here on the Dart. I would like to thank the Trustees for their diligent and hard work in developing the trust in so short a time into an efficient support for youth sailing in South Devon, of which RDYC is the main but not the only beneficiary. Special thanks must go to Ian McClelland who took over as Chairman of Trustee and to his predecessor, Nicky Lee for her expertise.

Racing

The Racing Programme was considerably expanded to include not only the ever popular Wednesday evening racing, but a Friday evening series of 16 races (a modest success) and a

Frostbite Series (with a small but hardy band of supporters). The five weekend race coastal series were well supported as was the Autumn Saturday series. JOG Week when we entertained 30 yachts mainly from the Solent and several local boats to a week of mixed round the cans and offshore racing, was an outstanding success on and off the water for the club and competitors alike. We were the finish venue for the RORC Morgan Cup and the hosts for the Biennial Dartmouth Classics. The good weather did go hand in hand with light winds for most events. Judicious race management enabled most races to get a result. Actually, light weather suits some of us. Our thanks are due to the many people who have helped the club develop the quality and range of sailing offered, so that the club is becoming recognised nationally as a centre of sailing excellence. I would like to thank individually, but on your behalf, Mike Mackie as Racing Secretary, Mike Webster as Rear Commodore Sailing and Richard Stevens for his advice on Race Office matters.

Club Officers

My decision not to offer myself as a candidate for Commodore for a second year has a number of roots. Perhaps the prime one is the immense amount of time the role has required over the past year, but also the fact that Richard Haycock is able to give the club his management expertise at a time when change is particularly critical in the club and has the potential for transformation of the club to meet the needs of both present and future members. The new General Committee will start the year at full strength enabling the work to be shared. I am grateful to all those members who are prepared to serve the club in this role and for those who support the many teams who run so many aspects of the club.

Looking Forward

After a year of major changes the club is set for an increase in activity and in revenue which will enable us to move forward in providing better value to all our members and enhancing everyone's experience both on and off the water.

After a total of 8 years on the GC in various roles, having seen major change which has at times been painful as well as rewarding, I look forward to having a hand more often on the tiller in a different sense in this coming year.

Norman Doidge (Commodore)

Royal Dart Yacht Club

Income and Expenditure Account for the Year ended 31st December 2018

	Notes	2018		2017	
		£	£	£	£
INCOME					
Membership					
Entrance Fees			2,500		2,200
Subscriptions			151,376		162,121
Moorings & Storage			36,545		38,528
			<u>190,421</u>		<u>202,849</u>
Bar & Catering income (net)	2		-44,412		-5,470
Junior Sailing and Dinghies	3		4,063		4,951
Training	4		432		1,106
Other income	5		5,526		7,691
Interest Receivable			27		230
Total Income			<u>156,057</u>		<u>211,357</u>
EXPENDITURE					
Premises					
Repairs and maintenance		27,421		42,188	
Marquee costs		1,500		1,556	
Utilities		22,150		21,297	
			51,071		65,041
Moorings, pontoons & launches					
Bosun general duties		2,407		2,203	
Moorings and harbour dues		23,773		23,891	
Pontoons		3,449		4,823	
Launches		10,300		8,278	
			39,929		39,195
Sailing					
Racing		2,626		3,549	
Special interest groups	6	89		150	
			2,715		3,699
Members services					
Masthead	7	3,385		2,883	
Regatta expenses		1,930		2,115	
Functions & hospitality		1,977		2,062	
Publications & periodicals		598		541	
Advertising facilities		1,726		803	
Other		429		546	
			10,045		8,950
Administration					
Staff costs	8	32,200		26,130	
Office running costs	9	38,470		14,025	
			70,670		40,155
Insurance					
			11,247		9,930
Finance & legal					
	10		15,001		8,678
Depreciation					
			23,466		23,195
Loss on sale of fixed assets					
			1,683		-938
Corporation tax					
			5		44
Irrecoverable VAT					
	11		9,317		12,967
Total Expenditure			<u>235,149</u>		<u>210,916</u>
(DEFICIT)/EXCESS OF INCOME OVER EXPENDITURE			<u>-£79,092</u>		<u>£441</u>

Royal Dart Yacht Club
Balance Sheet at 31st December 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	12		272,402		280,828
CURRENT ASSETS					
Stocks		10,979		9,977	
Debtors	13	3,224		4,752	
Bank - current accounts		56,267		62,507	
Bank - deposits and bonds	14	236,383		266,382	
Cash in hand		<u>4,038</u>		<u>2,027</u>	
		310,891		345,645	
CREDITORS					
Amounts falling due within one year	15	<u>137,892</u>		<u>101,980</u>	
NET CURRENT ASSETS			<u>172,999</u>		<u>243,665</u>
TOTAL NET ASSETS			<u><u>£445,401</u></u>		<u><u>£524,493</u></u>
FUNDS EMPLOYED					
Members funds brought forward			524,493		524,052
(Deficit)/Surplus for the year			<u>-79,092</u>		<u>441</u>
TOTAL MEMBERS FUNDS			<u><u>£445,401</u></u>		<u><u>£524,493</u></u>

N. Doidge, Commodore

R Haycock, Vice Commodore

REPORT OF THE EXAMINING COMMITTEE TO THE MEMBERS

We have examined the accounts of the Club and obtained such further information and explanations as we required. We confirm that no material matters have come to our attention that give us cause to believe that in any material respect (i) accounting records were not properly kept or (ii) the accounts do not accord with those records. We also confirm no matters have been observed to which we consider attention should be drawn in order to allow a proper understanding of the accounts.

A Paramore, A Lee and A Cole
 10th February 2018

Royal Dart Yacht Club

Notes to the Financial Statements for the year ended 31st December 2018

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Tangible fixed assets

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

Premises	Additions since 2000 are written off over 50 years
Pontoons	Over 20 years
Furniture, fixtures & fittings	Over 10 years
Kitchen equipment	Over 7 years
Other equipment	Over 5 years
Launches	Over 7 years
Dinghies	Over 5 years

Allocation of Overheads

Directly related expenditure has been allocated to the relevant trading or special interest group activity. There has been no allocation of premises costs, harbour dues, launch and dinghy costs, depreciation, salaries, other general overheads or the irrecoverable VAT.

2 BAR & CATERING INCOME

	2018		2017	
	£	£	£	£
Bar income	102,119		78,972	
Less direct costs	<u>41,854</u>		<u>32,290</u>	
Gross profit		60,265		46,682
Catering income	92,202		62,446	
Less direct costs including contract caterers	<u>51,518</u>		<u>27,728</u>	
Gross profit		40,684		34,718
Total contribution		<u>100,949</u>		<u>81,400</u>
Indirect costs	14,868		8,972	
Staff wages	103,060		77,898	
Staff termination cost	<u>27,433</u>		<u>0</u>	
		145,361		86,870
Net deficit on bar and catering		<u><u>-44,412</u></u>		<u><u>-5,470</u></u>

3 JUNIOR SAILING AND DINGHIES

	2018		2017	
	£	£	£	£
Income				
Junior training	6,880		10,265	
Junior Sailing Week	<u>7,367</u>		<u>9,017</u>	
		14,247		19,282
Expenses		10,184		14,331
Surplus		<u><u>4,063</u></u>		<u><u>4,951</u></u>

4 TRAINING

	2018		2017	
	£	£	£	£
Income	4,023		5,205	
Less expenses	<u>3,591</u>		<u>4,099</u>	
		<u><u>432</u></u>		<u><u>1,106</u></u>

5 OTHER INCOME

	2018		2017	
	£	£	£	£
Sailing events	918		274	
Merchandise sales (net)	-489		332	
Members cards	-219		146	
Cottage rent	5,183		6,000	
Other	<u>133</u>		<u>939</u>	
		<u><u>5,526</u></u>		<u><u>7,691</u></u>

6 SPECIAL INTEREST GROUPS

	2018		2017	
	£	£	£	£
Cruising	12		32	
Boys in Boats/Other	135		50	
Ladies Afloat	<u>-58</u>		<u>68</u>	
		<u><u>89</u></u>		<u><u>150</u></u>

Royal Dart Yacht Club

Notes to the Financial Statements for the year ended 31st December 2018

	2018	2017
	£	£
7 MASTHEAD		
Income	2,425	3,851
Less expenses	<u>5,810</u>	<u>6,734</u>
	<u><u>3,385</u></u>	<u><u>2,883</u></u>
8 STAFF COSTS		
	2018	2017
	£	£
Secretarial	26,748	24,948
Staff advertising and recruitment commission	4,265	462
Travel & other	<u>1,187</u>	<u>720</u>
	<u><u>32,200</u></u>	<u><u>26,130</u></u>
9 OFFICE RUNNING COSTS		
	2018	2017
	£	£
IT support & software	2,809	2,653
Rebranding and new website and membership system	23,466	0
Club licences	1,014	535
Miscellaneous expenses	293	580
Officers' expenses	449	10
Postage	2,660	2,609
Printing & stationery	2,507	3,839
RYA & other subscriptions	865	816
Telephone & internet	<u>4,407</u>	<u>2,983</u>
	<u><u>38,470</u></u>	<u><u>14,025</u></u>
10 FINANCE & LEGAL		
	2018	2017
	£	£
Bank & credit card charges	4,496	3,163
Accountancy	7,980	4,990
Legal	<u>2,525</u>	<u>525</u>
	<u><u>15,001</u></u>	<u><u>8,678</u></u>

11 IRRECOVERABLE VAT

Irrecoverable VAT includes an estimated amount of VAT which would not be reclaimable should the Club's exempt input tax under the partial exemption rules be more than the de minimus allowed for the year to 31 March 2019 (currently £7,500).

The net charge in 2018 of £9,317 is the charge which is calculated will be payable for the nine months to 31 December 2018 £6,159 plus the amount unrecoverable for the year to 31 March 2018 of £3,158.

12 TANGIBLE FIXED ASSETS

	Premises	Furniture, fixtures & equipment	Launches, dinghies & pontoons	Total
	£	£	£	£
COST OR VALUATION				
At 31st December 2017	248,345	172,049	195,255	615,649
Additions	0	16,298	0	16,298
Disposals	0	14,530	9,964	24,494
At 31st December 2018	<u>248,345</u>	<u>173,817</u>	<u>185,291</u>	<u>607,453</u>
DEPRECIATION				
At 31st December 2017	46,854	145,278	142,689	334,821
Charge for the period	2,882	11,135	9,449	23,466
Disposals	0	13,272	9,964	23,236
At 31st December 2018	<u>49,736</u>	<u>143,141</u>	<u>142,174</u>	<u>335,051</u>
NET BOOK VALUE				
At 31st December 2017	<u>201,491</u>	<u>26,771</u>	<u>52,566</u>	<u>280,828</u>
At 31st December 2018	<u><u>198,609</u></u>	<u><u>30,676</u></u>	<u><u>43,117</u></u>	<u><u>272,402</u></u>

13 DEBTORS

	2018	2017
	£	£
Other debtors	748	2,594
Prepayments	<u>2,476</u>	<u>2,158</u>
	<u><u>3,224</u></u>	<u><u>4,752</u></u>

14 BANK DEPOSITS & BONDS

	2018	2017
	£	£
Interest rate at year end		
NatWest bonus saver account	0.01%	1,064
NatWest business reserve	0.01%	319
Scottish Widows 7 day account	0.01%	235,000
	<u>236,383</u>	<u>266,382</u>

Royal Dart Yacht Club**Notes to the Financial Statements for the year ended 31st December 2018****15 CREDITORS**

Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	7,444	6,290
Prepaid subscriptions and moorings	56,107	42,159
Bonds to be repaid	1,380	1,380
Value Added Tax	5,548	2,464
PAYE & NIC	2,925	233
Sundry creditors	23,336	27,292
Accruals	41,152	22,162
	<u>137,892</u>	<u>101,980</u>

RECIPROCAL CLUBS

The Club has reciprocal arrangements with the Clubs listed below.
When members visit these Clubs, it is suggested that they present
their Membership cards.

Aberdeen Boat Club, Hong Kong
Bruxelles Royal Yacht Club
Changi Sailing Club
Howth Yacht Club, Ireland
Penang Yacht Club
Republic of Singapore Yacht Club
Royal Brighton Yacht Club, Australia
Royal Canadian Yacht Club
Royal Cape Yacht Club, South Africa
Royal Cork Yacht Club
Royal Cornwall Yacht Club
Royal Dorset Yacht Club
Royal Fowey Yacht Club
Royal Hong Kong Yacht Club
Royal Lymington Yacht Club
Royal Melbourne Yacht Squadron, Australia
Royal Motor Yacht Club
Royal Naval & Royal Albert Yacht Club
Royal Norfolk and Suffolk Yacht Club
Royal Northern & Clyde Yacht Club
Royal Port Nicholson Yacht Club, New Zealand
Royal Solent Yacht Club
Royal Southampton Yacht Club
Royal Southern Yacht Club
Royal Thames Yacht Club
Royal Western Yacht Club
Royal Prince Alfred Yacht Club, Newport Australia
Royal Varuna Yacht Club, Thailand
Sandringham Yacht Club, Australia
Seattle Yacht Club, USA
The World Yacht Club