

# ANNUAL REPORT 2017 – 2018



CRUISING YACHT CLUB OF SOUTH AUSTRALIA



# Club Sponsors

The CYCSA thanks its sponsors for their support during 2017/2018:

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- Iocane
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- Port River Marine
- Sportsmed SA
- Central Audio Visual

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- Living Colour Plants
- Canegrass Saltbush Lamb
- GDB Services
- Bravo Sails
- Watershed Café and Function Centre
- Aussie Home Loans

## Club Website

- Corpor8 Solutions

# Membership

## As at 31.05.2018

Life	5
Foundation	20
Honorary	12
Senior	484
Port Vincent Senior	50
General Member	74
NMAFC	113
Social	42
Racing	220
Intermediate	2
Associate/Family	55
Youth	64
Casual Crew	37

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<b>Total</b>	<b>1178</b>
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## Miscellaneous Membership

Corporate	18
Contractors	63
Berth Licensee	101

## Cover Photo

*Academy 1* greets the Flags, officials and guests aboard the *One and All* on Opening Day  
Photo by Trevor Paynter

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# Contents



Administration	4
Board Committees	4
Club Committees	4
Club Association Committees	4
Life Members	4
Flag Officers	4
Board of Management	5
President's Report	6
Treasurer's Report	10
Commodore's Report	13
Finance, Audit and Risk Committee Report	15
Members Committee Report	15
Facilities Committee Report	16
CYCSA Marine Academy Advisory Committee Report	18
Groundswell Editorial Committee Report	22
Cruising Association Report	23
Fishing Association Report	24
Racing Association Report	26
Club Structure	29
CYCSA Inc and Controlled Entities Financial Report	30



# Administration

Chief Executive Officer	Craig Evans
Financial Controller	Kerry O'Brien
Finance Manager	Marina Segodina
Admin and Operations Manager	Jenny Krogdahl
Comms and Membership Services	Melissa Vahoumis
Leasing and Administration	Kirsty Winstone (until Feb 2018)
Boating Administrator	David Royle
Maintenance Supervisor	Michael Rowe
Gardening and Maintenance	David Holmes (until Aug 2017)
	Vinny Bungey
	Kevin Perusco (until Mar 2018)
Marina East Replacement	Shanan Gilchrist
	Todd Clark
	Brandon Vockins
Food and Beverage Manager	Andrew Kerr
Head Chef	Irene Frost
Port Vincent Manager	Rob Marner

# Club Associations

## Cruising Association Committee

Chair Adrian Wotton  
Roger Flint, Terry Nicholas, John Sibly, Peter Holdt

## Fishing Association Committee

Chair Vlad Humeniuk  
Joe Mezzini, Geoff Wiggins, Leica Theodore, Glen Simpson,  
Ken Amos, Peter Clark

## Racing Association Committee

Chair Rob Sellick  
Mike Holmes, Adrian Wotton, Tim Cowen, Steve Power,  
Rob Human

## Social Activities Association Committee

Chair Pam Humeniuk  
Pat Catley, Morag Draper, Karen Johns, Anne Burrow, Sarah  
Page, Caroline Holdt, Trevor Elburn, Ciaron Cowley

# Flag Officers



Geoff Boettcher  
Commodore



Jacqueline Heffernan  
Vice Commodore



Adrian Wotton  
Rear Commodore

# Committees

## BOARD COMMITTEES

### Audit Committee

Chair Peter Hall  
Wayne Coonan, Chris Wood, Des Bilske (until Feb 2018), Robert Ferguson, Craig Evans, Kerry O'Brien (from March 2018)

### CYCSA Marine Academy Advisory Committee

Chair Geoff Catt  
David Royle (Principal), Andrew Saies, Geoff Boettcher (Commodore), Craig Evans, Fran Semmler (ex officio)

### Facilities Committee

Chair David Murray  
Geoff Boettcher, Craig Evans, Ken Amos, Graeme Footer

### Membership Committee

Martyn Heffernan, Jacq Heffernan, Trevor Kipling

### Members Committee

Chair Jacq Heffernan (Vice Commodore)  
Chris Wood (President), Geoff Boettcher (Commodore),  
Adrian Wotton (Rear Commodore), Brett Brown (Board), Vlad Humeniuk, Karen Johns, Morag Draper, Jenny Krogdahl (Admin and Operations), Andrew Kerr (Food and Beverage Manager)

### Groundswell Committee

Chair Gay Footer  
Melissa Vahoumis, Trevor Paynter, Owen Mace, Terry Lockwood, Bryan Mellors, Libby Stephens, Dianne Schwerdt, Pamela Tse

# Life Members

Arthur F Carolan, Geoffrey R Catt, Richard H Fidock AO, Graeme L Footer, John Gerard, James A Henry (deceased), Malcolm A Kinnaird AC (deceased), Peter J Page (deceased)

# Other Associations

The Cruising Yacht Club of SA is a member of the following Associations: Boating Industry Association, Marina Industries Association, Clubs SA, Australian Sailing, Yachting South Australia, Good Sports, STARCLUB, Recreation SA.

# Board of Management



Chris Wood  
President



Dominic Rinaldi  
Treasurer



Des Bilske  
(until Feb 2018)



Brett Brown



Peter Hall



David Murray



Hillar Puvi



Craig Evans  
CEO

Greg Patten served  
as a Board Member  
from April 2018 and  
resigned 26.07.18

## BOARD ATTENDANCE

11 month meeting cycle  
from 29.09.17 to 20.07.18

	Board meetings	Facilities	Finance, Audit and Risk	Southern Land and Ramp Asset	Members committee	CEO Performance and Organisational Review*
Chris Wood (President)	9			•	•	•
Dominic Rinaldi (Treasurer)	8		•	•		
Des Bilske (Sept 17-Feb 18)	3		•			
Brett Brown	8			•	•	
Peter Hall	7		•	•		
David Murray	10	•				
Greg Patten (Apr-July 2018)	3	•		•		
Hillar Puvi	8					•
Craig Evans	9	•	•	•		

## BOARD MEETINGS REQUIRED

Total of 10 Board Meetings for the year, excluding the August Board Meeting to be held,  
following the publication of the Annual Report.

\*This committee formed by the Board, as and when required.

# President's Report

It is my pleasure to report to members on the activities of the Club for the 2017/18 year. I have now completed my first full year as President, a role I have enjoyed and a position that requires very careful balancing of the many aspects of the Club together with member expectations. I am supported by a dedicated and professional team of Directors, all volunteers, all with a one year term and all of whom over the past 12 months put in an enormous amount of time into Board sessions and Board subcommittees.

The Board of the Club is charged with overseeing and directing all the commercial aspects of the Club whilst the Flag Officers and the Associations spend time knitting together the fabric of the Club in arranging many functions, boat racing, cruising, fishing, Opening Days and making our Club unique and the premier boating Club in South Australia. It is a team effort. I personally believe our Club has some of the best facilities you will find in any Australian boating club. Lots has been achieved in the past 12 months and I look forward to setting out in this report the years achievements together with outlining the Boards focus going forward. The Board is fully aware that it is overseeing a Club and members' needs and interests are clearly factored into each and every decision taken.

## FINANCIAL PERFORMANCE

The underlying financial performance of any Club is fundamental. We are extremely lucky we now have strong financial performance, a strong balance sheet and systems in place to be able monitor all aspects of the Club.

Our Treasurer, Dominic Rinaldi, has reported and narrated the financial performance of the Club in his Annual Report and I don't what to spend too long other than to say Dominic and his finance team are right on top of all aspects of accurate and timely financial reporting. Thank you to all involved.

The highlight of the performance was an audited surplus before depreciation and amortisation of \$700,519 for the year ended 31 May 2018 as compared to \$568,185 the previous year. These surpluses have been achieved while keeping membership fees and corporate fees to approximately CPI. Without a surplus we would be unable to sustainably fund the replacement of aging assets, the repayment of debt (Patio debt) and have in place a forward capital expenditure program to further enhance our Club and provide facilities members have requested.

The Board has made it known to members through other formal releases and half yearly informal meetings that its intention is to offer members benefits and possible other incentives from our strong financial performance, once it can be clearly established our model delivers strong ongoing and proven underlying maintainable earnings. Examples of these benefits are further member discounts on slipping and soon to be rolled out incentives in hospitality. We have also given some minor relief in the current financial year to berth owners/licensees at Port Vincent and hardstand owners/licensees.

I will talk about the pending sale and settlement of our Ramp Asset later in this report as it is a material item and will have a material benefit to the Club and members going forward.

## KEY ACHIEVEMENTS IN 2017/18

In last year's Annual Report I talked of plans for the year ahead. Let me update members on the Boards achievements.

### 1 Update the long term financial model - *Complete - however annual updates to continue*

The longer term financial model has been updated and includes our focus to grow the business activities of the Club including hospitality, slipping, Marine Academy and memberships and to carefully estimate the required capital expenditure that can be undertaken from cash flows. These documents have been updated and were shown to members on overhead slides at the half yearly informal members meeting.

### 2 Increase and expand business activities of the Club - *Underway and reflected in 2018/19 budget*

Detailed plans have been developed after benchmarking our Club against other Australian boating clubs to expand business activities. The objective here is to try and isolate members from any extra fee increases (other than CPI increases) by concentrating on activities that can deliver tangible benefits to the Club to recover overheads for the benefit of members.

**Hospitality** - we intend growing our hospitality sales by approximately \$200,000 in 2018/19. This will be achieved by focusing on delivering excellence, opening the Club to casual diners, promoting social memberships, expanding our





# President's Report

wedding and other functions, monitoring our input costs and continuing to focus on our labour controls which still require further fine tuning. At the time of writing I am happy to advise we have employed a senior person to oversee and manage this section of the business and position the business to make use of our excellent facilities including the new bar/ bistro areas whilst at the same time actively promote new social memberships which is a key theme of all of our major competitors and other Australian boating clubs. We welcome Ms Susan Laird to the Club.

**Slipping** - we intend growing our slipping business which is underutilised by offering slipping to non-members from other marinas at competitive market pricing. Previously the Club has had formal restrictions on being able to offer slipping to outside persons but these are now lifted. As mentioned earlier we have also implemented some discounted rates for our members to slip their boats at their Club. This has been done by carefully understanding market pricing.

**Marine Academy** - the Marine Academy is an extremely important part of the CYCSA business. It trains and certifies our members, offers a range of courses to those looking to take up boating or expand their boating qualifications and shown it is a proven method of the Club attracting new members. The number of courses has been increased for 2018/19 and there is a positive financial contribution to the Club. Thank you to Geoff Catt (Chairman of the Academy) and his committee together with all the instructors and support volunteers.

**Memberships** - During the year the Board confirmed a number of changes to our memberships including changing some age brackets, new membership categories and some fees. At the same time Club memberships were benchmarked against other local and Australian boating clubs. The outcome of these findings was that our memberships and fees charged sit approximately mid-range.

### 3 Marina assets and their life - *Continuing and on track*

The Board has reported on the extensive replacement and refurbishment of Marina East. This project is on track. See Mr David Murray's Facilities Report in the Annual Report.

### 4 Ramp Asset/Sinking Fund - Sale contract awaiting settlement/ Sinking Fund to be established

Refer to separate report below on the status of same.

### 5 Club's corporate structure - *Commenced and ongoing*

The Club's corporate structure has served the Club well. A new Board subcommittee has been formed, chaired by Dominic Rinaldi, to look at the structure to ensure it is the correct structure going forward and especially to be able to incorporate the funds from the sale of the ramp assets and a future sinking fund.

### 6 Unsold berths in Marina West - *No progress*

There remains approximately 26 unsold Club owned marina berths in Marina West. There has been little or no activity in selling Club owned berths many of which are larger berths. The Board is of the opinion these berths will continue to be difficult to move until economic activity in the State increases. The Board also has a policy not to directly market Club owned berths ahead of members wishing to realise their berths.

### 7 Management Structure - *Formal Review continuing*

The Board is currently working on and mapping the next five to ten years of the Club and believes there will continue to be many changes and challenges ahead and has decided to review the Club's structure and leadership roles. The Board will keep members informed.

New appointments have been made to strengthen specific areas - in Finance, Ms Kerry O'Brien, and in Hospitality/ Marketing, Ms Susan Laird – welcome.

### SALE OF THE RAMP ASSET AND SINKING FUND

The details of the sale of the CYCSA North Haven Public Boat Ramp to the South Australian Government has been communicated to members during the year and is considered a major achievement of the Board, albeit at the time of writing the transaction is still to settle.

The Board believes once this transaction completes and the proceeds from the sale have been applied to the proposed sinking fund the Club's future liability to provide for the replacement of aging overwater assets will be materially

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# President's Report

underpinned as the relevant costs will be borne by earnings from the proposed sinking fund, subject to the sinking fund being managed professionally in preferably secure 'blue chip type' investments.

The task ahead is to finalise the sale, complete and agree on the financial structure (sinking fund) including receiving third party legal advice in relation to the overall corporate structure including but not limited to any relevant taxation advice and then clearly defining the investment strategies for the fund.

The sale price of the Ramp Asset is approximately \$5.5m and will hopefully settle in September 2018. The Government, at their cost, have appointed third party surveyors to split off the areas sold from our complex mix of land and overwater titles. This process is taking longer than expected.

In addition to the funds from the Ramp Asset sale the Board has always considered the remaining unsold berths in Marina West (approximately 26 berths at a book value of approximately \$2.5m) will be added to the fund as and when these berths are sold.

## BOARD ISSUES

### Resignation of Director

During the year Board Member Des Bilske tendered his resignation as a Director due to increasing work commitments. The Board thanks Des for his input and wise counsel. In accordance with article 14.8 of the CYCSA Constitution the Board filled the casual vacancy which is required within one month of a resignation. We announced Greg Patten, Senior Member, accepted the casual vacancy.

### Filling of Casual Board Vacancies

As mentioned above, under article 14.8 of the Constitution the Board must fill any vacancy within one month of a Director resigning. Logistically and practically this is extremely difficult. The Board proposes at the forthcoming AGM, subject to member approval, to amend the constitution to make it discretionary rather than mandatory for a new Director to be appointed to fill a casual vacancy. If however the Board considers it important to appoint a Director to fill a casual vacancy to complement its skill set it can draw from members who have expressed interest be it through surveys or them otherwise advising the skills they have

to offer. The Board also believes the cost and time in conducting formal poll(s)/election(s) mid-term to fill casual vacancies seriously prohibitive. The Club's Constitution provides that all Directors are only appointed for a 12 month term and any senior member can nominate for a position prior to an AGM.

### Gender balance for Board positions

The Board would encourage any female Senior Members who are willing to contribute at a corporate level to nominate for a position on the Board.

## OBJECTIVES AND FOCUS FOR 2018/19

- 1 Manage the settlement of the Ramp Asset.
- 2 Establish a formal sinking fund after completing a corporate structure review and putting in place very carefully considered formal investment strategies.
- 3 Ensure the business initiatives referred to above are carefully rolled out so as to provide tangible upsides ie Hospitality, Marine Academy, slipping and social memberships.
- 4 Give support and assistance to all the Associations and foster member engagement.
- 5 To define the management structure appropriate for the Club out five to ten years.
- 6 Continue to update the business plans and in particular to focus on memberships. Special and urgent attention needs to be given to our aging senior membership base and find ways to attract new active younger members. Our current membership age profile is concerning. This appears to be a common challenge for many boating and sporting clubs.
- 7 Attract more volunteers to the Club and foster volunteering within the Club.
- 8 Seek further sponsors.
- 9 Continue to monitor and reduce input costs.
- 10 Continue the refurbishment of Marina East.
- 11 Continue to benchmark our Club against other Australian boating clubs.
- 12 Continue to demonstrate transparency in all aspects of the management and administration of the Club.
- 13 Operate with the highest standards of corporate governance.





# President's Report

Finally, the year ahead will continue to have many challenges as the cost of owning and maintaining boats is not getting cheaper. It is hoped economic activity will increase in the State bringing new opportunities for more people to visit or become members of our Club. Although a little way off the new naval and ship building facilities on our back door are exciting and it is hoped we can introduce their staff to our world of boating and also our world class hospitality facilities.

I wish to thank all our Club staff and management who have provided us with great service and support. The 'care factor' of our staff makes an enormous difference to member satisfaction. It is a pleasure to be able to take my friends to the Club to enjoy everything the Club has to offer – thank you.

To the all the Flag Officers, the Associations and all our volunteers, thank you also. The time you put into making things happen is just fantastic.

Geoff Boettcher, who stands down at the AGM after five years in the role of Commodore, has formally represented the Club in so many ways and in so many areas. Nothing has been too much trouble; he has made himself available to members, the Associations and has been wise counsel to the Board – Thank you.

I wish to thank all members for your ongoing support of the Club. The Board does not take your membership for granted and clearly understands that you have exercised choice to be involved in our Club and/or keep your boat at the Club.

**Chris Wood, President**



# Treasurer's Report

It is with great pleasure that I report to the Members on the financial results of the CYCSA Inc. and Controlled Entities in relation to the year ended 31 May 2018. This has been my first full year as Treasurer and I have enjoyed the experience.

The Clubs finance improved from prior year and the net surplus exceeded budget. Our plan is to continue to look at ways to continuously operationally improve the financial performance of the Club. In this regard, during the year we set about implementing initiatives in various segments of our operations that we thought would either increase our revenue or manage costs so that they were in accordance with industry metrics. By virtue of these initiatives we have seen an improved financial performance and we anticipate more improvement in the ensuing financial year.

The Club continues to embrace good corporate governance with an active Board that has a strong focus on systems and processes. Our accounting system, managed competently by our finance team, provide the Board with accurate and timely reports as to how each segment of our operations are travelling. This allows the Board to assess the impact the initiatives we have implemented are having on our trading results as well as providing a clear understanding of our financial position on a monthly basis.

## THE YEAR IN REVIEW

The CYCSA has generated a surplus before depreciation and amortisation of \$700,519 for the year ended 31 May 2018 compared to \$568,185 during the year ended 31 May 2017 which is a great result. Most income categories have performed close to budget. Expenses have been generally well managed and mostly within budget forecast.

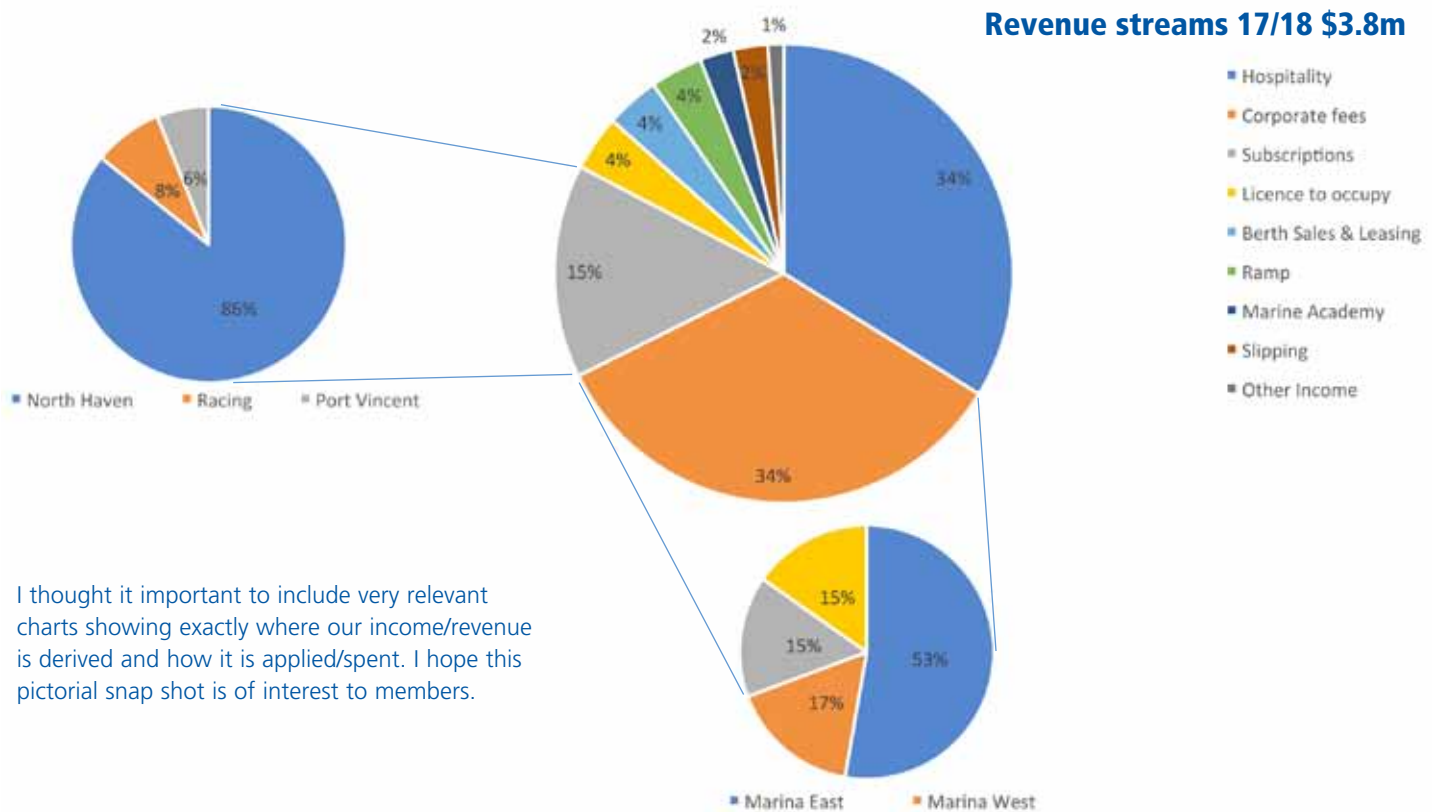
### A summary of the last 3 years

	2016	2017	2018
Revenue	3,677,747	3,802,980	3,960,204
Net Profit	483,916	406,929	344,898
<b>Balance Sheet</b>			
Current Assets	340,846	693,276	415,020
Non-Current Assets	18,912,870	20,361,634	20,396,016
Current Liabilities	665,921	855,870	836,350
Non-Current Liabilities	5,013,543	6,217,659	5,646,757
<b>Net Assets</b>	<b>\$13,574,252</b>	<b>\$13,981,381</b>	<b>\$14,327,929</b>

Set out in the table opposite is the historical financial performance of the Club over the past 10 years. The table shows on an annualised basis both the operating surplus, total comprehensive income and EBITDA (earnings before interest, tax, depreciation and amortisation). The table shows that whilst our EBITDA results improved from last year it is in fact down from the 2016 year. This reinforces the need to ensure that the Boards initiatives continue to be implemented to improve the financial performance of the Club

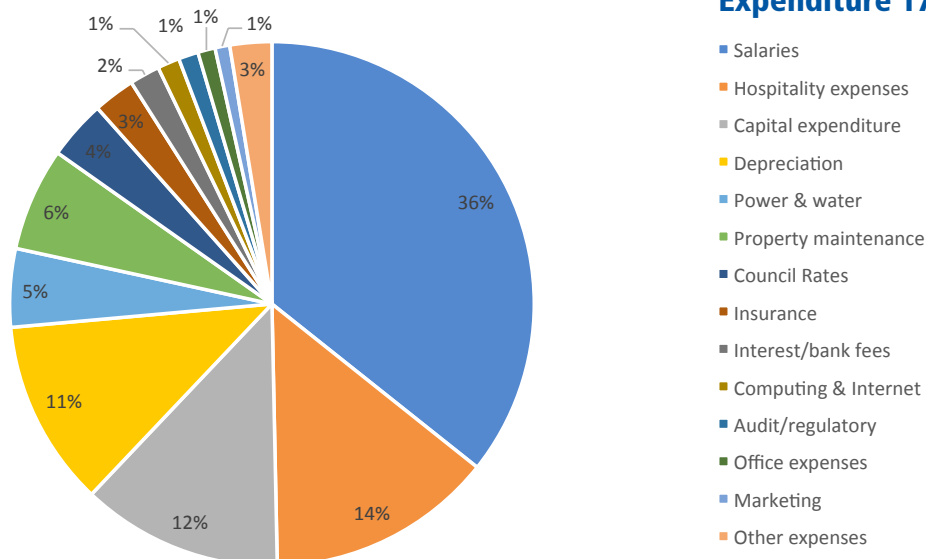
Year	Operating Surplus	EBITDA-CYCLInc
2009	79	443
2010	460	620
2011	(179)	402
2012	(162)	439
2013	(55)	427
2014	8	157
2015	112	567
2016	484	733
2017	406	568
2018	345	700

## Revenue streams 17/18 \$3.8m



I thought it important to include very relevant charts showing exactly where our income/revenue is derived and how it is applied/spent. I hope this pictorial snap shot is of interest to members.

## Expenditure 17/18 \$3.8m



## FINANCIAL HIGHLIGHTS 2018

1. Total consolidated revenue has increased from \$3.803m to \$3.960m in 2018.
2. Net surplus this year has fallen from the 2017 year to \$344,898 (\$406,929 in 2017). However the 2017 result was inflated by an Admiral Club donation of \$81,849 which was not repeated in 2018.
3. Earnings before interest, tax and depreciation for the Association has increased from \$568,185 to \$700,519.
4. Total equity has increased from \$13,981,381 in 2017 to \$14,327,929 this year.
5. Membership income increased 1.69% from last year.
6. Liquidity – The association has cash and cash equivalent of \$40,436 and a satisfactory working capital (after adjustment for non-cash liabilities), and allowing for \$409,000 being available to it via a Westpac line of credit. Surplus funds carried forward from last year and those generated this year have been partially utilised to pay down this loan facility.
7. Debt – The association borrowed \$1.35m to fund the bar patio re-developments. This was funded by Westpac using a line of credit as referred to in note 6. A significant portion of our available credit funds were applied against this facility so that at 31 May 2018 its balance had reduced to \$940,648.



# Treasurer's Report continued

8. Total capital expenditure during the year was \$472,989. Of this \$339,635 related to the Marina East replacement/refurbishment.
9. Berth sale and leasing income has increased by \$7,017 to \$132,575 from last financial year.
10. Hospitality income has increased from \$1.094m in 2017 to \$1.233m in 2018. We have seen some improvements in our gross margin which increased from 62% of sales to 65% of sales. Wages as a percentage of sales improved during the year but a concerted effort will be made this year to gain further improvement.
11. Ramp income has increased by 10.9% to \$130,528. Contribution from ramp income was \$124,301.
12. Contributions from slipping was \$52,387 compared to \$23,680 in the 2017 year.
13. Marine Academy contribution for the year was \$14,497 compared to \$6,345 last year.
14. All associations produced positive contributions consistent with previous years.
15. The contribution from Port Vincent has produced a result consistent with last year.

We have completed our 2018/19 Budget.

The budgets have been prepared on the basis that the ramp sale is expected to settle in September 2018 and the association will be able to establish its sinking fund. To counter this the budget reflects the ramp income will reduce materially as whilst we will continue to manage the ramp on behalf of the Government, the fee charged will drop from \$14 per launch to \$10. Our budgets show that EBITDA from trading will be consistent with last year at \$700,000 but the ramp sinking fund will generate approximately \$135,000 of additional funds for the period to May 2019. Our budget continues to focus on key metrics in hospitality and we continue pursuing KPIs that are consistent with industry standards, and our budget allows for \$353,600 to be allocated to the continuing refurbishment of the Marina East and \$215,000 for various items of Plant and Equipment and Building Improvements.

The budget will require hard work and sound management to achieve. It will also require the ongoing support of Members, Sponsors and Supporters.

## SUMMARY

Our Club continues to remain in a sound financial position. The Board continues to seek ways to ensure the Club's finances are improved despite tough economic conditions we continue to navigate our way through.

Finally, I would like to thank Kerry O'Brien and Marina Segodina for their significant contributions throughout the year in ensuring the Board has accurate and timely financial information.

***Dominic Rinaldi, Treasurer***



# Commodore's Report

As my term of Commodore comes to an end, I would like to thank the Board, my fellow Flag Officers, Club management, all staff and Club members for their support over the years. I was very honoured to have been given the opportunity to represent the Club and its members in such a senior role. The position was offered on my return from doing the Fastnet Yacht Race in United Kingdom in 2013 and former Commodore Geoff Catt kindly filled the position until Opening Day. Without Geoff's assistance and guidance my transition into this position would have been far more difficult. Initially Rowley Richardson and David Knights filled the shoes of Vice and Rear Commodore respectively giving their invaluable assistance which will always be valued.

Over the past season Jacq Heffernan and Adrian Wotton have performed Flag Officer's duties and have given their time to the Club to ensure our Associations have representation and the Board be totally aware of our Members' needs. Jacq and Adrian capably represented the CYCSA at various functions at the Squadron and Dinghy Clubs along the coast and including country Clubs.

Adrian is serving on our Racing Association and Chairs our Cruising Association and Jacq has been instrumental in the formation of the CYCSA Members Committee. This Committee was formed to act as a communication mechanism to the Board. It identifies and manages issues, process communications from members and liaises directly with relevant personnel and or departments within the Club under the Board's direction which enables a more cohesive membership and Club culture across the CYCSA community. This new Committee has representatives from each Association, the Board, Flag Officers and Management. A great initiative thanks Jacq.

I would like to thank all the Flag Officers who assisted me over my time as Commodore without whom my position would have been so much more difficult.

I would like to congratulate the Fishing Association on another successful season under the watchful eye of Vlad Humeniuk and his team. My fishing experience comes mainly from the Deli section at Foodland Supermarkets from where I have taken good catches home. But when it comes to the Fishing Association Crabbing Day I am a total fan. Thank you all for putting on such

a great event at the Club each year. Sue and I look forward each year to sharing this experience with family and friends.

Our Cruising Association holds some excellent events and provides an opportunity for new comers to enjoy boating in a more relaxed way with the safety net of cruising in company. Adrian Wotton and his team have had a very successful season exploring some of SA's prime coastal areas whilst enjoying the camaraderie at social events from Kangaroo Island to Port Vincent. I believe these events will only get better. Well done.

Our Social Association has created many top events at the Club. A dedicated team led by Pam Humeniuk for many years managed to turn our Horizon's Function Room into a myriad of exotic and colourful themed events. Her team always produced a well-organized and professionally decorated room that most other venues would envy. I sincerely thank the Social Committee for supporting the Commodore's Dinners not only with a very professional approach but with a purpose to make the night so special. The hours this committee put into every event from decorations, meetings and administration have without doubt ensured the CYCSA social events were always very successful. I trust under the newly formed Members Committee we can see the Social Committee weave their magic once again.

A small regret is that Sue and I could not attend as many of the Club social functions as we would have liked. Fortunately, our Vice and Rear Commodores are both highly skilled in enjoying our Club social functions with gusto.

Running a race yacht the calibre of *Secret Mens Business* does take its toll and competing nationally is extremely time demanding. It is not only time on the water but logistics in moving the yacht and crew to various destinations, however although demanding, it is very rewarding. I have always encouraged yachts from our fleet to compete at interstate level. The experience crew gain is invaluable and ensures a more competitive fleet here in Adelaide.

Congratulations to the Racing Association for running another great year of yacht racing. The weather Gods overall were kind and Race Management only had a few races they had to abandon or delay. It is pleasing to have more yachts entering

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# Commodore's Report continued

IRC handicap racing at our Club. It is the only internationally recognised handicap system and it was pleasing to see that Premier's Cup, State Titles and Regattas were all well supported in IRC Divisions. I congratulate all Division winners and only fair I congratulate my crew on *Secret Mens Business* for an outstanding year of achievements.

Thank you Rob Sellick for your years of service chairing REX. I welcome Mike Holmes to the new position and look forward to another season of excellent racing administration. I trust I will not give our Boating Administrator David Royle and the REX committee so much grief this year.

I would like to thank the Management and Staff of the Club for all their assistance over the last few years. Our CEO Craig Evans offered his backing as well as his staff's backing to ensure my position was made much easier. We do try and improve our Club functions especially on Opening Day. Thanks to Jenny and Mel in the Office and our Flag Officers who collectively created another great Opening Day to kick start the season. The Band 'Gumbo Ya Ya' was added to the day's program and became an instant hit with the crowd with an extended play time request. I am looking forward to this year's big event from the sidelines.

Our Marine Academy goes from strength to strength under the watchful eye of Chairman Geoff Catt and previously Rowley Richardson. Thanks to Boating Operations Instructor, Hugh Longbottom and his team of Instructors, the Academy has had a busy year introducing new people to water sport helping to bring new members and crews to the Club.

CYCSA would not be able to offer members the services we enjoy if not for the volunteers. Thank you to all who took part in ensuring the Club ran smoothly on and off the water. I look forward to the Volunteer of the Year presentation along with the well-earned recognition of all Volunteers at this season's Opening Day.

## 2018 Volunteer of the Year

### Gay Footer

Gay has been selected as the 2018 Volunteer of the Year. Gay has headed up the editorial committee of the Club's quarterly magazine Groundswell for many years and her commitment and leadership has been outstanding. Groundswell continues to provide members with a vehicle to share their boating experiences and knowledge and each edition always provides relevant and interesting reading. Thank you Gay for your time and dedication.

My main objective as Commodore was firstly to assist with removal of our yachties 'hole in the wall' bar servery and create a new Bar and Bistro atmosphere. Looking back it is hard to imagine how 'agricultural' this old area was but it did serve its purpose for many years. After a big day on the water, many fine athletic yachties quenched their thirst from this fine masterpiece of a Bar. It was agreed it was time for the CYCSA to modernize our facilities to compete with what other venues had to offer. I

am pleased not only with the outcome of the new building but the atmosphere it generates at the Club. Initially complaints and disappointment in relationship to the service and quality of the food forced changes and I am pleased with where it now stands. Our Admiral's Bar and Bistro, I believe, is now a place our members can be proud of. Club Members and visitors numbers have increased and with the new Social Membership offer, the new area is proving to be a stronger financial asset. New umbrellas are in the budget and will further enhance the area by offering additional outdoor dining for our oncoming season.

A personal thank you to the bar and kitchen staff that over the last 12 months have greatly assisted in improving our dining experience. Welcome to Susan Laird, Events Marketing and Membership Services, who has recently joined the hospitality team. Susan brings a wealth of industry knowledge to the Club and will assist with the development of our new Social Membership drive.

Please make a reservation if you are coming to dine to avoid disappointment. Reservations also enable staff rosters to be set ensuring the service you would expect.

I would like to reiterate that the position of Commodore is not a CYCSA Board position and anyone holding the position has no voting rights. By invitation, the Commodore is invited to sit in on Board meetings and where necessary can offer input to agenda items and submit a report. During my time as Commodore I found these meetings extremely interesting and rewarding.

I believe as Members we should be mindful the Board is made up of professional business people whose valuable time is given willingly. After attending their meetings over the years, I can say their ongoing objective is to place the Club and its members as their top priority.

We have been well served by the Board over the years and our present Board is extremely cohesive and an effective team. Many voluntary hours are given by these professional people to ensure the CYCSA is a success not only as a premier yacht club but a financially stable enterprise. On behalf of the members I would like to thank the Board for ensuring the future of our Club.

There have been many business initiatives at the Club over the past season and most covered in various Management and President's Reports. I would just like to add my congratulations to the President, Board and Management Team that brought together the sale of the CYCSA North Haven Public Boat Ramp ensuring the Club a strong future. A sale price of approximately \$5.5m will be received and put to work diligently benefiting all members.

Thank you again for the opportunity to serve as the CYCSA's Commodore. I trust the ongoing Flag Officers also enjoy this privilege.

**Geoff Boettcher, Commodore**



# Finance, Audit and Risk Committee Report

The Finance, Audit and Risk Committee (Committee) consisting of Peter Hall (Chairperson and Board Member), Dominic Rinaldi (Treasurer), Wayne Coonan (Senior Member), Robert Ferguson (Senior Member), Des Bilske (Board Member) and Craig Evans CEO (by invitation), met five times over the period from July 2017 to 28 June 2018.

Unfortunately, Mr Bilske retired from the Board in February 2018, because he was appointed to a senior position with Local Government in NSW. Mr Bilske has not been replaced on the Committee, which in consequence has a vacancy which hopefully will be filled in the current financial year.

The Committee has overseen several important initiatives over the course of the last 12 months, including the 2017 and 2018 audit process and timetables, the Club's insurance cover for the many risks now facing an organisation of its size and of course, the continuing refurbishment of marina east. The quarterly figures for income and expenditure for the 2017/2018 financial year were also closely monitored, with emphasis placed on the performance of hospitality in an endeavour to bring the cost of labour to a reasonable level in accordance with industry standards.

The negotiations leading to the execution of the agreement for the sale and purchase of the Ramp facility by Government also attracted consideration by the Committee in support of the Board. The sale is expected to be completed in the next few months.

The Committee also kept a weather eye on matters as diverse as berth sales, maintenance, membership and staffing levels.

I am pleased to report that Kerry O'Brien joined the Club as Financial Controller in December 2017 and has since attended Committee meetings by invitation. Kerry's contribution has proved invaluable.

I thank each member of the Committee and the respective invitees for their wise contributions to the business of the Committee and its deliberations.

**Peter Hall, Chairperson**

# Members Committee Report

The Members Committee was established in April 2018. It is comprised of:

Cruising Association  
Fishing Association  
Racing Association  
Hardstand  
Board Member  
Flag Officer (to chair)  
Flag Officer – Commodore  
Secretary  
Marketing  
Management representative  
Food/Beverage representative

The purpose of this committee is to enhance communication between members and the Board. (Terms of Reference)

A successful activity of this Committee was to populate the clubs calendar with activities well in advance so events do not clash. We are also taking into consideration if there are external events that may impact on attendance ie, football finals and Fringe events etc.

The Committee is also a conduit between members and the Board and/or Management to relay information or rollout changes – ie Dog Policy and has had great success in the few months of operation. Part of the purpose is also to assist in resolving or directing members issues or concerns to the appropriate party.

The coming year will see a focus on a Volunteer drive (see recent survey) and then to assist in coordinating volunteers where their skills are most needed. We would like to draw together all facets of the club to provide holistic engagement for all members.

**Jacq Heffernan, Vice Commodore**



# Facilities Committee Report

Capital expenditure for 2017/8 totalled some \$480,000 of which the major focus was the Marina East replacement/refurbishment program coming in at around \$340,000. The works include the access walkways and the crane wharf. Year to year spend can vary depending on the timing of payments for supplies, in particular, batches of new fingers transported in from Bellingham's Queensland plant.

As at the time of going to print, the status of the program is summarised in the plan above. Regular updates of progress are published in *Groundswell* and the latest version of the plan (typically updated fortnightly) is up on display in the clubhouse foyer.

Forward (rounded) Marina East funding in the capital program approved by the Board in out-years is:

2018/19	2019/20	2020/21	2021/22
\$350,000	\$365,000	\$380,000	\$400,000

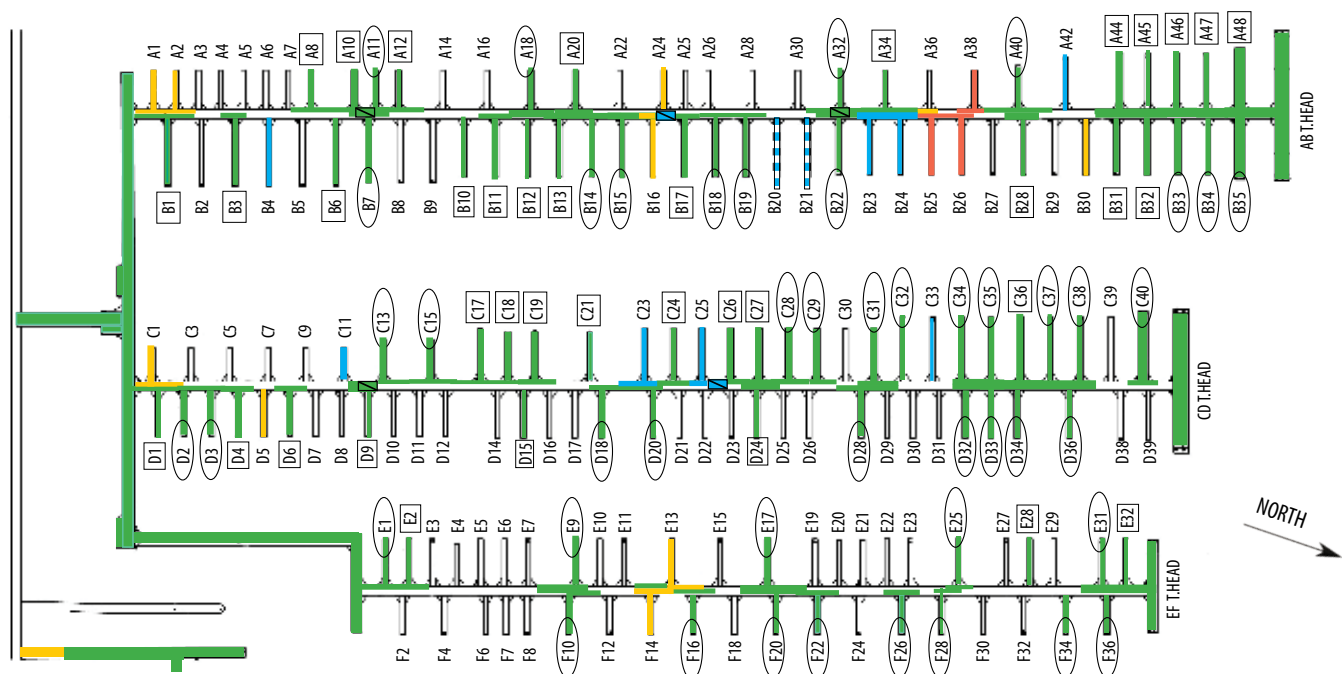
There can be flexibility to allow slight variations to the funding commitment when overall budget outcomes allow.

In out-years, once Ramp Sale cash is to hand and is protected in a Sinking Fund, earnings from the Sinking Fund investments may be realised that can contribute to the funding for the Marina East over-water refurbishment/replacement program, without eroding the initial capital transferred to the fund.

The remaining capital expense in 2017/18 was as follows:

• Office equipment/server/computers	\$17,300
• Buildings & infrastructure (incl FA store)	\$18,800
• Marina West pump & glass door replacement	\$12,200
• General grounds (incl blue tractor refurbishment)	\$16,300
• Hospitality (kitchen & bar equipment, chairs)	\$70,300
• Vessels – CYC3 Float	\$5,200
Total (nos don't exactly add up due to rounding)	\$140,000

**MARINA EAST RECURBISHMENT / REPLACEMENT PLAN 2018/19**



- SCHEDULED RECURBISHMENT
- PLANNED REPLACEMENT
- PLANNED REPLACEMENT (NOT IN CURRENT YEAR)
- UNDER CONSTRUCTION
- RECURBISHED / NEW
- DENOTES RECURBISHED
- DENOTES 2ND GENERATION (NEW)
- NEW MAIN WALKWAY

**NOTES (SUBJECT TO CHANGE):**

- PART OF CRANE WHARF FINGER BEING RECURBISHED (10% REMAINING)
- A38, B25 & B26 UNDER CONSTRUCTION
- INSTALL B4 & C33
- E13 & F14 TO BE RECURBISHED FOLLOWING INSURANCE WORK
- A24 & B16 TO BE RECURBISHED INCLUDING NEW MAIN WALKWAY PONTOON
- A42, B4, C11 & C33 PONTOONS (ARRIVING 2 AUGUST)
- REPLACE MAIN WALK WAY BETWEEN D22-D23 (REDUCED PRIORITY; TO LOOK AT WITH FINGER RECURB)
- A1 & A2 TO BE RECURBISHED
- CRANE WHARF FINGER TO BE RECURBISHED

NB: FINGERS ARE IDENTIFIED BY THE BERTH NUMBER IMMEDIATELY TO THE SOUTH OF THE FINGER

DRAWING No: 53 NOT TO SCALE DATE: 26.07.2018



The Facilities Committee was tasked by the Board to prepare a forward capital works program. While the program covers the balance of the Marina East refurbishment/repair work and expected capital replacement and repair provisions, some of the new items that were included are:

- New building work at Pt Vincent
- Umbrellas for the bistro apron area
- A new mid-size cradle for the slip area
- Club house shower and toilet upgrades
- Additional storage and relocation of waste facilities
- Marine Academy vessel replacement
- And in out-years, an over-water deck

**David Murray, Chair Facilities Committee**

**Members: Ken Amos, Graeme Footer, Geoff Boettcher, Craig Evans**





# CYCSA Marine Academy Advisory Committee Report

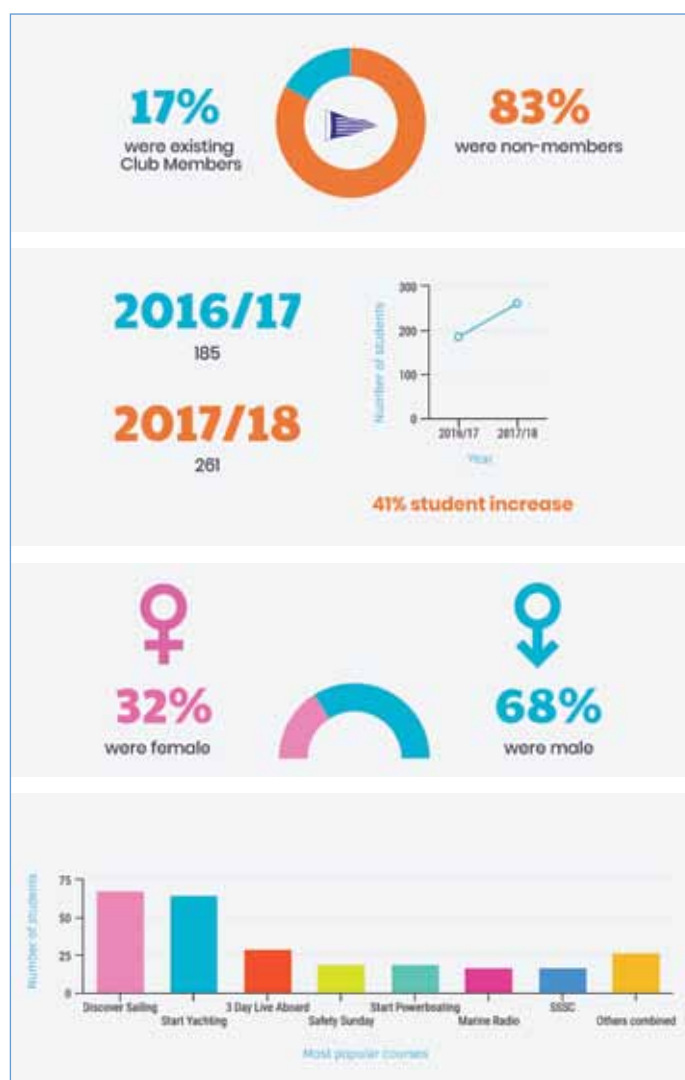
It is my pleasure to introduce the Annual Report of the CYCSA Marine Academy.

Following a planned transition, the Academy has now reached another of its initial goals – to be an integral part of the Club's daily operations. Responsibility for the management, administration and performance of the Academy has now moved completely across to the Club's management team, with the Marine Academy Advisory Committee's role now being purely to advise the Board and assist the staff where appropriate.

Special thanks to past chair Rowley Richardson, CEO Craig Evans and Boating Administrator David Royle for their efforts in achieving this goal. Thanks to the current members of the Committee – Andrew Saies, Geoff Boettcher, Rod Hunter, and Fran Semmler (ex officio) for their assistance and commitment.

The following report has been prepared by Craig Evans and David Royle.

**Geoff Catt, Chair CYCSA Marine Academy**



The CYCSA Marine Academy continues to be an important part of the Club. 2017-18 marks the Academy's eleventh year of operation. It is pleasing to see how far it has come over these years in meeting the purpose of increasing enjoyment, safety and knowledge for boating for both members and non-members, and for attracting potential members to the Club.

This year the Academy had 261 students an increase of 41% on last year (185). Of those attending 17% were members, 83% were non-members with 32% being female and 68% male. Three took up club membership as Racing members, which is down on the previous year.

## Courses

The most popular courses were again Start Yachting, Discover Sailing and 3 Day Live Aboard. There were no Women's only courses run this year due to the lack of numbers booking. Instead women were encouraged to undertake Discover Sailing in mixed groups with no negative feedback reported.

We have increased the number of private courses, both accredited training and one off custom training, undertaken throughout the year. This has included a significant number of mid-week courses for both Powerboating qualifications and Start Yachting.

Feedback from students remains high. Recent articles in Groundswell from students (the Warren family, Ants Hughes and Ros Date) attest to this. Members should also note the strong email feedback received (see testimonial on page 21).

As with previous years there have been wide ranging reasons for participants to undertake courses. Some just want to learn to sail and be competent on a yacht while others are working towards a goal of buying a boat.

## Human Resources

The introduction of the Boating Administrator role has meant that David Royle's involvement has increased with him being appointed as the Principal effective from April 8, 2017. These changes were approved by both Australian Sailing and the RYA. Brett Yardley has maintained his position as Chief Instructor with Matt Young, John Edwards, Andy Shipp, Rod Hunter, Hugh Longbottom and Vernon Schulz as instructors. Hugh Longbottom continues to undertake the Boating Operations role, which includes many hours keeping Academy 1 at the level required to meet our training accreditation with the Royal Yachting Association (RYA).

The Academy recognises and appreciates the Club's administrative staff, the Boating Administrator and the Advisory Committee, all of whom have supported the Academy in their various capacities.

## Assets

Academy 1 has been maintained to ensure compliance with RYA and the Department of Planning, Transport and Infrastructure survey requirements. An annual maintenance program has been

completed by appropriately qualified contractors or club members and the appearance of the boat above and below decks has been enhanced by a team of volunteers. The involvement of trainees in the maintenance of the boat is most appreciated. They and the numerous volunteers who assisted with this are sincerely thanked for their contribution.

Maintenance costs for *Academy 1* this year to are in the order of \$24,000. This should not be of surprise given the increase in workload that she is taking, her age and, in hindsight, the limited maintenance regime that was previously in place.

The CYCSA Marine Academy is heavily reliant on the vessel *Academy 1* and while it is in pretty good shape the boat will turn 30 in 2019. Replacement with a more modern vessel will need to be considered in the near future.

This year our inflatable Zodiac, *CYC3* has benefitted with the replacement of its tubing and new covers.

In the year under review the Academy was audited twice by RYA representatives to ensure compliance with a range of standards to meet their accredited training centre status. Whilst there were a range of issues to be addressed following the September 2017 audit and subsequent audit in 2018 achieved a very positive outcome.

Assets available to the Marine Academy continue to be been significantly enhanced through donations. Senior member Peter Lucas, through his company Pacific Australia Marine Safety Pty Ltd supplied a new eight-person RFD life raft with hydrostatic release in 2017. Ongoing support includes servicing the life raft and *Academy 1*'s life jackets. Many other members have donated sails and equipment and their time with maintenance and repairs to *Academy 1*, which if paid for would have been worth many thousands of dollars. These Members are sincerely thanked for their assistance to the Marine Academy.

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## Income Statement 2017/2018

### Income

SSSC and Update	\$5,468.16
Safety Day	\$713.66
Twilight Sailing	\$0.00
Start Yachting	\$20,399.99
Discover Sailing	\$3,786.33
2, 3, 5 Days Live Aboard	\$25,990.87
Instructors Training	\$0.00
Private Lessons	\$11,590.92
RYA/YA Theory - Day Skipper	\$0.00
RYA/YA Theory - Essential Navigation	\$3,409.05
Marine Radio Course	\$3,318.17
Keelboat Program	\$454.55
Powerboat Program	\$4,504.52
SA Water Atlas	\$0.00
Course Books	\$409.02
ICC Direct Assessment	\$2,736.35
Sponsorship/Fundraising	\$6,818.18
Other Income	\$0.00

**Total** **\$89,599.77**

### Expenses

SSSC and Update	\$2,461.82
Safety Day	\$280.00
Twilight Sailing	\$0.00
Start Yachting	\$8,577.29
Discover Sailing	\$1,700.00
2, 3, 5 Days Live Aboard	\$12,098.08
Instructors Training	\$1,919.77
Private Lessons	\$5,400.00
RYA/YA Theory - Day Skipper	\$0.00
RYA/YA Theory - Essential Navigation	\$3,575.33
Marine Radio Course	\$2,178.18
Keelboat Program	\$200.00
Powerboat Program	\$2,448.16
SA Water Atlas	\$0.00
Course Books	\$0.00
ICC Direct Assessment	\$1,000.00
Sponsorship/Fundraising	\$0.00
Other Expenses	\$1,618.20
Boating Corrdinator wages	\$4,933.40
MA Coordinator wages	\$7,746.78
Salaries on-costs	\$2,166.12
Fuel for Boats	\$551.20
Repairs & Maintenance - <i>Academy 1</i>	\$15,140.73
Repairs & Maintenance - <i>CYC3</i>	\$1,107.83

**Total** **\$75,102.89**

**2017-2018 Result** **\$14,496.88**

# CYCSA Marine Academy Advisory Committee Report continued

## Marketing and Administration

Encouraging course participants to become members remains a priority. In this regard the work of Hugh Longbottom and other instructors in welcoming and engaging trainees with the club is most appreciated. The involvement of *Academy 1* in Twilight races and the Adelaide to Port Lincoln race has given members, Flag officers and Duty crew an opportunity to welcome the trainees into club activities. Thanks to these members and those who have taken trainees on board and mentored them.

Follow up on enquiries and the development of enrolment and student record systems has continued to become more efficient and effective. The changes in 2017 to the roles and responsibilities of the Academy's officers will continue to simplify and improve communications with students. These improvements can be measured by the significant increase in student numbers and private courses run.

## Financials

The financial statement included with this report shows an income of \$89,600 with expenses totalling \$75,103 resulting in a surplus of \$14,497. IC Frith and Nautilus Marine are thanked for their donation of \$6,818 that assisted with this result.

In 2017-18 members were invited to contribute to Marine Academy Foundation to support the activities of the Academy. Support for the scheme was excellent with \$16,910 donated. The amount of \$7,755 has been used to purchase anchor winch and few other items for . The remaining \$8,915 is now held as reserve capital with the end of year surplus being directed towards meeting compliance with Sailing Australia's instructor requirements.

## Future Directions

The Academy offers a pathway to begin – a pathway to learn, to be mentored, and encouraged. A pathway to progress from dinghies to keelboats and on to blue water classics such as the Adelaide to Port Lincoln and Sydney to Hobart Races. We currently excel at providing a "cruising" pathway through the delivery of our RYA courses up to and including Day Skipper Practical.

However, if we focus solely on Cruising Courses through our RYA accreditation, which is our current business model, I believe we will be doing the Club, its members and its vision of remaining "prominent in all forms of yachting" a disservice.

This is because the Academy will be taking no action to bring the next generation(s) of racing sailors into the club, nor will we be providing relevant and contemporary training opportunities that produce yachtsmen and women that can and will compete at the highest levels both nationally and hopefully internationally. Ask any of our senior skippers how easy it is to find and develop proficient crew. A number now bring crew in from interstate for major races. Moreover, the membership demographic of the Club (and MA customers as well) in general must be seen as a concern with an ageing membership and very few younger sailors, be it racing or even cruising.

Given this, the Committee has asked that the Academy revisits the 2013 proposal to introduce a sportsboat as an endorsed training boat (or fleet) for Club racing.

I conclude with a big thank you to the Marine Academy Advisory Committee members Geoff Catt, Andrew Saies, Geoff Boettcher, Rod Hunter, and Fran Semmler (ex officio) for their time and contributions and to the Board for their ongoing support.

***Craig Evans, Chief Executive Officer and  
David Royle, Marine Academy Principal***





## Testimonial

Peter and I would like to say a very big thank-you to you personally as well as to the club, for such an amazing experience with the Pt Lincoln Race and Regatta.

We are both very grateful for the opportunity to participate as part of the *Academy 1* team. We enjoyed it very much.

As you know, we are both very new to the sport of sailing, having only started in October with the Start Yachting weekend. So to be able to join the regatta team has been an invaluable part of what has been a very steep learning curve.

As qualified and experienced VET trainers ourselves, we realise the importance of immediately putting into practice, the knowledge and skills gained during any training course.

Personally I have found it challenging, but ideal as a learning program, to progress from the introductory Start Yachting, followed by practice during the twilight races, then more formal learning with Competent Crew 3-day course, followed by the big challenge of the Pt Lincoln Race and Regatta week. It really gave me a solid goal to work towards and I am very glad I did, as my level of skill has certainly improved very quickly as a result. I believe you are truly on the right track in offering an on-going integrated learning program, rather than simply a series of courses, no matter how well run they are. The courses alone are highly unlikely to provide enough opportunity to practice and develop skills, which takes time and effort in such a broad and complex discipline as sailing. That said, I am mindful of the amount of effort you personally contribute to this broader program, and as a club member I hope that the committee will take a similar view in the long term, and ensure that the Marine Academy continues to deliver a comprehensive learning program. This will ensure that new people have a method of entry into the sport, and into the club, without having to first buy a boat to see whether they like sailing (a big call!).

You know that Peter and I have big plans for boat ownership and international cruising in about 3 years time, so in the meantime, we look forward to continuing to progress through the courses to gain our ICC as well as enjoying the relaxed and friendly atmosphere we have found at the club.

Well done Hughie- you are a very brave man - thanks for keeping so calm no matter what we do, (or don't do) and for keeping us safe at all times. We appreciate it, and assure you we will forever remember as a start point – "Stay on the boat, and have a Plan B".

Happy sailing!

**Cate Blackman and Peter McWhinnie**



# Groundswell Editorial Committee Report

**Groundswell** is an important communication and promotion vehicle for the Club. It attempts to reflect life at the Club by involving all interest groups and individuals through the publishing of articles about their activities and interests. The committee works together to gather articles for each of the four editions published annually in both printed and on-line form aiming to encompass a wide range of events and activities.

Putting each magazine together takes time for our small group of volunteers on the committee and we really appreciate the input from members and in particular from the Flag Officers and Associations. Without the interest and response from our members there would be no Club publication of this type.

Advertising is an important component of *Groundswell* in order to make it cost neutral to members. We appreciate and would like to thank our long supporting advertisers who enable us to go to print. New advertisers are always welcome so for information about pricing etc please contact [mellissa@cycsa.com.au](mailto:mellissa@cycsa.com.au) for details.

David Royle, the Boating Administrator and Marine Academy contact, has been a wonderful contributor to the magazine keeping us up to date with racing results and news and commenting on the various courses offered by the Marine Academy both of which add to the vibrancy of the Club. The Cruising and Fishing Association chairs also contribute with articles about what has happened and future events in their respective areas.

Alan Noble continues to provide us with informative articles about all manner of things and his interest and willingness to allow us to include them in *Groundswell* is much appreciated.

We have two retirements to report from the committee. Trevor Paynter, who has done the graphic design work for the magazine since 2001, has decided to move on and Owen Mace, the author of many challenging technology articles, has also put away his pencil case. I thank them both sincerely for their contribution over the years and am sure I speak on your behalf also.

To counter this we have two new members to the committee being Dianne Schwerdt and Pamela Tse and I welcome them both to the *Groundswell* Editorial Committee.

The graphic design for the magazine will now be done in-house with Mellissa Vahoumis, the Club's Marketing and Communications Officer, undertaking this task and it is working out well.

Newstyle Printing continues to do a wonderful job of printing and getting the magazine out to members in a timely manner.

For *Groundswell* to maintain the high quality others say we have achieved input and feedback from all areas of the Club is needed. If you have been on a race, cruise or a fishing trip or completed a Marine Academy course that you found interesting it is likely that other members will be interested also so please, put your thoughts into words and forward it to [mellissa@cycsa.com.au](mailto:mellissa@cycsa.com.au) for possible inclusion in the magazine. If you are not confident about your writing skills but have a great story to relate just get hold of one of the committee members as we can help out. Poetry, prose and particularly photographs are always welcome and our Editorial Committee will proof your articles and make editing changes and correcting grammar etc where required.

Thank you for your support over the year and I trust you will continue to enjoy contributing to and reading *Groundswell*.

### Gay Footer



# Association Reports - Cruising

The Cruising Association and its members have had another busy but fun year. We are pleased to report that the association has maintained an active calendar, holding regular events for our cruising members.

Our activities included:

- Sea and Vines Festival 'Cruise in Company'. Once again club members 'cruised' in a bus to the McLaren Vale wine and music festival and had a brilliant day, sharing good wine, great company, and excellent live music
- The October Long Weekend Cruise to Port Vincent. A number of boats made their way over to Port Vincent to shake off the winter cruising cobwebs and had a good time according to all accounts.
- Piratisation Cruise to Port Adelaide. Poor weather this year, saw a small fleet of 'pirate' boats and their scurvy crews make their way up the Port River. Moored at Queens Wharf, the participating boats enjoyed a great day of food, wine, and entertainment.
- The Christmas Bash. The four associations continued with their festive tradition, combining their Christmas celebrations in the members' BBQ area and had a fun night.
- New Year's Eve at Kangaroo Island. Following Christmas festivities, a number of CYCSA boats cruised to Kangaroo Island. The absence of any strong winds from the North, made it easy to find safe and smooth overnight anchorages. CYCSA members celebrated New Year's Eve with a small contingent from the RSAYS at the Brown's Beach Camping Ground, Eastern Cove; pre-dinner drinks at anchor, a short trip to the BBQ area in our tenders, a quick BBQ dinner, and lots of fun playing with glow sticks.
- Tour Down Under in Port Adelaide. The start of 2018 Tour Down Under was held in Port Adelaide and a number of CYCSA boats took part in a Tour Down Under Boating Flotilla. Most boats moored alongside the pontoons near the Birkenhead Bridge and had great fun over three days. The Port was "dressed up", looked spectacular and, on race day, a buzzing street party attracted 1000s of visitors.
- The Easter Cruise to Port Vincent. The wind and sea conditions were perfect for the Gulf crossing, enabling a big CYCSA sail and powerboat fleet to make a quick and pleasant passage. On Saturday night, several club members joined the Yacht Squadron for an outstanding shared dinner in their marquee. On Sunday night we celebrated a wonderful weekend at the busy Ventnor Hotel. The friendship, laughter, beautiful weather and the large number of club members made this Easter cruise a beauty.
- The Second Saturday BBQs. The "BYO everything" events continued to be very popular, with attendances around 50 mark throughout the year. These BBQs are held in the warmer months and all CYCSA boats, both power and sail, are very welcome to attend.

## Cruising Adventures

There were a number of substantial cruising adventures undertaken by club members including: *School's Out* cruise to Hamilton Island; the cruise to the West Coast by *Equanimity*, *Alpha Centauri* and *Sachan*; and the Arriba Charity Cruise. These wonderful cruises are described in detail in various *Groundswell* editions over the last year.

## Sponsorship

We would like to thank Mark Charlesworth for his continual support of our association and club. Charlesworth Nuts produce an outstanding South Australian product and we are very proud to be associated with this fantastic company.

## SA Cruisers Google Group

'SA Cruisers' continues to be great a resource, as a large number of cruising sailors across SA have the opportunity to link into each other's ideas and activities. Whilst not officially part of the Club, a number of committee members of the Cruising Association are moderators of the Group.

## Volunteer of the Year

The Cruising Association would like to make the posthumous nomination of Robert Perrin for volunteer of the year for his dedicated and enthusiastic work on the Cruising Association Committee over many years. Robert joined the CYCSA in 2002 and passed away on 19 March 2018.

Finally, I would like to thank everyone in the cruising community for their wonderful friendship and support during the 2017-18 year.

**Adrian Wotton, Chair Cruising Association**

## Income Statement 2017/2018

Income	
Burgee Sale	\$0.00
Sponsorship	\$4,000.00
Cruise of the Year	\$0.00
Other Income	\$0.00
<b>Total</b>	<b>\$4,000.00</b>
Expenses	
Hospitality	\$266.95
Flags	\$0.00
Entertainment	\$0.00
Trophies/Prizes	\$0.00
Other Expenses	\$117.24
<b>Total</b>	<b>\$384.19</b>
<b>2017/2018 Result</b>	<b>\$3,615.81</b>



# Association Reports - Fishing

The membership of the Fishing Association Committee for 2017/18 consisted of:

Vlad Humeniuk	Chair and Treasurer
Leica Theodore	Vice Chair
Glen Simpson	Secretary
Geoff Wiggins	
Ken Amos	
Peter Clark	
Joe Mezzini	
Peter Schembri	
Ciaron Cowley	

With sadness, I note the passing of Leica Theodore. Leica was the longest serving member of our committee and will be sorely missed. Her eagerness, generosity and dedication to the committee was legendary. She was instrumental in the success of our Crabbing Days and the Easter Week-end Fishing Competition at Pt Vincent. The NACA Award will never be the same!

The committee strives to be (and I quote from last years report with thanks to Trevor Paynter)

- To be an association that is relevant to members interested in fishing.
- To provide value to members for their FA membership fee.
- To organise activities that focus upon youth – to encourage members to participate with their children and grandchildren – to have fun and success.
- To organise activities that are educational – to broaden members' knowledge of fishing methods and techniques.
- To increase FA sponsorship support and monies to further facilitate/offset activities.
- To increase numbers on the FA committee thus providing broader opinion, discussion, innovation and ideas, and people to manage specific projects.

I welcome the new members of our committee, Ken Amos, Peter Clark, Joe Mezzini, Peter Schembri and Ciaron Cowley. Already their contributions are noted, especially Ken Amos who has been instrumental in getting a storage cage built in the western basin garage. Our thanks go to the CYCSA Board and management teams for this. It has allowed us to create an asset register and securely store our gear in the one place, for the first time.

Activities started in November with a Cockling Day on Goolwa Beach. This was a very successful event with lots of fun for the members (and families) with bag limits of cockles achieved by lunch, followed by a sausage sizzle and a drive along the beach.

Boating showcase was also success. We welcomed Riviera Boats back as sponsors this year and enjoyed their hospitality despite the weather. I would like to thank the boat owners who brought their boats forward. Geoff and Sue Boettcher, with David and Vickie Henderson have been long-term supporters of this event.

Our Fishing Awards were announced and awarded that night. Congratulations to John Kenny who scooped the pool winning the whiting and snapper trophies. We continue to encourage all members to send in their photos of their catch to the web page for consideration for this year's awards.

Crabbing Day was also a great success. Special thanks to our sponsors (Port River Marine and the CYCSA) and to all the workers. Special thanks again to Leica who single handed, organised the raffle prizes and the prizes for the crab catch. 105 members and guests enjoyed the crabbing then the lunch. Biggest crab was on *SeaLena*. Sam Stunell had the biggest Junior catch and the NACA award went to *Make It Happen*.

Come Fishing Days were again plagued by the weather. Catches were small, but BBQ lunches were enjoyable. More are planned for this year, even to the possibility of putting a few members boats at Wirrina next summer to try fishing of the coast of Kangaroo island.

Financially, the association made a small profit over the 12 months to the end of May of \$515 dollars. Total income was \$6,329.22 (including subscription fees) and expenditure was \$5,813.82 leaving a balance of \$515.40.

It is our aim to increase our surplus to around \$2,000 in the 2018 / 2019 year based on a continuing increase in membership, continuing and hopefully increased sponsorship and, most importantly, continuing and increased involvement by members.

We would encourage all CYCSA members to join the Fishing Association but remind all that they do not need to be a Fishing Member to join in our activities.





A copy of the Budget, Income and Expenditure Statement is attached.

The FA Committee wishes to thank the CYCSA Board, Club members and staff – administration, hospitality and ground staff – for their support and involvement with the Association's activities. In particular, Mel, Jenny and Marina in the front office, and Andrew in the kitchen, have been a great help to the committee.

Finally, the Fishing Association Committee would like to nominate Ken Amos as our Volunteer of the Year, in recognition for all the work he did in organising the FA storage locker.

**Vlad Humeniuk, Chair Fishing Association**



## Income Statement 2017/2018

### Income

Subscription Fees	\$2,801.94
Crabbing Day Income	\$2,195.44
Sponsorship	\$0.00
Shirts/Burgee /Flags Sales	\$36.36
Boat Party Income	\$1,295.48
Other Income	\$0.00

**Total** **\$6,329.22**

### Expenses

Subscription Expenses	\$0.00
Bar/Catering Expenses	\$198.60
Crabbing Day Expenses	\$1,377.45
Shirts/Embroidery	\$61.87
Boat Party Expenses	\$2,851.36
Flags	\$0.00
Other Expenses/Meeting/Badges	\$1,324.54

**Total** **\$5,813.82**

**2017-2018 Result** **\$515.40**



# Association Reports - Racing

On behalf of all racing members I thank our 2017-18 Racing Association Committee members Tim Cowen, Adrian Wotton, Steve Power, Rob Human, Mike Holmes and Rob Sellick (Chairman). The smooth running of the year is a testament to the time and support contributed by the committee.

The Racing Executive (REX) wishes to acknowledge our Race Officers for the season, John Gibson and Ray Evans. These ROs have invested a great deal of time and effort into facilitating our racing program and we recognise that this role is often a demanding and thankless task. We also acknowledge the contribution and valued support of our Volunteer Duty Crews on CYC1 and CYC2.

REX continues to seek out people who are willing to join our Duty Crew volunteer pool. There have been several members assisting to fill positions on CYC1 throughout the season. REX is aware that we need to find and train more people to ensure we have a solid pool of volunteers for future years. This training extends to offering members a pathway to become a Race Officer, for those who are interested. REX is seeking expressions of interest for persons interested in following the Australian Sailing Race Officer pathway to take some pressure off our dedicated ROs. As always, we welcome any assistance from interested members who might like to join our wonderful volunteer crews on race days.

Our protest committee had a busier year than the last, having convened on both on and off-water matters. We thank Protest Panel Chairman Lisa Bettcher, as well as all panellists from RSAYS, PRSC and CYCSA who have contributed throughout the year, for their generosity in giving their time and expertise when required.

REX has been collaborating with the Royal SA Yacht Squadron for many years now, allowing efficient facilitation of our racing program. The level of cooperation between CYCSA and RSAYS is growing and teams from both clubs are enjoying the combined fleet racing. Our cooperation with RSAYS will continue for Season 2018-19 and work continues combining both clubs' Sailing Instructions into one set of standard Sailing Instructions. This change will not affect the way races are conducted but will remove confusion between clubs and ROs.

REX enrolled in a Yacht safe electronic Safety Auditing Program although it was not without its challenges we will be continuing with the process which has undergone some improvements.

Racing Handicaps are now using Top Yachts Exponential Algorithm which on review of 2017-18 results Has made the racing much closer. With divisional winner only separated by a small number of points and daily race results by seconds. This process is performed with very little or no manual adjustment.

The Sportsmed Premier's Cup was this year again held as part of the wider Premier Adelaide Regatta, which included a yardstick dinghy event and the YSA Youth Series both hosted by Largs Bay SC. This year's Premier's Cup achieved 30 entries, steady with last year. Unfortunately, the weather meant that racing only took part on the Saturday. REX wish to thank long term sponsor Sportsmed for their continued support, acknowledging that this season was their last as sponsor. We are pleased to announce that Georges Wines will take over sponsorship of the Premiers Cup for the 2018-19 season.

Series participation remained relatively stable in 2016-17, with some small shifts. We have been monitoring trends in both boat entries and overall participation, which you can see in the attached summary.

Racing Members as at 31 May are 277, including 61 senior members; a decrease of over 10% from last year. It's pleasing to see skippers willing to take on Academy graduates and take part in the growth of sailing.

The CYCSA was well represented interstate this year, starting with the Sydney to Hobart Yacht Race. *Concubine* (Jason Ward and Shevaun Bruland and crew) finished a very respectable 7th place on IRC breaking the record for boats under 50 feet by a significant margin. *Concubine*, *Secret Men's Business* (Geoff Boettcher and crew) and *Shining Sea* (Andrew Corletto and crew) all competed in the Australian Sailing Championships held at Sandringham Yacht Club in January, where *SMB* finished in 2nd place. *School's Out* (Adrian Wootton) competed at: the Australian Women's Keelboat Regatta in Melbourne; the Airlie Beach Race Week and the Hamilton Island Race Week. Multihull's *Aquila* (Mark Johns) and *Scamper* (Adrian Lawrie 2nd in her division) also competed in the Hamilton Island Race Week.

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## Series Entries

Series	2013-14	2014-15	2015-16	2016-17	2017-18	+/- % (from 16-17)
Inshore	18	17	19	19	20	+5%
Offshore	5	5	2	4	1	-75%
Coaster	12	13	14	11	10	-9%
AMS States	24	22	12	19	19	steady
IRC States	19	8	8	7	13	+85%
Twilight 1	30	27	27	24	22	-8%
Twilight 2	24	24	20	20	23	+15

## Series Entries by Division

Series	2013-14	2014-15	2015-16	2016-17	2017/18	+/- % (from 16-17)
Inshore D1	7	5	7	4	9	+125%
Inshore D2	11	12	12	15	12	-20%
Offshore	5	5	2	4	1	-75%
Coaster	14	13	14	11	10	-9%
IRC States D1	11	8	8	7	7	steady
IRC States D2	8	N/A	N/A	N/A6	6	+100
AMS States D1	9	11	14	9	21	+22%
AMS States D2	15	11	8	10	8	-20%

## Regattas

Series	2013-14	2014-15	2015-16	2015-17	2017/18	+/- % (from 15-16)
One Design Regatta	-	-	-	-	7	+100%
Great Southern	31	20	23	23	25	+8%
Queen of Gulf	19	13	18	16	10	-37%
Premiers Cup	35	-	37	30	30	steady





# Association Reports

## Racing (continued)

We also had representation at the Festival of Sails in Geelong and the J24 Australian Championships in Melbourne.

Once again, this season we are grateful for the wonderful support of our valued sponsors. Phil Hoffmann Travel, Yalumba, Sportsmed, Port River Marine, and The Watershed Café. REX would encourage the membership to support these sponsors when the opportunity arises. Sponsorship continues to be a major challenge and we will be proactive in attempting to secure more sponsorship relationships in the coming season to assist our bottom line.

Race Office Management and REX have kept a close eye on our Association finances and improving the Association's bottom line will be a continuing focus.

The 2018-19 Race Association Committee will soon convene and our goals will be to continue to strive to maintain the core business of the association, which is to:

- Continue to promote IRC racing by way of a pilot program in partnership with Australian Sailing to increase IRC participation at Club level, with a focus on offering this to other Clubs who race with us.
- Improve the skillset and size of the volunteer pool and streamline protocols with a view to Duty of Care;
- Promotion of the club via national and international representation at regattas;
- Work with associated groups to further the sport of yachting;
- Work closely with RSAYS and PASC to ensure smooth running and cooperation of racing;
- Maintain/improve the Association's financial position via membership, sponsorship and fundraising initiatives;
- Utilise the Marine Academy and other methods of sourcing crew to maximise participation and crew development;
- Assist skippers to comply with safety protocols and category requirements.

As we have noted in previous years, no racing season is without its challenges. As a committee we continue to adapt, learn from mistakes, make adjustments where necessary and work to solidify our position in this extremely challenging financial climate.

On behalf of REX we submit Ray Evans as our nomination for CYCSA volunteer of the year award

I thank all Racing Members, the CYCSA Office and Hospitality Staff, Volunteer Duty Crew and Racing Association Committee members for their help and support throughout the past season. The Racing Association can report that the past season, while not without its challenges, has progressed well. The committee has now finalising the 2018-19 program as it prepares for another successful season of racing which has been published on the Club's website. I also wish to acknowledge the work of David Royle in the role of Boating Administrator and Racing Manager, his assistance has been invaluable.

**Rob Sellick, Chairman Racing Association**

## Income Statement 2017/2018

### Income

Racing Membership Fees	\$26,657.85
YA/YSA Membership Income	\$29,445.07
Casual Membership Fees	\$641.05
Racing Nominations	\$22,627.35
Casual Nominations	\$227.30
Regatta Income	\$400.00
Raffle Income	\$435.05
Fundraising	\$0.00
Safety Income	\$1,487.24
Racing Flags	\$127.28
Blue Book Sales	\$431.87
Presentation Night Income	\$8,022.82
Sail Storage Shed	\$8,722.67
J24 Championship	\$0.00
Other Income	\$1,509.09
Sponsorship	
Yalumba	\$4,000.00
Phil Hoffmann Travel	\$7,000.00
Port River Marine	\$2,272.73
Sportsmed SA	\$2,500.00

**Total** **\$116,507.37**

### Expenses

Wages	\$39,958.97
Superannuation	\$3,953.51
Administration	\$1,968.00
Engraving/Signage expense	\$776.82
Racing/Regatta Expenses	\$294.45
Office expenses	\$54.36
Airhorn	\$0.00
Buoy Maintenance	\$1,399.34
Sponsors Expenses	\$1,133.95
Duty Crew Expenses	\$3,728.00
Hospitality	\$463.40
Safety Expenses	\$1,700.27
Blue Books expenses	\$0.00
Clothing	\$0.00
Internet /Computing	\$3,094.72
Phone expenses	\$4.55
Racing Flags	\$563.64
Motor Vehicle Expenses	\$0.00
Presentation Night expenses	\$10,188.93
Trophies/Prizes	\$2,316.78
YachtBot	\$0.00
YA/YSA Yearly Membership expense	\$29,445.08
Other Expenses	\$618.09
Salaries on-costs	\$3,599.47
Repairs & Maintenance - CYC1	\$775.64
Repairs & Maintenance - CYC2	\$5,513.17
Fuel for boats	\$2,767.36

**Total** **\$114,318.50**

**2017-2018 Result** **\$2,188.87**

# Club Structure

The following diagrammatical representation of the Club's structure is provided to clarify the relationship between the associated entities and the function each entity undertakes in the total Club structure.

## CYCSA Incorporated (referred to as 'the Club')

- Senior Members elect a seven member Board of Management annually.
- The Board of Management ('the Board')
  - is responsible for the management of the Club with delegation of appropriate responsibilities to the Chief Executive Officer.
  - act as Directors of CYC (SA) Management Pty Ltd, the trustee of the CYC (SA) Unit Trust.
  - act as Directors of CYC Ramp Pty Ltd, the trustee of the CYC Ramp Trust.
- The Club owns the floating assets in Marina West.

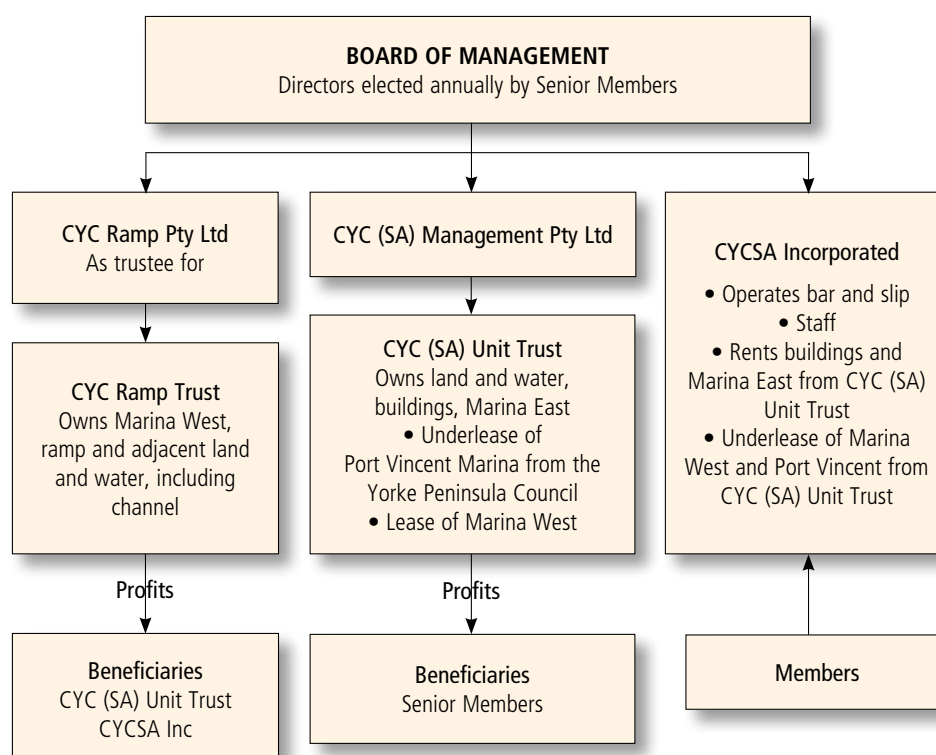
## CYC (SA) Unit Trust

- The major assets of this trust are the freehold of the Club Eastern Basin at North Haven, including land, water and buildings, and the sub-lease of the Port Vincent Marina and a lease of the land and water of Marina West (which is sublet to the Club).

- All Senior Members hold units in this trust and therefore have a beneficial interest in the above assets.
- As an asset holding entity, the trust's affairs do not generate profits that can be distributed to unit holders.

## CYC Ramp Trust

- This is the trust established in the early 1990s to facilitate the purchase of property including the southern area of the carpark, the land to the south and the Western Basin.
- The major assets of the trust are the Western Basin including Marina West and the water area adjoining the northern peninsula.
- The trust also operates the public boat ramp.
- The trust leases Marina West land/water to the CYC (SA) Unit Trust.
- The trust, being a discretionary trust, does not have owners, but the beneficiaries of the trust are the Club and the CYC (SA) Unit Trust. The trust has made distributions to the Club in the past.



# The Cruising Yacht Club of SA Incorporated and Controlled Entities

## Statement by the Board of Management

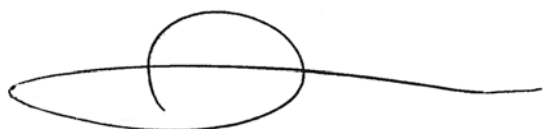
In the opinion of the Board of Management, the Financial Report as set out on pages 31 to 42.

1. Presents fairly the financial position of The Cruising Yacht Club of SA Incorporated and Controlled Entities as at 31 May 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that The Cruising Yacht Club of SA Incorporated & Controlled Entities will be able to pay its debts as and when they fall due.
3. In accordance with Section 35(5) of the *Associations Incorporation Act 1985* the Board of The Cruising Yacht Club of SA Incorporated & Controlled Entities, hereby states that during the year ended 31 May 2018:
  - Other than disclosed in Note 19 in the financial statements, no officer of the Association has, since the end of the previous financial year, received, or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the officers of the Association shown in the financial report) as a result of a contract between the officer or a firm of which they are a member or an entity in which has a substantial financial interest and the Association;
  - No officer of the Association has, since the end of the previous financial year, received directly or indirectly from the Association, any payment or other benefit of a pecuniary value (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the officers of the Association shown in the financial report).

This statements is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board of Management by:



**President**



**Treasurer**

Dated this 12th day of July 2018





# Statement of Comprehensive Income

for the Year Ended 31 May 2018

Consolidated Group			
	Note	2018	2017
		\$	\$
<b>REVENUE</b>			
Revenue	2	3,924,180	3,668,445
Other revenue	2	36,024	134,535
		<b>3,960,204</b>	<b>3,802,980</b>
<b>EXPENSES</b>			
Employee benefits expense		1,389,793	1,295,276
Depreciation	8	444,815	406,737
Other expenses	3	972,975	948,529
Finance costs		34,189	10,359
Cost of sales		533,548	467,698
Insurance		99,704	82,618
Repairs & maintenance		140,282	184,834
<b>TOTAL EXPENSES</b>		<b>3,615,306</b>	<b>3,396,051</b>
<b>NET PROFIT/ (LOSS)</b>		<b>344,898</b>	<b>406,929</b>
Other Comprehensive Income			
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>344,898</b>	<b>406,929</b>

The accompanying notes form part of these financial statement



# Statement of Financial Position

as at 31 May 2018

		Consolidated Group	
	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	40,436	384,953
Trade and other receivables	5	53,895	67,912
Inventories	6	70,921	55,140
Other assets	7	249,768	185,271
<b>TOTAL CURRENT ASSETS</b>		<b>415,020</b>	<b>693,276</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	20,396,016	20,361,634
<b>TOTAL NON-CURRENT ASSETS</b>		<b>20,396,016</b>	<b>20,361,634</b>
<b>TOTAL ASSETS</b>		<b>20,811,036</b>	<b>21,054,910</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	601,775	673,440
Borrowings		-	-
Short-term provisions	10	234,575	182,430
<b>TOTAL CURRENT LIABILITIES</b>		<b>836,350</b>	<b>855,870</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	9	4,698,318	4,846,449
Borrowings	11	940,648	1,348,830
Long-term provisions	10	7,791	22,380
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>5,646,757</b>	<b>6,217,659</b>
<b>TOTAL LIABILITIES</b>		<b>6,483,107</b>	<b>7,073,529</b>
<b>NET ASSETS</b>		<b>14,327,929</b>	<b>13,981,381</b>
<b>EQUITY</b>			
Issued capital	12	6,137,387	6,135,737
Reserves	14	1,447,534	1,361,470
Retained earnings		6,743,008	6,484,174
<b>TOTAL EQUITY</b>		<b>14,327,929</b>	<b>13,981,381</b>

The accompanying notes form part of these financial statements.



# Statement of Changes in Equity

for the Year Ending 31 May 2018

	Contributed Equity \$	Retained Earnings \$	Premium Reserve \$	Club House Reserve \$	Marine Academy Reserve \$	Total \$
<b>Consolidated Group</b>						
<b>Balance at 1 June 2016</b>	<b>6,135,537</b>	<b>5,830,455</b>	<b>1,343,350</b>	<b>264,910</b>	<b>-</b>	<b>13,574,252</b>
	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>
Capital Redemption	(1,800)					<b>(1,800)</b>
Operating Result for the Year	-	406,929	-	-	-	406,929
Transfer Between Reserves	-	246,790	-	(264,910)	18,120	-
<b>Balance at 31 May 2017</b>	<b>6,135,737</b>	<b>6,484,174</b>	<b>1,343,350</b>	<b>-</b>	<b>18,120</b>	<b>13,981,381</b>
<b>Balance at 1 June 2017</b>	<b>6,135,737</b>	<b>6,484,174</b>	<b>1,343,350</b>	<b>-</b>	<b>18,120</b>	<b>13,981,381</b>
Contributed (Reduction) in Capital	1,650	-	-	-	-	1,650
Operating Result for the Year	-	344,898	-	-	-	344,898
Transfer Between Reserves	-	(86,064)	77,150	-	8,914	-
<b>Balance at 31 May 2018</b>	<b>6,137,387</b>	<b>6,743,008</b>	<b>1,420,500</b>	<b>-</b>	<b>27,034</b>	<b>14,327,929</b>

The accompanying notes form part of these financial statements.

# Statement of Cash Flows

for the Year Ending 31 May 2018

	Note	Consolidated Group	
		2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipt from customers		4,187,329	3,967,565
Interest received		5,468	3,579
Payments to suppliers and employees		(3,527,397)	(3,090,062)
Interest paid		(34,189)	(2)
<b>Net cash provided by (used in) operating activities</b>		<b>631,211</b>	<b>881,080</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(485,407)	(1,958,908)
<b>Net cash provided by (used in) investing activities</b>		<b>(485,407)</b>	<b>(1,958,908)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds / (Repayments) from borrowings	11	(491,971)	1,348,630
Proceeds / (Redemption) from issue of units in Unit Trust		1,650	200
<b>Net cash provided by (used in) financing activities</b>		<b>(490,321)</b>	<b>1,348,830</b>
Net increase/ (decrease) in cash held		(344,517)	271,002
Cash and cash equivalents at beginning of financial year		384,953	113,951
<b>Cash and cash equivalents at end of financial year</b>	<b>4</b>	<b>40,436</b>	<b>384,953</b>

The accompanying notes form part of these financial statements.



# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 1: Summary of Significant Accounting Policies

The financial statements were authorised for issue on 20 July 2017 by the Board of Directors.

### Basis of Preparation

The Cruising Yacht Club of SA Inc. (the Club) & Controlled Entities comprising the Club, CYC (SA) Unit Trust and CYC Ramp Trust, as a consolidated group (the economic entity), applies Australian Accounting Standards (AASB) – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Associations Incorporation Act 1985*. The economic entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

### Accounting Policies

#### (a) Income Tax

The Club is exempt from income tax under Division 50 of the *Income Tax Act 1997*. Under current income tax legislation, the CYC (SA) Unit Trust and the Ramp Trust are not liable to income tax provided their taxable income is fully distributed to beneficiaries.

#### (b) Property and Equipment

##### Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

The cost of fixed assets constructed within by the entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5 – 3 %
Marina	2 – 7 %
Plant and Equipment	5 – 50 %
Inner Breakwater	1 %

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they occur.

#### (c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the economic entity, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

#### (d) Financial Instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

# Notes to the Financial Statements

## for the Year Ending 31 May 2018

### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

#### (ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### (iii) Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

### Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

### Derecognition

Financial assets are derecognised when the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### (e) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

#### (f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### (g) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

# Notes to the Financial Statements

for the Year Ending 31 May 2018

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

## (h) non-current Assets Held for Sale

The Marina Berth held for sale is classified separately from other assets in Note 7 of the statement of financial position as its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

## (i) Revenue and Other Income

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risk and reward of ownership of the goods and the cessation of all involvement in those goods.

Annual member subscriptions and fees raised by the economic entity during the year are recognised as gross revenue.

License rental income to occupy Marina West berths have been accounted for in accordance with AASB 117 *Leases*. In accordance with that standard, the license to occupy a berth income received is proportionately recognised over a 40 year period. The amount of license income received that represents income to be earned in future accounting periods is disclosed in the Statement of Financial Position as being revenue received in advance.

The accounting policy for the historic sale of Marina East Berths was to recognise the entire License Income in the year received.

All revenue is stated net of the amount of goods and services tax (GST).

## (j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

## (k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

## (l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## (m) Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

## (n) New and Amended Accounting Policies Adopted by the Entity

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the entity has decided not to early adopt. The entity does not expect these requirements to have any material effect on the entity's financial statement.

## (o) Disposal of North Haven Boat Ramp Assets – 2018/19 Financial Year

The entity signed a contract with the Minister of Transport and Infrastructure on 23 February 2018 to sell the North Haven Boat Ramp. Proceeds from the sale are expected to be \$5.45 million. Settlement of the sale is subject to, and conditional on a number of conditions being met per the sales contract relating to a 'Plan of Division' that requires to be lodged and approved. At the time of issuing these financial statements, a Plan of Division has been lodged with the State Commission Assessment Panel (SCAP) and awaiting approval. Once approval is granted by SCAP, the certified plan of division will be lodged with the Lands Titles Office with settlement expected to occur at this time. Subject to all contract conditions being met, settlement is expected to occur in the 2018/19 financial year.

## (p) Key Estimates

### (i) Impairment

The economic entity assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.





# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 2: Revenue and Other Income

### Revenue

Sale of goods – food & beverage, retail
Event hire income
Commissions
Corporate fees
Membership subscriptions
Income – Marine Academy
Ramp income
Licence fees – Marina West
Interest
Slipping income
Sponsorship
Equipment hire
Lease income
Marketing
Racing association income
Social activities income
Cruising association income
Fishing association income

### Consolidated Group

2018 \$	2017 \$
1,240,897	1,102,391
37,202	25,727
113,966	98,619
1,283,224	1,256,004
546,472	545,025
89,599	75,715
130,528	117,592
148,131	148,131
2,570	3,579
92,402	82,774
15,500	-
15,051	14,612
38,390	37,061
24,726	22,226
116,507	111,443
18,686	17,814
4,000	4,000
6,329	5,732
<b>3,924,180</b>	<b>3,668,445</b>
<b>36,024</b>	<b>134,535</b>

### Other Revenue

Other income
--------------

## Note 3: Other Expenses

Advertising and marketing
Audit fees
Bank charges
Club publications
Computer expenses
Cruising association expenses
Fishing association expenses
Marine Academy Expenses
Operational expenses
Racing association expenses
Rates & taxes
Social activities expenses
Utilities

2018 \$	2017 \$
45,868	44,309
13,200	13,312
30,637	28,244
23,201	16,951
66,744	49,907
384	789
5,813	5,128
75,103	69,370
209,622	211,824
101,662	99,696
280,001	308,608
18,624	16,154
102,116	84,237
<b>972,975</b>	<b>948,529</b>

# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 4: Cash and Cash Equivalents

Cash on hand  
Cash at bank

The effective interest rate on the savings account was 0.95% (2016: 1.05%)

### Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:

- Cash and cash equivalents
- Bank overdraft

## Note 5: Trade and Other Receivables

### Current

Trade receivables  
Provision for impairment

### Provision for Impairment

Current trade receivables are non-interest bearing loans and generally are receivable within 7 to 30 days. A provision for impairment is recognised against trade receivables where there is objective evidence that an individual trade receivable is impaired. These amounts have been listed separately as impairment expenses.

**Movement in the provision for impairment of receivables is as follows:**

### Opening provision for impairment

Charge for the year

### Closing provision for impairment

## Note 6: Inventories

*At lower cost or net realisable value*

- Stock on hand

## Note 7: Other Assets

Marina Berth held for sale  
Prepayments

Consolidated Group	
2018 \$	2017 \$
40,017	2,495
419	382,458
<b>40,436</b>	<b>384,953</b>
40,436	384,953
-	-
<b>40,436</b>	<b>384,953</b>
74,895	88,912
(21,000)	(21,000)
<b>53,895</b>	<b>67,912</b>
21,000	21,000
-	-
<b>21,000</b>	<b>21,000</b>
70,921	55,140
<b>70,921</b>	<b>55,140</b>
150,000	150,000
99,768	35,271
<b>249,768</b>	<b>185,271</b>

# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 8: Property, Plant and Equipment

Land - At Deemed Cost

Leased Asset - At Deemed Cost

Accumulated Depreciation

Buildings – At Deemed Cost

Accumulated Depreciation

Plant and Equipment – At Deemed Cost

Accumulated Depreciation

Office Equipment – At Deemed Cost

Accumulated Depreciation

Marina and Improvements (Marina West) – At Deemed Cost

Accumulated Depreciation

Marina and Improvements (Marina East) – At Deemed Cost

Accumulated Depreciation

Inner Breakwater – At Deemed Cost

Accumulated Depreciation

Works-in-Progress (WIP)

**Total property, plant and equipment**

### Consolidated Group

2018 \$	2017 \$
<b>6,800,000</b>	6,800,000
-	32,800
-	(32,800)
3,615,897	3,615,896
(698,068)	(575,190)
<b>2,917,829</b>	3,040,706
1,230,249	1,121,927
(874,124)	(811,428)
<b>356,125</b>	310,499
191,844	179,040
(149,980)	(126,308)
<b>41,864</b>	52,732
8,491,416	8,479,186
(1,775,816)	(1,614,334)
<b>6,715,600</b>	6,864,852
2,787,050	2,447,415
(1,271,656)	(1,218,573)
<b>1,515,394</b>	1,228,842
2,100,755	2,100,755
(75,374)	(54,366)
<b>2,025,381</b>	2,046,389
<b>23,824</b>	17,615
<b>20,396,016</b>	20,361,634





# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 8: Property, Plant and Equipment continued

### Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land Assets \$	Buildings Assets \$	Plant and Equipment \$	Office Equipment \$
<b>Consolidated Group</b>				
Balance at 1 June 2017	6,800,000	3,040,706	310,499	52,732
Additions	-	-	108,321	12,803
Disposals	-	-	-	-
Depreciation expense	-	(122,877)	(62,695)	(23,671)
<b>Carrying amount at 31 May 2018</b>	<b>6,800,000</b>	<b>2,917,829</b>	<b>356,125</b>	<b>41,864</b>

	Marina and Improvements Marina West \$	Marina and Improvements Marina East \$	Inner Breakwater \$	WIP \$	Total \$
Balance at 1 June 2017	6,864,852	1,228,842	2,046,389	17,615	20,361,634
Additions	12,230	339,635	-	6,209	479,198
Disposals	-	-	(2)	-	(2)
Depreciation expense	(161,482)	(53,083)	(21,006)	-	(444,815)
<b>Carrying amount at 31 May 2018</b>	<b>6,715,600</b>	<b>1,515,394</b>	<b>2,025,381</b>	<b>23,824</b>	<b>20,396,016</b>



# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 9: Trade and Other Payables

### CURRENT

Trade payables
Marina West revenue in advance
Other payables

Terms and conditions of the above financial liabilities are as follows:

- Trade payables and non-interest bearing are normally settled on a 60 day terms.

### NON-CURRENT

#### Unsecured Liabilities

Marina Marina West revenue in advance
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## Note 10: Provisions

### CURRENT

Provision for annual leave
Provision for long service leave

### NON-CURRENT

Provision for long service leave
----------------------------------

### Employee Provisions – Annual Leave Entitlements

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the economic entity expects the full amount of annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the economic entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

## Note 11: Borrowings

Westpac Loan – Bar & Patio Redevelopment
--

## Note 12: Issued Capital

Settled Capital
122,185 (2017: 122,148) fully paid issued units at \$50 each
27,545 (2017: 27,545) fully paid issued units at \$1 each

### Consolidated Group

2018 \$	2017 \$
180,914	175,979
148,140	148,140
272,721	349,322
<b>601,775</b>	<b>673,441</b>
4,698,318	4,846,449
<b>4,698,318</b>	<b>4,846,449</b>
149,410	120,151
85,165	62,279
<b>234,575</b>	<b>182,430</b>
7,791	22,380
<b>7,791</b>	<b>22,380</b>

2018 \$	2017 \$
940,648	1,348,830
<b>940,648</b>	<b>1,348,830</b>

2018 \$	2017 \$
592	592
6,109,250	6,107,600
27,545	27,545
<b>6,137,387</b>	<b>6,135,737</b>

# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 13: Events after the Reporting Period

There were no events subsequent to 31 May 2018 that needed to be disclosed in the financial statements

## Note 14: Reserves

The Marina Academy Donations reserve was established in the 2016/17 financial year with the express purpose of recognising donations received from Members and committing these funds towards future expenditure on the development of the Club's Marine Academy.

## Note 15: Capital and Leasing Commitments

### Operating Lease Commitments

#### Payable – minimum lease payments:

No later than 12 months

Between 1 – 5 years

### Capital Expenditure Commitments

No later than 12 months

Between 1 – 5 Years

Consolidated Group	
2018 \$	2017 \$
7,870	7,306
39,460	34,050
<b>47,330</b>	<b>41,356</b>
-	-
-	-
-	-

## Note 16: Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	2018 \$	2017 \$
<b>Financial Assets</b>			
Cash and cash equivalents	4	40,436	384,953
Accounts receivable and other debtors	5	53,896	67,911
		<b>94,332</b>	<b>452,864</b>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost:			
Accounts payable and other payables	9	453,635	525,301
Borrowings	11	940,648	1,348,830
		<b>1,394,283</b>	<b>1,874,131</b>

The economic entity has a bank overdraft facility amounting to \$100,000. This may be terminated at any time at the option of the bank. At 31 May 2018, \$Nil of this facility was used (2017: \$Nil). Interest rates are variable.

The entity has \$480,000 available in undrawn funds with the Westpac Bar ad Patio loan facility. The total limit of the facility is \$1.349 million.



# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 17: Contingent Liabilities

A bill discount line is provided to CYC (SA) Management Pty Ltd as trustee for the CYC (SA) Unit Trust. Cross guarantees in support of the facility have been provided over the non-current assets of CYC (SA) Unit Trust. As at 31 May 2018 \$Nil was drawn down on the bill facility (2017: \$Nil).

A bank overdraft facility of \$100,000 is provided to the Cruising Yacht Club of SA Inc., which is secured by an unlimited interlocking guarantee for CYC (SA) Management Pty Ltd as trustee for the CYC (SA) Unit Trust and CYC Ramp Pty Ltd as trustee for the CYC Ramp Trust. The facility was drawn down at \$Nil at 31 May 2018 (2017: \$Nil).

The entity has an undrawn bank overdraft facility as at 31 May 2018 of \$100,000 held with the Westpac Banking Corporation.

## Note 18: Lease Agreement

The Minister for Transport has leased the Port Vincent Marina Basin to the Yorke Peninsula Council for a term of 99 years commencing from 1 May 2003. The Council has agreed to under lease that portion of the marina basin on which the Marina is situated to CYC (SA) Management Pty Ltd for an annual rent of \$500 per annum with an annual CPI increase every year after (if demanded) for a term of 99 years less one day commencing on 1 May 2003. CYC (SA) Management Pty Ltd has under leased the area it is leasing to the Cruising Yacht Club of South Australia Inc. (the Club) for the same nominal rent and on the same terms and conditions for a term of 99 years less 2 days commencing 1 May 2003.

The lease is of the land without the infrastructure. The infrastructure is separately hired from the developer Paradise Developments (Investments) Pty Ltd. The Club is acquiring the infrastructure pursuant to a hire purchase agreement in which each hire instalment is paid when the Club sells a licence to occupy a berth to a Club member and CYC (SA) Management Pty Ltd issues units in CYC (SA) Unit Trust to a value which in aggregate equals the hire instalment amount. The Club can require transfer of ownership of each marina finger when one half of the berths which use that marina finger for access have been licensed to Club members.

CYC Ramp Pty Ltd, as trustee for the CYC Ramp Trust, has leased the Western Marina Basin to the CYC (SA) Management Pty Ltd, as trustee for the CYC (SA) Unit trust, for a term commencing on 1 November 2008 and ending on 1 October 2083, at the same rent.

The lease is of the land without the infrastructure. The infrastructure has been separately acquired from the CYC Ramp Pty Ltd, as trustee for the CYC Ramp Trust. The Club has acquired the infrastructure pursuant to a hire purchase agreement to which each hire instalment is paid when the Club sells a license to occupy a berth to a Club member and CYC (SA) Management Pty Ltd issues units in CYC (SA) Unit Trust.



# Notes to the Financial Statements

for the Year Ending 31 May 2018

## Note 19: Key Management Personnel

	Salary \$	Superannuation Contributions \$	Non-Cash Benefits \$
<b>2018</b>	<b>161,980</b>	<b>15,388</b>	<b>520</b>
2017	159,820	15,183	495

The Club's Chief Executive Officer's remuneration is the only employee reflected in the above figures disclosed.

## Note 20: Related Party Transactions

The following Board members, through entities associated with them, provided goods and/or services during the year under normal commercial terms and conditions, to the value of:

Wayne Coonan

2018 \$	2017 \$
-	1,308
<b>-</b>	<b>1,308</b>

## Note 21: Club Details

The registered office and principal place of business of the economic entity is:

Cruising Yacht Club of South Australia Inc.

Lady Gowrie Drive

NORTH HAVEN SA 5018



# CYCSA Inc and Controlled Entities

## Independent Auditor's Report

### To the Members of the Cruising Yacht Club of SA Inc and Controlled Entities



#### Opinion

We have audited the accompanying financial report, being a general purpose financial report, of the Cruising Yacht Club of SA Inc. & Controlled Entities (the economic entity), which comprises the Statement of Financial Position as at 31 May 2018, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Directors on the annual statements giving a true and fair view of the financial position and performance of the economic entity.

In our opinion, the accompanying financial report of the Cruising Yacht Club of SA Inc. & Controlled Entities is in accordance with the requirements of the *Associations Incorporation Act (SA) 1985*, including;

- (i) giving a true and fair view of the economic entity's financial position as at 31 May 2018 and of its performance for the year then ended; and
- (ii) that the financial records kept by the economic entity are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the economic entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the need of the directors. Management's responsibility also includes such internal control as Management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the economic entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the economic entity or to cease operations, or has no realistic alternative but to do so.

The directors of Cruising Yacht Club of SA Inc. & Controlled Entities are responsible for overseeing the economic entity's financial reporting process.



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# CYCSA Inc and Controlled Entities

## Independent Auditor's Report

To the Members of the Cruising Yacht Club of SA Inc and Controlled Entities



### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the economic entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the economic entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the economic entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the economic entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**

A handwritten signature in black ink, appearing to read 'Samantha Allard'.

**SAMANTHA ALLARD**  
**PARTNER**

Signed on the 12th day of July 2018 at 214 Melbourne Street North Adelaide



