

Isle of Sark Shipping - Update

September 2020

(as of 25th September)

Volume Performance/Financial



Volume performance

	Staying Visitors		
	2020	2019	2018
July	3131	3438	2772
August	3917	2764	2419
September	1706	1308	1507
Total	8754	7510	6698

	Day trippers		
	2020	2019	2018
July	2797	8439	7775
August	3989	8408	8229
September	1966	4521	4867
Total	8752	21368	20871

Day trip % reduction 2019 **-59%**

Day trip % reduction 2018 **-58%**

Staying visitor 2019 %variance **16.5%**

Staying visitor 2018 %variance **30.5%**

Financial performance

Bank balance/overdraft at end of month (August)

Forecast	Actual
-£216,788	£72,000 in funds

Improved position in comparison to forecast - £288,788

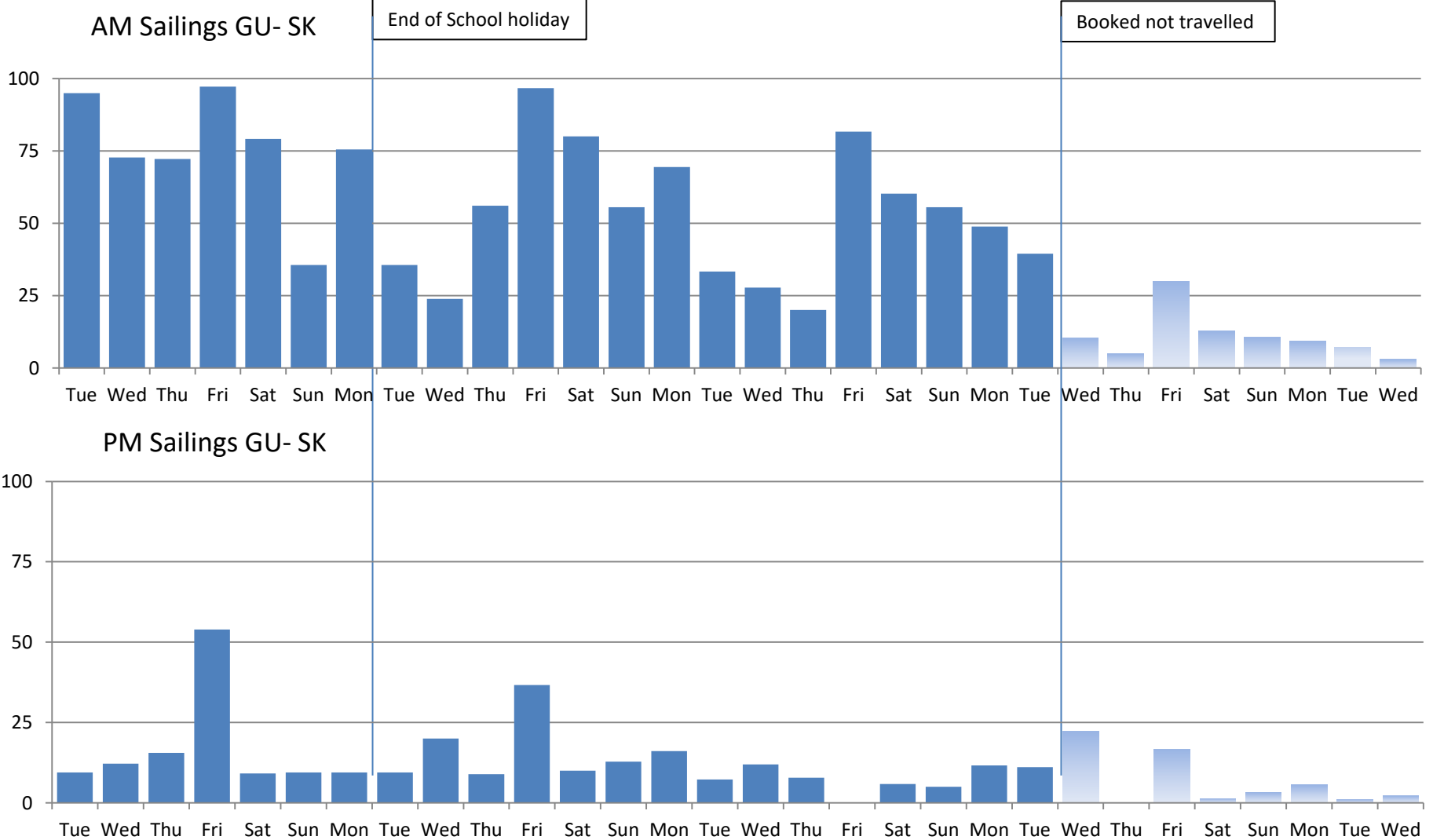
The current bank balance as of 23rd September is iro £125,000

To date there has been NO draw down on the arranged bank loan

Guernsey Sark sailings September Load Factors



The **load factor** (number of passengers carried as a % of capacity on sale) is a measure of the efficiency or cost effectiveness of a schedule. The higher the load factor the more efficient or cost effective the sailing is. In view of the requirement to optimise the schedule in order to ensure that the passenger ticket revenue covers the cost of operation. The average load factor for the am sailings September was/is 47%, 12% on the pm sailings



September 2020

volumes and sailing statistics



The previous tables illustrate the decrease in weekday demand following the end of the school summer holidays. It is also evident that there is still an underlying demand for weekend breaks.

October volumes are normally supported by shoulder season group travel from UK visitors to Guernsey. With the borders closed it is likely that the passenger numbers will be more in line with November volumes rather than the normal October levels (1500 passenger movements [legs] rather than 4000).

We will be working with Sark Tourism and local stakeholders to promote Sark to Guernsey residents as an Autumn staycation option in an effort to push volumes as far as is possible.

Metric / KPI	Actual	Target	Variance	Comment
Number of passengers sailings (legs) - Sept	122	128	-6	Sailings added to meet demand.
Number of passenger sailings (legs) cancelled due to weather - Sept	-6	N/A	N/A	early and late rotations cancelled all period return pax consolidated onto single rotation. Day trip passengers re-booked/moved to other days.*
Number of cancelled passenger sailings (legs) due to other conditions / circumstances Sept	2	Max. 2 per quarter	n/a	Sark Belle – Turbo Charger replaced.
Additional passenger sailings (legs) - above and beyond those scheduled on the timetable – Sept	2	No target	N/A	charter to replace Belle sailing ref turbo charger replacement – capacity supplemented by cargo sailing.

Note: * Dealing with a completely Guernsey resident market it was decided that it would be more beneficial in “rough/inclement” weather circumstances to cancel or allow customers to cancel their day excursion and re-book for another day using a credit voucher (staying visitors have been carried on the consolidated re-scheduled sailings). In August we have followed this policy on three occasions and the passenger response/feedback has been generally positive. With the limited market size and local population where a second journey is likely to be essential in order to sustain the volume it is considered essential that the customers have a good experience of the product (Sark and the journey)

As 23rd September - Lightship & and incline survey

- Engines have been commissioned sea trials have taken place and there were no issues reported.
- Final “Critical worker” paperwork has been approved by States of Guernsey. Flights, hotel accommodation etc. has been confirmed for the MCA and Independent surveyors and survey is timed for **1st & 2nd October.**

Please note following the survey the “stability book” will need to be signed off by the MCA.

- Stat X and electronics system (radar, plotter replacement system fitted)
- Stat X fire suppression system will need to be certified by the suppliers booked for **6th October.**

New Vessel - We are in communication with Bureau Veritas. The plan review is close to sign off and we are assessing with BV if it is better to bring the vessel up to Guernsey and try to survey here, or easier to carry out the survey in St Malo. We expect an update by the end of next week.

Bon Marin – The sale of the Bon Marin to a Company in Finland has been completed and the vessel is en-route to Finland.

The winter schedule 2020/2021

Winter schedule – The winter schedule will be loaded into the reservation system week commencing 28th September and live for bookings by the middle of the week.

The Guernsey – Sark cargo sailings on Tuesdays and Thursdays will be used to carry passengers needing to self isolate on arrival in Sark through October and into November/December if required. This will necessitate a limit to the availability for ordinary passengers (if there are self isolating passengers booked) and therefore bookings will only be taken by telephone and no more than 72 hours in advance of the sailing. Full details of the bookings procedures and parameters will be published on the web site.

The £10 Sark resident day return to Guernsey will be extended through to the end of October and as the season winds down in Sark we will also be introducing a £20 return staycation fare for Sark residents (up to 3 nights 4 days in Guernsey/Alderney/Herm

To open an opportunity to visit Guernsey/Alderney/Herm at an affordable cost.

New Vessel/ Bon Marin update 24th September 2020



Bon Marin – leaving Guernsey Harbour – next stop Finland

Summary



Volumes and revenues are positive and our financial situation is much better than was forecast +**£288,788** (as the forecast, loans etc. were based on zero passenger volume and revenue ALL passenger carryings improve the situation as long as control is kept on cost to ensure that the margin is maintained between the cost of the operation and the revenue from the reduced market volume). This is being ensured by efficient use of crew and maintaining good load factors (filling the boat where possible) whilst servicing the demand. Forward bookings are also looking positive and staying visitor numbers are very encouraging.

As a consequence of the trading position as of this date the Company has **NOT** needed to draw down any of the arranged bank loan. It should also be noted that the New vessel has been paid for in full and so there is no loan or interest outstanding on the New Vessel. We are currently modelling various scenarios for the next financial year and even with the most conservative model we can conclude that the Company is/will be financially stable.

The sale of the Bon Marin de Serk has also put a positive cash injection into the Company of circa **£50K**

Work is continuing to get the New vessel and the Sark Venture into service and progress is being made on both Firm dates have now been agreed for the MCA visit for the Sark Venture and we have a target date of the second week of October.

We do realise that this year is to say the least “unusual” schedules were not as normal (to ensure efficiency) and some of the changes may have been inconvenient for residents, please be assured that what we have done/are doing is in the best interests of the Company and to ensure our long term viability and the viability of the lifeline route to and from Sark.

The winter schedules are much closer to the norm with few variations.

As always any feedback is always welcome and considered and we are more than happy to answer any questions and queries.