

BURGESS

Yacht Management - Accounts

A large yacht represents a significant capital investment and as such it is imperative that the value of this investment be protected. Maintaining a yacht to the highest possible standard ensures that both guest enjoyment and the eventual resale value is maximised.

Throughout our involvement in yacht management we have always aimed to provide a service that maximises the Owner's enjoyment of the yacht, minimises the risks associated with ownership and protects the significant capital investment that a yacht represents.

With 28 years' experience of yacht management and our large current fleet Burgess have good knowledge of costs and we are often in a position to obtain the best prices and discounts for our clients.

The key activities within Accounting are as follows:-

Prepare Annual Budget

Prior to the commencement of the management of a vessel Burgess prepare, with input from Owners Representatives/ Captains / Yacht Manager and from historical information relating to yachts of a similar size/operation within our fleet, a fully detailed budget which acts as the guide for funding requests.

Carry out Annual Budget Review

Yearly reviews of the Budget Comparison will be completed in order to prepare an increasingly realistic budget for forthcoming years.

Compile Monthly Yacht Accounts

Each month Burgess would prepare Individual and consolidated detailed Management Accounts utilising Sun software in the production of these Accounts. Data can be uploaded and downloaded to any major software package as required.

Monthly Actual vs. Budget Comparisons and Receipts

Detailed Actual Costs versus Budget are prepared each month and variance data is analysed and explained within this report. Where changes are made to spending patterns budgets would be updating accordingly. With assistance from the Accountants, Yacht Managers will analyse this data month on month with accounts being prepared on an accruals basis.

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being prepared on an accruals basis. Burgess retains all Invoices and Petty Cash receipts and verifies them for reasonableness and correctness and includes copies of all receipts within the monthly printed or pdf reports which are sent to the client.

Present Annual Reports

Detailed yearly reports would be collated from the monthly management reports as required and presented to Owners for discussion.

Review Invoices and Arrange Payment

All Burgess Disbursements are sent with 100% secure wire transfer. All Payments are double checked and triple authorised before payments are sent.

Operate Purchase Order System

A full purchase order system with an appropriate approvals system would be implemented once approved by the parties concerned.

Maintain General Ledger of Expenditure

General ledgers are opened and updated on a daily basis to account for Invoices received, to account for the purchase ledger and a sales Ledger to monitor receipts of Funds along with credit control functions. Sun is our preferred software package for control of these items.

Yacht Bank Accounts

Client Account – As a method of giving clients security over funds held, all bank Accounts are ring fenced (legally protecting funds held on behalf of a client from being included as an asset within the Burgess group). Our Bank Lloyds TSB are issued with an Acknowledgement of Trust which is held with the authority on the accounts ensuring that the bank have no right of offset should Burgess cease trading. Funds would be held to the order of the Yacht's Owning Company.

Yacht Credit Cards

Burgess provides a choice of Credit, Debit or Prepaid Cards to Captains and Heads of Department as required through Lloyds TSB.

We have 24/7 365 access via the Internet to administer all of the credit cards issued on the client accounts. Cards can be stopped or limits increased/ decreased etc at the touch of a button.

Submit Fund Requests to Owners

Burgess Crew Services, as the employer of the crew, request three months salary funds to cover the liabilities incurred by this Company. For all other operating expenses two months funding in advance would be requested.

All funds would be topped up on a monthly basis and where appropriate adjustments made to future cash requests should insufficient or excess funds be held from previous months.

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Arrange Supply of Petty Cash to Yacht

It is normal practice for Burgess, as part of the finance function, to keep control of the cash utilised on board the yachts and include this within the monthly accounting reports. Through our association with ship agents around the world cash can be provided to Captains within 72 hours of request.

Invoicing Requirements

Burgess would normally invoice the yacht management fee on a monthly basis in advance and take these funds from the operating funds in the individual client accounts. With reference to management expenses, where Burgess incur the expenses as per the approved Travel Expense Requirements we will Invoice on a monthly basis.

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ACCOUNTS

- » Prepare a detailed annual budget
- » Operate a purchase order and verification system
- » Review and authorise invoices and arrange payments to suppliers
- » Compile monthly management accounts with detailed analysis and supporting documentation via a Cloud solution
- » Present monthly actual vs budget comparisons with detailed explanation of cost variances
- » Present detailed annual reports in preparation for audits
- » Maintain a real time ledger of expenditure and funding
- » Provide multi-currency bank accounts with up to the minute balances and reporting access
- » Provide Yacht credit cards with up to the minute balance and reporting access
- » Provide a multi- currency prepaid Mastercard with up to £100,000 credit limits with website access to transactions statements and reporting
- » Offer a foreign exchange solution ensuring the best possible exchange rates are provided when transferring funds between currencies
- » Submit detailed monthly funds requests
- » Arrange supply and delivery of petty cash to yacht
- » Charter accounting & Advanced Provisioning Amount (APA) reporting (if required)
- » Provide tailored management account reports and analysis
- » Provide detailed expense reports for refits & yard periods
- » Provide real time accounting access
- » Undertake an annual budget review