

2019 AGM

REYC 2019 12 YEAR FINANCIAL PLAN

	Actual 2017	Actual 2018	Budget 2019	Forecast 1 2020	Forecast 2 2021	Forecast 3 2022	Forecast 4 2023	Forecast 5 2024	Forecast 6 2025	Forecast 7 2026	Forecast 8 2027	Forecast 9 2028	Forecast 10 2029	Forecast 11 2030	Forecast 12 2031	Notes
INCOME																
Main GPF																
RE Sports & Games Grant	14,000	14,000	14,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	2
Interest (Hulls Fund and Townsend Trust)	299	193	-	575.50	458	584	616	682	771	559	649	716	756	874	529	3
Membership Subs (including Chatham Branch)	13,585	13,740	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	4
Blue Ensign Permits	110	40	75	75	75	75	75	75	75	75	75	75	75	75	75	5
Inshore																
Welfare Grant (Nuffield)	-	5,400		5,400		5,400		5,400		5,400		5,400		5,400	-	6
Board/Dinghy Charter Income	-															7
Hulls Fund																
Hulls Fund Donations (including Chatham Branch)	4,634	4,879	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	8
Gift Aid on Donations	-	-	1,577	650	650	650	650	650	650	650	650	650	650	650	650	9
10% Yacht Charter contribution	5,025	2,478	2,456	1,917	2,244	2,244	2,244	2,244	1,922	2,267	2,267	2,267	2,267	1,794	2,267	10
Income from Boat Sale	230			65,194					35,000						25,000	11, 12
Nuffield Trust Grant	10,000		10,000	25,000	10,000			10,000	25,000	10,000			10,000	25,000	10,000	13
H&M Trust Fund																
H&M Trust Grant	2,635	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	14
Offshore																
Ilex - Charter Income (less 10%)	6,705	5,175	5,900	-	5,900	5,900	5,900	5,900	7,350	5,900	5,900	5,900	5,900	8,025	5,900	15
Right Royal - Charter Income (less 10%)	5,679	6,035	5,800	7,275	5,800	5,800	5,800	5,800	-	6,000	6,000	6,000	6,000	8,125	6,000	15
Hebe - Charter Income (less 10%)	2,102	1,755	1,900												-	15
Trojan - Charter Income (less 10%)	7,848	9,338	8,500	9,975	8,500	8,500	8,500	8,500	9,950	8,500	8,500	8,500	8,500		8,500	15
Sports Grant (Army Welfare)			4,000		4,000		4,000		4,000		4,000		4,000		4,000	16
Other Income (Oilskins + Adjustments)	742	1,994	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	
Chatham																
Bank Interest	-	22		100	100	100	100	100	100	100	100	100	100	100	100	
Mooring Fees (less Membership Subs and Hulls Fund)	9,520	8,756	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	
Regions																
Lymington		100														
Total Income	83,113	76,404	85,658	163,611	85,178	76,703	75,336	86,801	132,268	86,901	75,590	77,057	85,698	122,493	81,471	

Notes:

- Forecast at constant prices.
- Request for an increase in 2019 from £14K to £16K on the basis of additional CIO governance costs (Accountancy support from Corps Treasurer) rejected by RE Sports and Entertainment Board on the basis of the presented membership evidence, perceived officer imbalance in usage and the Board's concern over the Club's 4-hull strategy. Bid to be resubmitted in 2019 and if successful receipt will commence in FY 2020.
- Consolidation of accounts means all funds now held in non-interest bearing current account. Zero receipt assumed for 2019. Options to be reviewed in 2019 with Corps Treasurer. For 2020 onwards have assumed income stream of 0.5% of cash balance held at the start of the financial year. It would be hoped that this can be bettered.
- Membership Subs income based on stable membership numbers as evidenced by last 5 years with no increase forecast. Time value of money will require an increase in the near future noting the last increase was applied in 2011 (+£5). New rates to be proposed at an AGM after Mar 19.
- Average annual receipt value over last 5 years.
- Two year windsurfing refresh plan. Supported by minor biennial grant supplied by Nuffield Trust.
- Main Committee has recommended no charter charges for use of Club Boards and Dinghies – to be reviewed annually.
- Hulls Fund income based on stable membership numbers and 2018 level of donations.
- No claim completed in 2018 and claim for FY17/18 not yet received. Should be £910.75 for FY17/18 (covering all backdated) and £586.25 for FY18/19 plus Chatham branch at £80. Action on Hon Treasurer to close out. Thereafter the forecast is based on £650 annually received 1-year in arrears.
- 10% of Yacht charter income is assigned annually to the Hulls fund. Charter usage and income has been broadly stable at £25K/annum for last few years. Forecast reflects yacht replacement programme on 5 year cycle.
- 2020 income based on sale of Ilex and Hebe iaw Hulls Strategy Paper recommendation. Income of £35,330 and £29,864 respectively is based on the current market valuation of hulls (provided by X Yacht and Neil Thompson Boats) and is as reflected in Asset Register and Club BS fixed asset values. Value shown is net of assumed agent sale fees (based on that paid for the 2014 sale of Ragna and agent advised).
- Presentationally the boat sale income is shown for 2025 against the sale of Right Royal (at 13 years age) and 2030 against Trojan (at 23 Years age of which 15 will have been with the REYC). The decision on future yacht sale/ purchase will be subject to Main Committee investigation and Member agreement vice the ongoing performance, residual value and suitability of individual hulls. Whilst their assessed value is currently £62,500 and £66,000 respectively, £35K and £25K has been used to more closely reflect what they may be worth at the point of sale.
- ASA Offshore Hulls Plan 2011-2022 (that administers the allocation of Nuffield Trust funds to ASYCs) has a refit grant of £10k in 2019 for Trojan, £25K in 2020 to assist with the purchase of a new hull (assumed to be Ilex replacement) and £10k in 2021 for a refit of Hebe (could equally be Right Royal). Historically the Club has benefited from a 3 in 5 cycle, covering two refit grants and a purchase grant. Whilst the ASA plan has yet to be refreshed, the forward forecast reflects this 5 year grant cycle.
- Annual income as disbursed by the Trust.
- Charter income set to two year rolling average for each hull for 2019. Thereafter forward forecast reflects zero income in year that hull is sold. Shown as Ilex in 2020 but this dependent on offshore review of hulls strategy. Hebe assumed to be sold in 2020 after 2019 season iaw Hulls Strategy paper. In the year that a hull is sold, 50% of 'lost' charter fee is assumed to be transferred as increased activity across the other 2 serving hulls.
- Use of the Army Welfare Sports grant has fallen into abeyance in recent years. Offshore to target for safety equipment refresh on biennial basis.

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EXPENDITURE	Actual 2017	Actual 2018	Budget 2019	Forecast 1 2020	Forecast 2 2021	Forecast 3 2022	Forecast 4 2023	Forecast 5 2024	Forecast 6 2025	Forecast 7 2026	Forecast 8 2027	Forecast 9 2028	Forecast 10 2029	Forecast 11 2030	Forecast 12 2031	Notes	
Main GPF																	
REYC Dinner	266	1,078	1,600	600	1,000	600	1,000	600	1,000	600	1,000	600	1,000	600	1,000	17	
Lymington Meet	280	224	252	300	300	300	300	300	300	300	300	300	300	300	300		
Ilex Trophy			350	350	350	350	350	350	350	350	350	350	350	350	350	18	
Insurance	3,066	5,917	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	19	
ASA Affiliation Fees	576	576	580	580	580	580	580	580	580	580	580	580	580	580	580		
Committee Expenses	1,220	957	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000		
Trophies/Flags/Engraving	111	92	100	100	100	100	100	100	100	100	100	100	100	100	100		
Year Book	1,173	1,180	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186		
Stationary & Postage	622		1,400	700	700	700	700	700	700	700	700	700	700	700	700	20	
Bank Charges and Accountancy Support	64	63	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	3,365	21	
RYA and MCA Fees	101	395	248	250	250	250	250	250	250	250	250	250	250	250	250		
Website Expenses	76		85	565	565	565	565	565	565	565	565	565	565	565	565	22	
Presentations	90		150	150	150	150	150	150	150	150	150	150	150	150	150		
Inshore																	
REYC Windsurfing Champs		-	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100		
New Boards and Rigs		7,200		7,200		7,200		7,200		7,200		7,200		7,200		6	
New Dinghy Purchase			24,000													23	
Equipment Maintenance	160	80	500	500	500	500	500	500	500	500	500	500	500	500	500		
Hulls Fund																	
Yacht Sale Costs					5,000				2,500					2,500		24	
Hull Purchase				130,000					110,000					120,000		25	
H&M Trust Fund																	
Grant Disbursement	3,056	1,590	3,310	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	14	
Offshore																	
Trojan - Planned Maintenance	12,934	2,723	6,223	12,708	9,474	13,989	9,612	8,800	8,800	8,800	8,800	8,800	8,800	8,800	8,800	26	
Ilex - Planned Maintenance	19,986	120	7,765	7,265	3,200	4,408	5,677	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	26	
Right Royal - Planned Maintenance	4,462	147	4,256	3,650	4,260	1,804	3,816	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	26	
Hebe - Planned Maintenance	5,667	1,610	3,638														
Contingency - Reactive Maint	9,271	5,340	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	27	
General Maint		1,130	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	27	
Certification and Inspection		853	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	27	
Engine servicing, antifouling etc.		1,035	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	27	
Lift & Cradle costs		1,075	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	27	
Moorings Fees	6,025	-	6,025	3,013	4,519	4,519	4,519	4,519	4,519	4,519	4,519	4,519	4,519	4,519	4,519	28	
Race Fees	460	-	500	500	500	500	500	500	500	500	500	500	500	500	500	29	
Chatham																	
Medway Yacht Club Sail Training (cost share with RSME)	1,524	2,950	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	30	
Moorings Maintenance (Kent Marine)	-	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	31	
Crown Estates	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	31	
Port of Sheerness	3,998	914	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	31	
Peel Ports Conservancy	870	381	350	350	350	350	350	350	350	350	350	350	350	350	350	31	
Chatham Historic Dockyard Shore Facilities	360	360	360	360	360	360	360	360	360	360	360	360	360	360	360	31	
Moorings Manager Expenses	239		150	150	150	150	150	150	150	150	150	150	150	150	150	31	
Insurance (Moorings)	553																
Sundry Costs	213	558	386	386	386	386	386	386	386	386	386	386	386	386	386	31	
Mary Cup	225	180	200	200	200	200	200	200	200	200	200	200	200	200	200	31	
Total Expenditure	79,245	44,577	92,229	207,078	60,095	70,161	62,267	68,961	174,661	68,961	62,161	68,961	62,161	191,461	62,161		
Excess of Income over Expenditure	3,868	31,827	-	43,467	25,083	6,542	13,069	17,840	-	42,393	17,940	13,430	8,097	23,537	-	68,967	19,310
Cash Balance (Period ending)		141,672	135,100	91,633	116,716	123,258	136,327	154,167	111,775	129,714	143,144	151,241	174,778	105,810	125,120		
Discount Factor (MOD Discount Factor - 3.5%)			1,000	0.966	0.934	0.902	0.871	0.842	0.814	0.786	0.759	0.734	0.709	0.685	0.661		
Total Expenditure (NPV)	79,245	44,577	92,229	214,367	64,341	77,784	71,489	81,901	214,571	87,736	81,898	93,952	87,674	279,505	94,037		
Excess of Income	3,868	31,827	-	50,755	20,836	1,081	3,847	4,900	-	82,303	-	836	-	6,308	-	16,895	-
Cash Balance (Period ending)		141,672	135,100	84,345	105,181	104,100	107,947	112,847	30,544	29,708	23,400	6,506	4,530	-	152,481	-	165,048

Notes:

17. This assumes formal dinner on alternate years
18. Not run in 2017 or 2018. Aspiration remains to run annually.
19. Increase in insurance provision reflects 2018 work to review and update Club provision against identified gaps in cover.
20. Foreshortened accounting period and move of REYC Lloyds account meant that payment was not made in the 2018 accounting period. 2019 payment will redress this. Thereafter assumed at £700 per annum.
21. Accountancy support from the Corps HQ is to be provided initially on the basis of 7.5 hrs/month at £20/hr - total £1,800/annum; Audit costs with Crest and Reid, the Corps Auditors, based on comparable accounts currently held by the Corps, will be approximately £1,500/annum. Bank Charges are based on historic costs at £65 per annum.
22. Current costs provide for website hosting only. Future work has commenced to look at a more digital approach to membership - both the RNSA and RAYC use a system that can facilitate charter yacht booking and other membership management systems. Said system also enables online payment solutions (paperless direct debit/credit/debit card) for Annual subscriptions and dues alongside charter and event payment. An initial approach has offered that the cost of such a system (if adopted) would be circa 10p per member per month. Forward forecast from 2020 reflects this level of service. Main Committee investigation to continue through 2019.
23. Intent to purchase 2 x New Laser 2000 with full rigging, toe straps and ropes, incl 1 sets of training sails (£9980), 1 set of racing sails (£595), Breathable Top Cover (£248), Rudder Bag (£39), Launching Trolley (£455), Combi Road Trailer Base (£745), Road Lighting Board (£40)
24. Yacht sale cost to cover the preparation of a hull for sale. £2,500 assumed per hull vice that paid for Ragna in advance of marketing and sale. This cost is in addition to any Agent sale fees that are captured in the assumed receipt value under income.
25. Five year figure represents what the Club may be able to spend on a new hull purchase whilst retaining a suitable cash reserve and facilitating all other annual activity.
26. First five years based on RC(O) forward maintenance plan that includes for a periodic sail loft refresh by hull. Later years set to Average annual spend of £19K apportioned notionally across 3 hulls. Assumed that Hebe maintenance ceases with sale.
27. Costs based on historic profile as per Offshore Income/Expenditure review. Historically these cost have not been separated out and have been captured as expenditure by Hull.
28. 2019 Mooring fees not paid in foreshortened 2018 accounting period. Looking forward one payment per year (in advance) profiled. Assumption that the enduring requirement will reduce to three moorings annually with only 2 required every 5th year to coincide with hull replacement activity.
29. Fastnet Race and Beaufort Cup (Cork) on alternate years paid by Club; all other race fees paid by individuals.
30. This covers the Medway Yacht Club agreement that enables 144 man training days within an RYA affiliated scheme to introduce Phase 3 Soldiers and Young Officers to the sport. Previous years have been based on a 1/3 to 2/3 split between 1 RSME Regt and the REYC respectively. For 2019 and going forward a 50/50 split has been agreed with 2IC 1 RSME Regt. Profile provided on the assumption that the scheme will run throughout the period.
31. Costs based on historic profile as per Chatham Branch Income/Expenditure review. Cost profile maintains the status quo of Chatham Branch operations. Moorings charges to be reviewed in 2019.