

# ANNUAL REPORT

## 2019 – 2020



CRUISING YACHT CLUB OF SOUTH AUSTRALIA



# Club Sponsors

The CYCSA thanks its sponsors for their support during 2019/2020:

## Platinum

- Phil Hoffmann Travel
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- Bravo Sails
- Charlesworth Nuts
- locane
- Shadeform

## Corporate

- Action Energy Australia
- Living Colour Plants
- North Haven Marine

## Club Website

- Savage Bull

# Membership

## As at 31.05.2020

Life	5
Foundation	18
Honorary	12
Senior	485
Port Vincent Senior	51
General Member	67
NMAFC	120
Social	109
Racing	189
Intermediate	11
Associate/Family	47
Youth	60
Casual Crew	29
<b>Total</b>	<b>1203</b>

## Miscellaneous Membership

Corporate	18
Contractors	68
Berth Licensee	106
Ramp	53
Members on hold	3

## Cover Photo

Lining up in preparation for the sail past Officials aboard the *One and All* on Opening Day  
Photo by Trevor Paynter

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# Administration

General General Manager	Adam Hays
Financial Controller	Kerry O'Brien
Finance Manager	Marina Segodina (until Sept 2019)
Finance Administrator	Melissa Norris (from Nov 2019)
Admin & Operations Manager	Jenny Krogdahl (until Feb 2020)
Marketing & Communications	Melissa Vahoumis
Reception & Member Services	Sarah Belton
Berth Sales & Leasing	Sarah Belton (from Feb 2020)
Marine Academy	David Royle
Racing Administrator	Inese Lainis (from Sept 2019)
Maintenance Supervisor	Michael Rowe
Gardening and Maintenance	Steve Miller
	Vinny Bungey
Marina Maintenance Supervisor	Shanan Gilchrist
Marina Maintenance	Todd Clark
Events and Hospitality	Susan Laird (until March 2020)
Bar & Bistro Manager	Frank Mammone
Head Chef	Tony Bailey
Port Vincent Manager	Rob Marner

# Club Associations

## Cruising Association Committee

Chair Adrian Wotton  
Roger Flint, Terry Nicholas, Marty Heffernan, Peter Holdt

## Fishing Association Committee

Chair Vlad Humeniuk  
Joe Mezzini, Geoff Wiggins, Glen Simpson, Ken Amos, Peter Clark, Ciaran Cowley, Peter Schembri, Frank Mammone

## Racing Association Committee

Chair Mike Holmes  
Vern Schulz, Adrian Wotton, Tim Cowen, Rob Human, Wayne Grant

## Social Activities Association Committee

Chair Rosemary Gould  
Jacq Heffernan, Adrian Wilson, Giorgina Gauci, Jennifer McAuliffe, Ann Marie Wallage, Caroline Holdt

# 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.

# Committees

## BOARD COMMITTEES

### Finance, Audit and Risk Committee

Chair Peter Hall  
Wayne Coonan, Robert Ferguson (until July 2020), Kerry O'Brien, Dominic Rinaldi (until July 2020), David Roper (from March 2020)

### Investment Committee (ceased January 2020)

Chair Dominic Rinaldi  
Robert Ferguson, Dominic Rinaldi, Geoff Catt, Chris Wood, Kerry O'Brien

### CYCSA Marine Academy Advisory Committee

Chair Geoff Catt  
David Royle (Principal), Andrew Saies, Fran Semmler (ex officio), Jeff Dinham, Doreen Perrin, Rod Hunter, Adam Hays

### Facilities Committee

Chair David Murray  
Ken Amos, Adam Hays

### Masterplan Committee

Chair David Murray  
Ken Amos, Mark Hutton, Dominic Rinaldi, Traci Ayris, Doreen Perrin, Shevaun Bruland, Karen Johns, Adam Hays

### Membership Committee

Marty Heffernan, Jacq Heffernan, Trevor Kipling

### Members Committee

Chair Jacq Heffernan  
Dominic Rinaldi, Adrian Wotton, Rod Hunter, Rosemary Gould, Mike Holmes, Vlad Humeniuk, Geoff Catt, John Sibly, Adam Hays

### Groundswell Committee

Chair Gay Footer  
Melissa Vahoumis, Dianne Schwerdt, Pat Catley

# Life Members

Arthur F Carolan (deceased), 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)

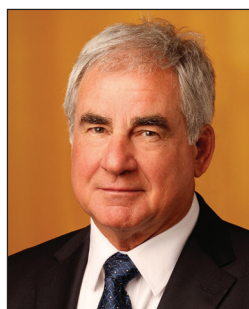
## Board of Management



Dominic Rinaldi  
President



David Roper  
Treasurer



Geoff Boettcher



Keith Finch



Peter Hall



David Murray



Doreen Perrin



Adam Hays  
General Manager

## Flag Officers



Jacqueline Heffernan  
Commodore



John Sibly  
Vice Commodore



Adrian Wotton  
Rear Commodore



Jeffrey Dinham  
Rear Commodore

## Board Attendance 2019/2020

Total of ten (10) Board meetings from 26.09.19 to 17.09.20

Dominic Rinaldi	President	(10)	As a Board Member (01)
David Roper	Treasurer	(09)	
Geoff Boettcher	Board Member	(08)	
Keith Finch	Board Member	(05)	
Peter Hall	Board Member	(09)	
David Murray	Board Member	(10)	
Doreen Perrin	Board Member	(09)	

# President's Report

This has been an extremely challenging year for most South Australians. The calendar year closed with devastating bushfires that gave us all a sense of foreboding for the ensuing summer months. To assist the victims of the bushfire and as a responsible community member our Club undertook various fundraising activities culminating in a dinner dance which raised approximately \$7,000 for the bushfire appeal. None of us were at this point aware that worse was yet to come.

In March this year COVID-19 led to the temporary shutdown of the bar and bistro and put a halt to all functions. The Board and management implemented a response plan to COVID-19 which allowed us to successfully navigate through the ongoing implications of the pandemic. The Club embraced the grants/subsidies on offer from the Federal and State Governments which assisted the cash flow. These grants coupled with some initiatives implemented by management (particularly the provision of takeaway food and alcohol) has meant that our EBITDA for the 12 months to 31st May 2020 was approximately \$18,000 greater than last year. This has been, in my mind, a good result in a challenging and difficult year.

It is a favourable reflection of our wonderful membership that all of the restrictions imposed on the Club by Government announcements were embraced and adhered to by our Members. Whilst there was some initial frustration at the closure of the racing competitions and the bar and bistro, Members understood and supported our obligations to comply with COVID-19 restrictions.

## Social Events

During the year and despite the bushfires and COVID-19 restrictions we were able to run the following events:

- Opening Day
- Commodore's Dinner
- Italian Night
- Willsy's Quiz Night
- Bushfire Fundraiser
- All Associations Bash
- Members enjoy discounted food and bar prices, great surrounds and the very popular weekly Member's Draw.

These functions were well attended and fun was had by all.

## Corporate Governance

Your Board understands the need for not for profit organisations such as the CYCSA to build the trust of their stakeholders, Members and users of the Club. The Board maintains a high focus on all aspects of corporate governance. This year, with the assistance of Treasurer David Roper, we have sought to ensure our policy, practices and frameworks are of a high standard but also are not rigid, allowing them to evolve in a manner that meet Member standards and expectations.

The Board continually seeks to ensure that:

- 1) the Club's values are upheld
- 2) an appropriate culture can prosper
- 3) the Club's strategy is relevant to the environment the Club operates in

## Youth Academy

COVID-19 put a halt to any form of capital expenditure during this period of uncertainty and close downs. In this regard the decision to establish a Youth Academy was deferred until COVID-19 restrictions were revoked or reduced. The Board is still keen on pursuing the rollout of a youth academy in order to introduce the next generation of sailors to the sport of sailing. Since the lifting of COVID-19 restrictions we have focused our attention towards the rollout of a business plan for the establishment of a youth academy.

This plan is still work in progress at the time of writing but it is generally accepted that the model to be embraced will involve corporate sponsorship of boats and a plan to commercialise the boats whenever they are not used for the youth academy. I can assure Members that the academy will not proceed unless the financial risks associated with it are understood and covered by corporate sponsorship.





## New Boat

During the year a new Marine Academy yacht was acquired to replace *Academy 1*. Whilst *Academy 1* has served us well over the last 11 years, the increased repair and maintenance costs in recent years in order for the vessel to remain in AMSA survey has made it cost prohibitive.

The new boat is a Beneteau Cyclades 43.3 and has been renamed *Southern Investigator*. An official launch of the boat has been delayed by COVID-19 but will be undertaken shortly.

## Master Plan

As you are all aware the Master Plan Committee was formed subsequent to the Club's 'Think Tank' session held in December 2018. The Committee chaired by David Murray was set up to develop a brief and oversee a master plan process. The Committee recommended and the Board approved Nelson Architects to undertake a rigorous consultation process to seek and collate stakeholder inputs culminating in a 4 stage master plan. The plan has now been presented to the Board for consideration.

Finally I would like to thank all our wonderful staff both past and present, ably led by our General Manager Adam Hays, who over the last year have shown dedication, innovation and commitment to the improvement of services for Members. Special thank you to all staff who continued to work from home and on site during the shutdown period under very stressful conditions to keep the Club operations running smoothly.

I look forward to seeing all members enjoying the Club's wonderful facilities.

***Dominic Rinaldi, President***



# Treasurer's Report

I am pleased to present to Members this report on the financial results and position of the CYCSA Inc. and Controlled Entities for the year ended 31 May 2020.

On the opposite page is a pictorial breakdown of the operational revenues received and money spent over the course of the Clubs financial year.

The Club's improved financial position is shown by the increase in Net Assets/Equity of approximately \$0.2m. This increase reflects the net surplus from ordinary activities of some \$827k (an increase over the surplus recorded in FY 2019 - \$648k) less an accounting loss of \$612k based on the decrease in the value of the Sinking Fund share portfolio due to market conditions as at 31st May. The investment strategy for the Sinking Fund, currently being managed by Ord Minnett, is long term and these accounting losses are not expected to be crystallised as we wait out the market downturn for better returns in the future.

For the first half of this year the Club was diligent in striving to improve financial performance by concentrating on revenue generating initiatives. However, in the second half of the year efforts were refocussed on minimizing costs during COVID-19 restrictions while at the same time successfully leveraging the grants/subsidies/discounts on offer from the various statutory authorities. As a result, the Club continues to be in a healthy financial position despite the challenges faced. This allowed the Board amongst other things to put a freeze on any increases to membership and corporate fees for the 2020/21 year.

The Club and its management continue to embrace strong corporate governance and a positive corporate culture both at Board level and across all business areas. I would take this opportunity to particularly thank Management and their administration staff for their diligence and efforts over this last year.

The 2020/21 Budget has been completed by Management and approved by the Board. The budget shows the overall expected result for the year of \$553k to be slightly below last year's budget at \$623k, which the Board considers realistic given the current

## A summary of the last 3 years key financial statistics

	2020	2019	2018
	\$	\$	\$
<b>Income Statement</b>			
Revenue	3,824,823	6,173,836*	3,960,204
Net Surplus	215,469	2,436,578*	344,898
<b>Balance Sheet</b>			
Current Assets	6,330,867	6,136,870	415,020
Non-current Assets	16,984,680	16,768,717	20,396,016
Current Liabilities	698,429	665,759	836,350
Non-current Liabilities	5,637,630	5,476,389	5,646,757
Net Assets	16,979,508	16,763,439	14,327,929

\* Includes profit on sale of Ramp \$1,772,103

circumstances. This takes into account the loss of trade expected in hospitality and other areas of the business due to prevailing market restrictions, as well as funding from grants and from new initiatives such as the takeaway offer created during the earlier shutdown.

The budget also provides for \$346k to be allocated to the continuing refurbishment of both Marina East and Port Vincent overwater assets and \$545k for various items of Plant and Equipment and Building Improvements including the completion of the new jib crane, a new slipping cradle and an exciting upgrade to the Port Vincent clubhouse. It is planned that some of the capital expense this year relating to the overwater assets will again be funded by income earned from the Sinking Fund.

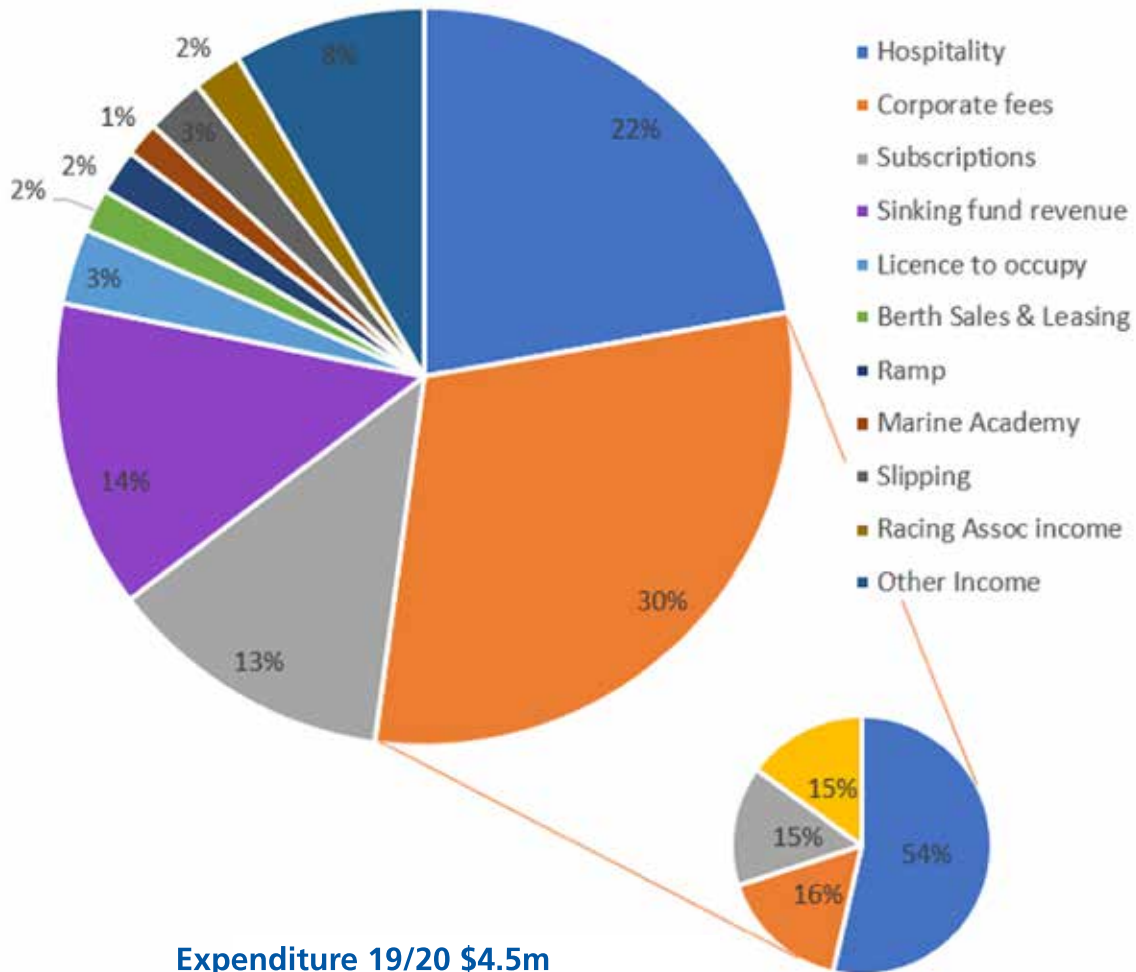
As in prior years, achieving budget will require hard work and sound management. To this end, the ongoing support of Members, Sponsors and Supporters is much appreciated and will also be vital in making this happen.

### David Roper, Treasurer

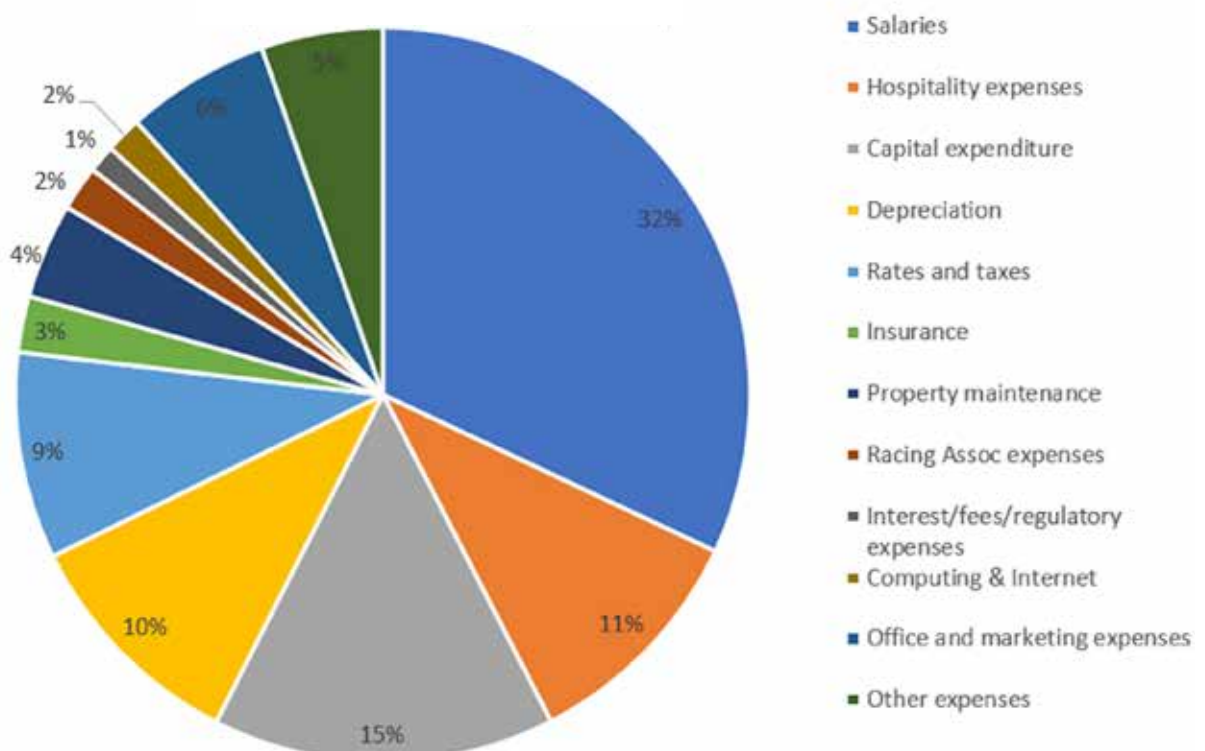
The table opposite shows the historical financial performance of the Club over the past 10 years. The table shows on an annualised basis both the operating surplus and EBITDA (earnings before interest, tax, depreciation and amortisation).	Year	Operating Surplus	EBITDA-CYCInc
	2011	(179)	402
	2012	(162)	439
	2013	(55)	427
	2014	8	157
	2015	112	567
	2016	484	733
	2017	406	568
	2018	345	700
	2019	2,437	2,476
	2020	215	1,138



### Revenue streams 19/20 \$4.4m



### Expenditure 19/20 \$4.5m (including capital expenditure)



# Commodore's Report

Needless to say the past 12 months have been somewhat challenging. When our 'normality' turned into absolute horror starting with the bushfires in our state then being hit with the pandemic when the world just stopped.

Our 2019 Opening Day was a huge success but seems a distant memory now. We do have a plan for Opening Day but may need to revised if restrictions diverge.

Our Club has featured on South Aussie with Cosi back in December and what fantastic feedback we have had from that.

The Associations have all done a wonderful job trying to keep things bubbling along in this time and have been planning for when restrictions have lifted so no time has been wasted in getting back to a type of 'normal'.

Racing has resumed and at the time of writing this article, Presentation Night is going ahead, the Fishing Association has planned the very popular Boating and Fishing Showcase later in the year and the Cruising BBQs will kick off in October. The Social Association has finalised plans for the Commodore's Dinner and the Children's Christmas Party.

The Marine Academy has its beautiful new boat, *Southern Investigator*, now engaged in training days and enticing trainees to become new members.

Port Vincent is still a destination of choice for local sailing and is a great spot to explore the other side of our gulf.

The New Members' Evening was held recently with great success despite the social distancing rules being applied. Many went on to stay for dinner and the now famous, Members' Draw.

Personally, I have really missed the Sunday Sessions with live music at the Club, and I really look forward to that recommencing hopefully in the near future.

A reminder to all members, please familiarise yourselves with the clubs By-Laws and the Members' Protection Policy. These were put in place to ensure our behaviours and expectations of others meet a standard that protects our members, staff, contractors, visitors and the Club's reputation.

Above all, stay safe.

**Jacqueline Heffernan, Commodore**



# Finance, Audit and Risk Committee Report

The Committee consisting of the Club Treasurer, David Roper, Wayne Coonan (senior member) and Peter Hall (Chairman) met on three occasions in the period from June 2019 to May 2020. The Committee is in the process of recruiting another senior member who will be invited to join following approval by the Board.

The Committee was ably supported by Kerry O'Brien, the CYCSA Financial Controller (ex officio).

The last 12 months has seen the Club faced with undoubtedly the greatest challenge in its history, namely the COVID-19 pandemic and the health, economic and financial constraints that have followed. Members owe a debt of gratitude to the management and staff of the Club who have faced the difficulties imposed by the pandemic with resolute efficiency.

The Committee continued to provide oversight of these species of risk and their associated implications, as well as other ongoing obligations of the CYCSA, including the annual audit, insurance, general policies, and trading and operational activities. It has made various recommendations to the Board for consideration including the re-appointment of Dean Newbery and Associates as the Auditors of the CYCSA.

The Committee will continue to give careful and considered attention to all matters within its jurisdiction.

**Peter Hall, Chairperson**

# Members' Committee Report

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

Cruising Association	Adrian Wotton
Fishing Association	Vlad Humeniuk
Racing Association	Mike Holmes
Social Association	Rosemary Gould
Hardstand	Rod Hunter
Board Member	Dominic Rinaldi
Flag Officer – Commodore	Jacqueline Heffernan
Flag Officers	John Sibby, Jeffrey Dinham
Marine Academy	Geoff Catt
Management	Adam Hays

The purpose of the Members Committee has been to improve communication across all levels of the Club and to make sure the Club calendar is populated with events that appeal to a wide variety of members.

While the Committee got off to a strong start last year the pandemic put a stop to most of the functions at the Club until recently.

I am pleased that the Club was able to continue trading throughout this time providing alternate arrangements for members to enjoy the Clubs hospitality while other activities across the Club had been suspended. We have started to review what we can do under the reduced restrictions, ie Commodore's Dinner and Racing Presentation along with Opening Day but it is all subject to restrictions at the time.

We are hoping to have the Committee up and running again soon and look forward to a busy year ahead.

Suggestions and feedback from Club members are welcomed, so if you have anything you would like us to consider please feel free to speak with us.

**Jacqueline Heffernan, Commodore**





# Facilities Committee Report

## Marina East

### Marina refurbishment and replacement program

The marina east refurbishment/replacement program continues to be the Club's most significant capital project over recent years. Replacement/refurbishment of fingers is expected to be completed by 2021/22 and the walkways will continue to be addressed on an as needed basis. As has been the case in previous years, the work has progressed well but in 2019/20 was interrupted by diverting the team to Pt Vincent to fix finger to walkway pontoon connection issues in that marina. We are fortunate to have the skills base and flexibility to handle unplanned issues across each of our 3 marinas.

Progress with the marina east refurbishment & replacement program with the previous year's work for comparison, is summarised below:

Fingers	2018/19	2019/20	Total to date
Refurbished	19	15	78
Replaced	8	7	53
Total	27	22	131

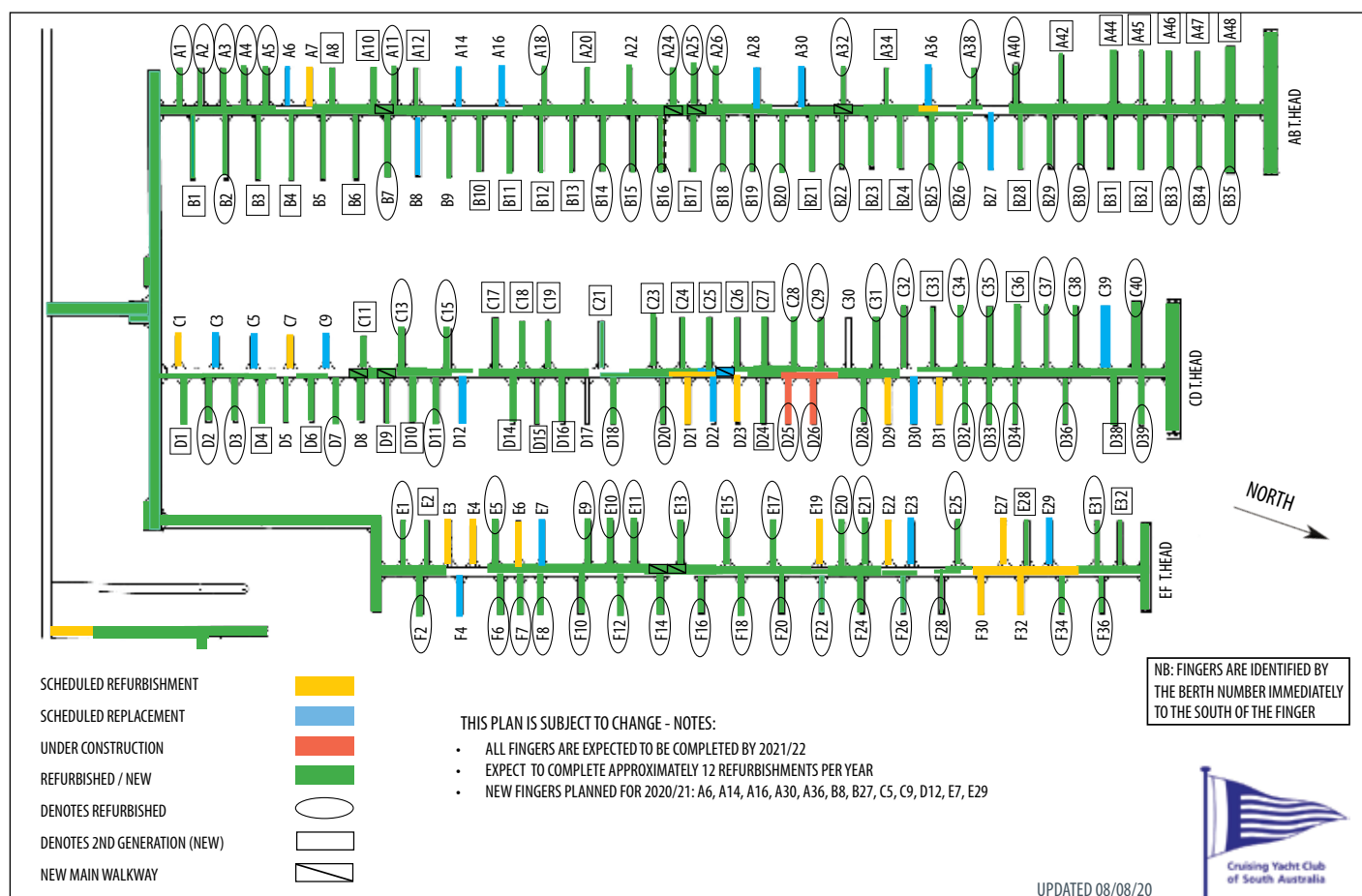
Walkway refurbishments have been integrated with finger replacements as and where necessary.

Average "all-up" costs per finger in 2019/20 were just over \$20k for replacement and about half that for refurbishment. Individual finger costs vary, with the larger ones being more expensive to do. Replacement costs include purchase of the fingers from Bellingham, transportation, craning to water, removal of old fingers, installation of new and disposal of the old. Refurbishment requirements vary depending on the issues with the fingers with the most common work involving taking out old connectors and installation of new through bolts, replacing or tightening of whalings and replacing the finger to walkway pontoon connections. In all instances, it is necessary for members' boats be temporarily relocated to enable the work to be safely undertaken. In many instances, there is a need to temporarily stabilise disconnected fingers with a drum-bridge kit, so while works continue, please keep boat speeds in the marina down to minimise wave action and rocking of the marina fingers.

Overall, the 2019/20 expenditure on marina east refurbishment and replacement work was \$301k.

The Facilities Committee extends its thanks, on behalf of all Senior Members, to the Club's marina east crew, headed by Shannon Gilchrist, for their ongoing dedication to this essential task.

The overall status of the upgrade to marina east is shown in the marina plan below:



## Crane replacement

The original crane is near the end of its service life. With repair and maintenance work, it is still operable, but it is on its last legs. A replacement has been sourced and ordered from Germany and is on its way. Engineering work has been completed to enable the new crane to be installed via an adaptor plate and installation is expected to be undertaken in 2020/21. The new crane will have marginally better specifications than the existing one. Installation is planned to be a quick lift-out-bolt-in process (all going well) and will be timed to minimise disruption to the sailing season.

## Winch motor

The original winch motor has had refurbishment work and is now operating more effectively. While we are still able to use it, we will, but it is probably toward the end of its life. For when the time comes to replace it, we have a spare motor in storage as the time lag in getting this type of equipment from overseas is many, many, months. In an attempt to future-proof against rising sea levels and risks of the motor flooding, significant engineering work was undertaken to explore options for re-locating it from its present position to other locations where it would always be high and dry. However, having done the engineering it was found that costing to achieve installation at alternative locations was prohibitive. As a result, further investigative work is being undertaken to enable the new motor to be installed in the existing location when it becomes necessary, but for the process for protecting it from flooding with extreme high water events to be managed smoothly.

I wish to express particular thanks to Facilities Committee member Mark Hutton for the engineering and liaison work he has put into this project.

## Club House

Umbrellas have now been installed across the bistro area which have proved extremely popular with members and guests. They are rated to withstand the extremes of wind and marine environment that they will have to endure over their 10-year design life. They add a special dimension to the dining and casual bistro offering. Tables under the umbrellas are regularly booked out – the view is unsurpassed!

A special thanks on behalf of all Club members to Steve Constable and Neil Hargreaves from Shadeform for the excellent installation job and for the assistance-in-kind with some of the costs for this project. I would encourage members wishing to get umbrellas at their homes or businesses to give Shadeform consideration.

**David Murray, Chairperson**

## General capital expenditure 2019/20

### Marina East/West Facilities

Slipway	Refurbish slipway wedge	4,460
	Crane & wharf (deposit)	27,352
Hardstands		
Environmental	LED lighting	1,570
Clubhouse		
	Bistro umbrellas	34,160
	Computers/IT/Firewall	23,155
	Hospitality equipment (kitchen, bar, dine)	16,363
	Hospitality furniture & furnishings	4,608
	Stage	4,541
Grounds	Carpark: LED lighting replacement	6,650
	Entrance gates (covered by Insurance)	11,350
Ramp	Ticketing machines (covered by insurance)	6,504
	LED lighting	2,335

### Pt Vincent

Marina	Refurbished/new pontoons	38,333
	Soft costs for Club house development	10,001

### CYCSA Vessels

	<i>Southern Investigator</i> (Marine Academy)	155,982
	<b>Sub total</b>	<b>347,384</b>

Marina East repair & refurbishment program	301,051
<b>TOTAL</b>	<b>\$648,435</b>

### Sinking Fund 2019/20 contribution to overwater works

Marina east repair and refurbishment program	274,315
Crane and wharf	27,352
Pt Vincent marina repairs	38,333
<b>Total</b>	<b>\$340,000</b>



# Facilities Committee Report

## Pt Vincent Marina infrastructure

As reported last year, the overall standard of construction of the Pt Vincent marina is not up to that of our other marinas and some early-life issues have resulted. There have been failures with some fingers having detached at walkway to finger connections, others showing cracking, some walkway to walkway joints breaking and others showing cracking and many of the flexible jointing hinges have deteriorated.

While most of the marina failures to date have related to severe weather and vessel impacts, concerns with the build include:

- jointing systems between walkway pontoons and between walkway pontoons and fingers
- limited pylon anchoring of rows: A row has only 4 pylons, B and C rows have 6 pylons each, compared with 21 for D row. D row was the original marina entrance-facing row, so we can only assume that the marina designers considered that row would give protection to the others allowing for less pylons.

Previously, we have had one-off repairs done by external contractors with reasonable success but at relatively high cost. With the skills base developed for the marina east repair and replacement project and with that project reaching maturity, we have been able to divert resources to Pt Vincent as necessary to respond to requirements.

The team has made 4 visits to Pt Vincent for periods of about a week each. Structural failures to joints in the main A and B row walkway pontoons have been repaired, 3 structural walkway to finger failures on B row have been repaired. These repairs included relacing the flexible hinges. Repairing failures has given a better insight to methodology, enabling continuous improvement in repair strategies.

Subject to addressing future emergencies, the team will be working through a list of further repair priorities. When that is work completed, they will be focusing on general maintenance – filling minor cracks, replacing pylon rollers, improving the way gangways are held onto the land. Then a program of replacing all the finger to walkway hinges for fingers without pylons will be underway.

## Pt Vincent Club house extension

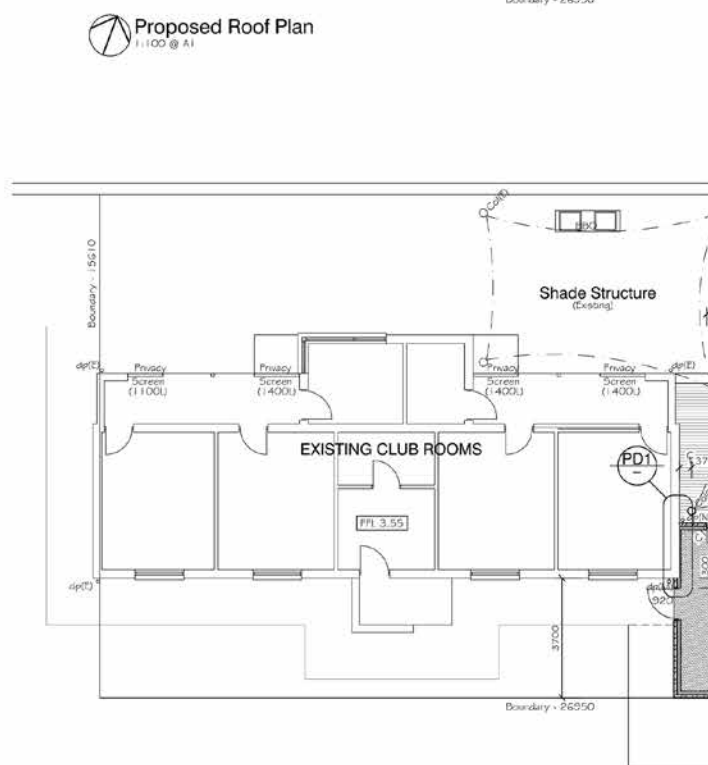
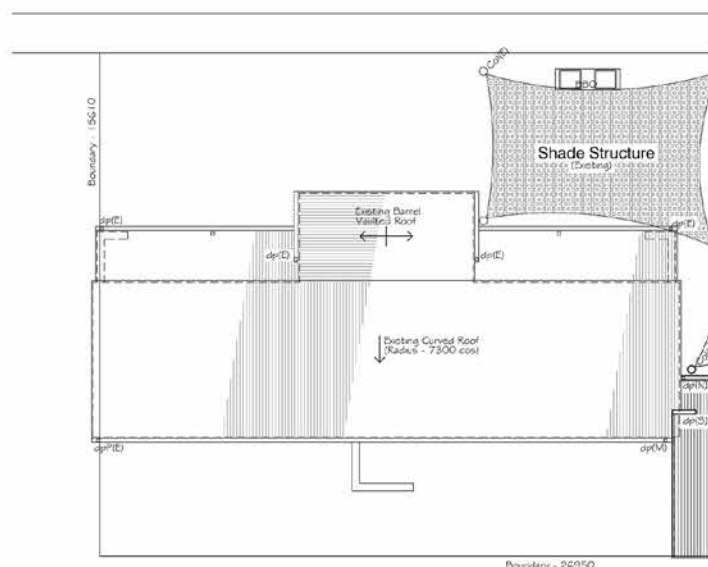
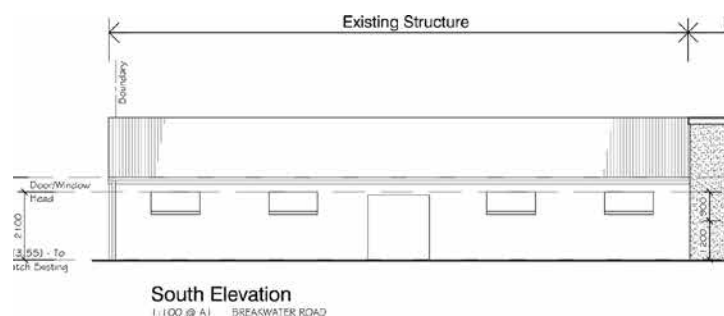
The design, engineering, all relevant State, Council and building approvals and a selected builder's quote are to hand. All the "soft-costs" are behind us. The project is now "shovel ready".

At the time of writing, a grant application process to assist with the building work costs was underway and the Board was ready to give the go ahead, pending the grant application outcome.

The plans for the development are below. They were prepared in consultation with the local CYCSA Pt Vincent members and users of the Pt Vincent marina, and incorporate feedback from members who attended our Think-Tank session in 2018.

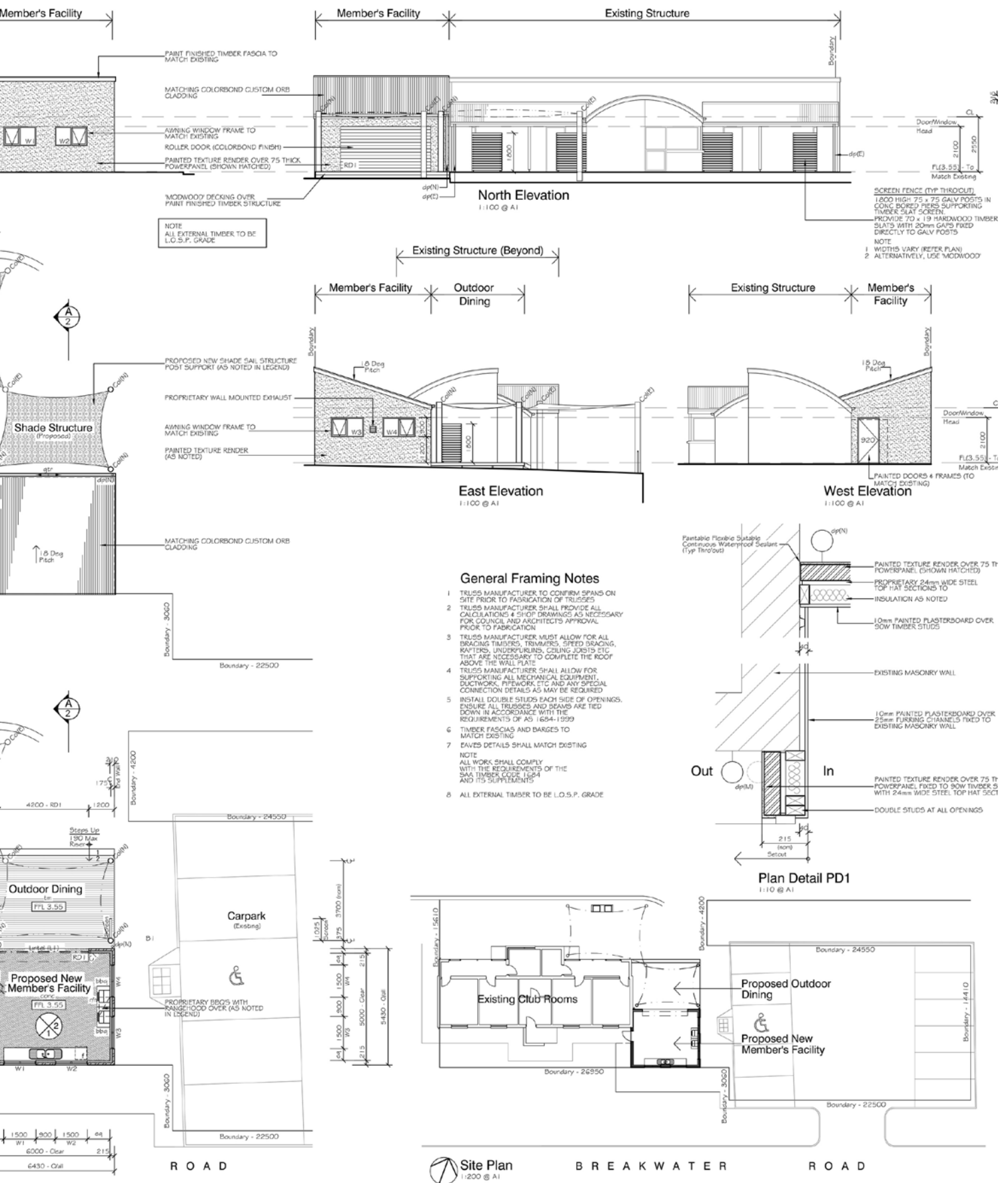
I wish to express special thanks to Facilities Committee member, Ken Amos who worked with me and the Architect, Kym Glastonbury, and to the numerous Club members who provided feedback to bring this project together.

**David Murray, Board Member**



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# Masterplan Committee Report

A Masterplan process followed the Club's "Think-tank" session in 2018, that was set up to address key strategic challenges facing the Club, including ageing of the membership, engagement of existing members, and the need to redevelopment its facilities to meet its strategic challenges.

There had been clearly pressing issues such as the state of the toilet and shower areas, training and meeting room facilities, administration accommodation, waste transfer, sail storage, kitchen and hospitality, signage and entry and general flows/visitor impressions and importantly, fronting the competition faced by the Club in attracting both new members and commercial traffic in the face of other local developments.

A Masterplan Committee was set up by the Board to develop a brief, and oversee a Masterplan process. The Committee comprised David Murray (Chair), Shevaun Bruland, Ken Amos, Traci Ayris, Mark Hutton, Karen Johns, Doreen Perrin, Dominic Rinaldi and Adam Hays.

The Board approved engagement of Nelson Architects, as recommended by Masterplan Committee, to undertake Stage 1 of the Masterplan brief. Preparation for Stage 1 involved a rigorous consultation process to seek and collate a wide range of stakeholder inputs, commissioning a review by hospitality consultant Ann Oliver and the Masterplan Committee preparing a scope of improvements for the Architect to address in the Masterplan. These improvements excluded consideration of over-water infrastructure and related services.

The Architect worked iteratively with the Masterplan Committee to develop proposals to address the scope of infrastructure improvements stakeholders had prioritised.

The Architect's proposals were broken down into potential construction stages that can enable the various elements to be achieved in a coordinated and logical sequence while recognising that the order of works could be changed if required to better match Club priorities.

BESTEC Consulting Engineers provided advice on infrastructure implications and costs of each Stage, without fee, as a goodwill contribution. Ken Amos drew on his long association with the firm to achieve this input.

Chris Sale Quantity Surveyors did high level costing in collaboration with the architects and a Masterplan estimates subcommittee, comprising Ken Amos, Mark Hutton, and Adam Hays.

A 4-Stage Masterplan concept was developed.

Stage 1 concept covers a new building to replace the Kinnaird Room comprising reception, administration, GM and race offices, lift and stairs, members toilets, showers, laundry, trolley storage, waste transfer, sail storage area, training/seminar room and office, storage, satellite kitchen, lettable office, balcony and external access.

Stage 2 concept covers demolition of the existing entry/administration area, new steel framed, glazed entry foyer/link structure to Stage 1 building, shop, meeting rooms, enlarged members bar area, upgraded cool room and wine storage areas.

Stage 3 concept covers remodel of existing members toilets and showers to create new staff change/toilets, bistro toilets and members gymnasium, alterations and additions to existing kitchen including new wash/scullery area, cool room, freezer and dry store, chef's office, chemical store, demolition of existing barrel vaulted passage roof and structure and replacement with new steel structure, flat steel deck roof and flush plasterboard ceiling, new enclosed service yard.

Stage 4 concept covers new roof structure to function area to enable that area to be subdivided into separated rooms with operable acoustically rated walls, new deck area facing the marina with shade sails, staff toilets, stores, function manager's office, change room/dressing area for guests, new porte-cochere entry statement.

Two variants of the above were also developed that provide options to reduce costs, mainly in relation to Stage 1.

After obtaining the high level costings, the Masterplan Committee reviewed the plan and considered it to be sound but financially out of reach at this time. The challenges and uncertainty of the COVID-19 situation takes any aggressive approach to funding out of the picture and in any event, such an approach would be out of step with the Club's appetite for taking on risk.



The Committee has therefore proposed to the Board that the Club consider setting up a Building Fund to essentially “save up” for a down-payment on a major Club building and associated infrastructure upgrade so that the Club is in a sound position to embark on Masterplan implementation down the track.

Nevertheless, the state of the main Clubhouse toilets and showers is a priority to address and a good cosmetic interim upgrade is being considered, along the lines of the detailed plans displayed at the Club’s Think-tank session.

In addition, options for an overwater deck are to be explored as a showcase for the Club and a benefit for the membership. Bringing forward the deck is not inconsistent with the Masterplan’s concepts and provides an opportunity to give more immediate membership and commercial returns, consistent with strategic priorities.

It’s been a big team effort. I take this opportunity to thank all Masterplan Committee members, John Nelson Architects, BESTEC Consulting Engineers, Chris Sale Quantity Surveyors and hospitality consultant Ann Oliver for their excellent input to date. Most importantly, I wish to thank the Club’s Associations, Flag Officers, staff and the many individual Club members and supporters who have contributed by way of providing input during the consultation process.

Thanks also to Club General Manager, Adam Hays, who has proved to be invaluable in providing support to the Masterplan committee and the overall process.

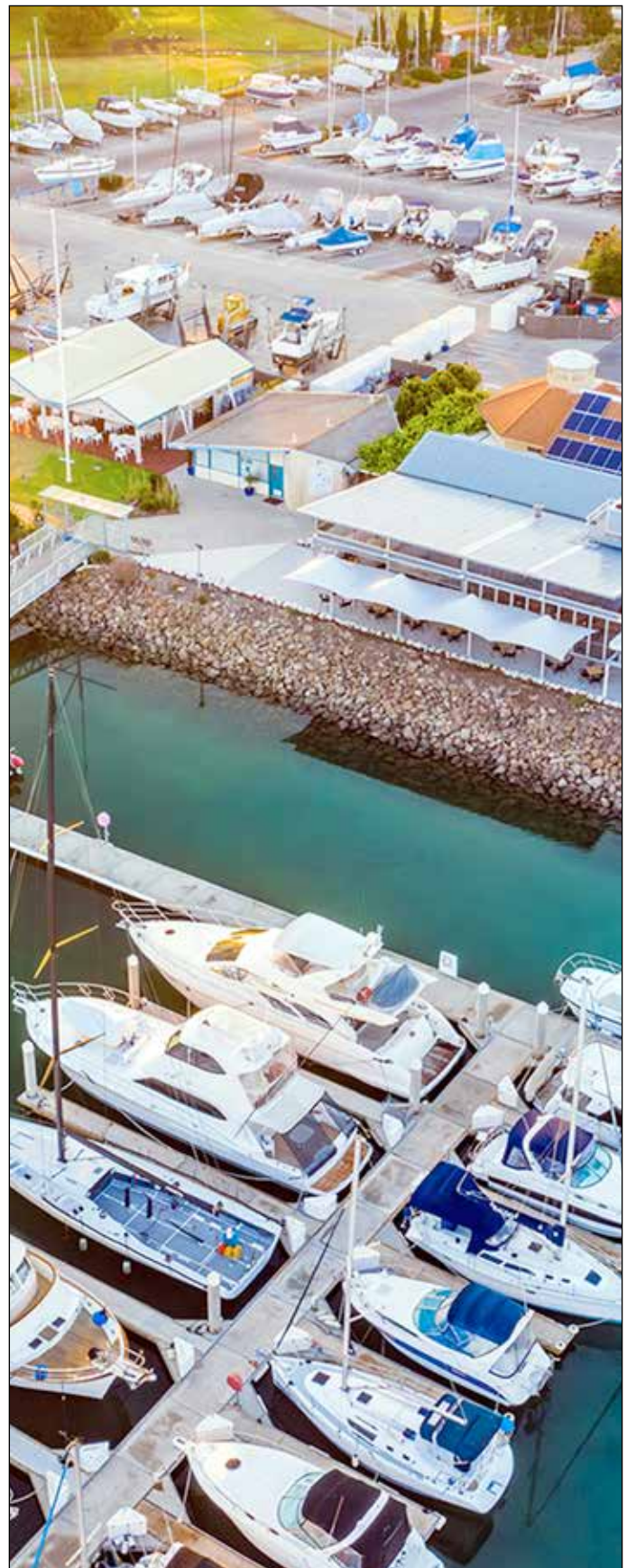
**David Murray, Board Member**  
**Chair Facilities Committee**  
**Chair, Masterplan Committee**

#### **Masterplan Committee**

David Murray (Chair), Dominic Rinaldi, Mark Hutton, Doreen Perrin, Karen Johns, Traci Ayris, Shevaun Bruland, Ken Amos, Adam Hays (Club General Manager).

#### **Facilities Committee**

David Murray (Chair), Ken Amos, Mark Hutton, Adam Hays (Club General Manager)





# CYCSA Marine Academy Advisory Committee Report



The CYCSA Marine Academy continues to be an important part of the Club. 2019-20 was the Academy's thirteenth year of operation and it continues to grow year on year as it assists in enhancing our sport through meeting the purpose of increasing competency, enjoyment, safety and general boating knowledge for both our CYCSA members and the general community. The Marine Academy continues to be a successful entity in terms of providing a pathway and attracting membership to the Club.

## Courses

Courses run and total number of participants for the year were as follows:

	2018-19	2019-20
• Safety Sunday	39	20
• Start Yachting	38	27
• Discover Sailing	36	20
• Competent Crew	18	15
• Start Powerboating	15	4
• Marine Radio	15	8
• Day Skipper Practical	12	5
• International Certificate of Competence	9	4
• Boating Essentials for Women	8	6
• Out There Sailing	-	6

The last twelve months has seen a reduction in Marine Academy participation due largely to the COVID-19 restrictions. This temporarily halted all courses from 21 March through to the end of May 2020. During that time pre-paid bookings for 25 students were refunded.

Like last year, the Academy grew its offerings. This occurred by the introduction of the Australian Sailing 'Out There Sailing' programs which attracted teenagers to a 3 day course during the summer school holidays. We hope to attract more young students to a greater number of these courses in the coming season.

Moreover, a successful launch of the 'Setting a New Course' pilot program by the Premier took place on Saturday 21 September 2019. Organised in partnership by The Road Home (now the Invictus Pathway Program) and CYCSA, with sponsorship from Defence sector companies Northrop Grumman, Raytheon and SAAB. The behind the scenes assistance to pull the sponsors together by member David Fawcett deserves recognition. Five Defence force veterans completed our Start Yachting course that weekend, followed by a 3 Day Live aboard in October 2019. A second event was planned for March – April 2020, but unfortunately could not proceed at that time. We continue to work with our partners to plan for similar courses in 2020-21.

In preparation for the recommencement of operations, the Academy has developed a COVID-19 Operational Policy and Student Questionnaire to ensure that our operations will be safe to students, staff and our Instructors. It is pleasing to report that training delivery both in the classroom and on the water has recommenced in the new financial year.

## Human Resources

The Marine Academy could not function without depending on a fine group of Instructors who collectively cover a diverse range of boating expertise.

Brett Yardley continues as Chief Instructor with Matt Young, John Edwards, Andy Shipp, Rod Hunter, Hugh Longbottom and Vernon Schulz as our primary instructors. Hugh Longbottom continues also to undertake the Boating Operations role, which includes many hours keeping *Academy 1* and *CYC3* at the level required to meet our training accreditation and compliance with Royal Yachting Association (RYA) and Australian Sailing (AS) standards.

David Royle's involvement as Principal ensures that the Club maintains its position as a preeminent recreational training facility. The Committee is particularly appreciative of and grateful for David's passion and expertise in a wide range of necessary skills.

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

This year the Academy has also taken steps to plan for its future training delivery. A group of members with an interest in taking the steps required to become RYA accredited instructors will be given advice and assistance towards achieving the required qualifications and it is hoped that they will become future instructors.

## Assets

*Academy 1* has continued to be maintained to ensure compliance with RYA, AS and Australian Maritime Safety Authority (AMSA) survey requirements. The boat is continually being enhanced by our volunteers and the assistance of trainees in the maintenance is also greatly appreciated.

*...continued over page*

## Income Statement 2019/2020

### Income

SSSC and Update	\$8,275.00
Out there Sailing	\$2,091.00
Safety Day	\$1,267.00
Start Yachting	\$8,173.00
Discover Sailing	\$1,254.00
2, 3, 5 Days Live Aboard	\$14,682.00
RYA/YA Theory - Day Skipper	\$16,370.00
RYA/YA Theory - Essential Navigation	\$891.00
Marine Radio Course	\$2,127.00
Powerboat Program	\$2,284.00
SA Water Atlas	\$59.00
Course Books	\$64.00
ICC Direct Assessment	\$2,891.00
Sponsorship/Fundraising	\$5,878.00
Womens Boating Essentials	\$641.00
<b>Total</b>	<b>\$66,947.00</b>

### Expenses

SSSC and Update	\$5,710.00
Safety Day	\$1,781.00
Start Yachting	\$4,641.00
Discover Sailing	\$1,464.00
2, 3, 5 Days Live Aboard	\$8,127.00
Instructors Training	\$2,391.00
RYA/YA Theory - Day Skipper	\$2,548.00
RYA/YA Theory - Essential Navigation	\$741.00
Powerboat Program	\$185.00
ICC Direct Assessment	\$905.00
Womens Boating Essentials	\$300.00
Other Expenses	\$7,017.00
Salaries and oncosts	\$29,103.00
Fuel for Boats	\$1,662.00
Repairs & Maintenance - <i>Academy 1</i>	\$5,044.00
Repairs & Maintenance - <i>Southern Investigator</i>	\$25,542.00
Repairs & Maintenance - <i>CYC3</i>	\$4,038.00
<b>Total</b>	<b>\$101,199.00</b>

### 2019-2020 RESULT

**-\$34,252.00**





# CYCSA Marine Academy Advisory Committee Report continued

Most importantly, the Board provide capital expenditure in the year under review to proceed with the replacement of *Academy 1*. After a national search and consideration of several boats, the Club purchased a 2007 Beneteau Cyclades 43.3 from one of our Club members. The Academy took possession of the new yacht, now named *Southern Investigator* in mid-January 2020 and under the leadership of David Royle and Hugh Longbottom, a range of upgrades and maintenance activities were completed mid-year.

This exciting development cements the Academy and the Club as the leading provider of training and sailing experiences in the State. The boat provides a contemporary cruising yacht experience and will serve as a high level training platform for many years to come.

Lastly, the Board considered a Business Case developed by the Marine Academy Principal at its February 2020 meeting regarding the development of a Youth Sailing Foundation. The purpose of the Foundation is to establish a fleet of small Keelboats at the club to enhance the pathway into sailing for all-comers. With an emphasis on a diverse new generation of members and also on racing, this initiative would complement our current training pathways which focuses on cruising. Whilst no final decision has been made regarding this initiative, it remains under active Board consideration.

## Marketing and Administration

The transition of course participants into members remains a priority. Great work undertaken by Hugh Longbottom and other instructors in welcoming and introducing new trainees to the club through twilights and social activities is most appreciated. Inclusion of trainees into twilight and Adelaide to Port Lincoln races for example, has given members and flag officers the perfect opportunity to welcome trainees into club activities. Thank you to all members who have taken trainees on board and mentored them.

The Marine Academy continues to advertise successfully through the Club's social media platforms which are always maintained to

a high standard by Melissa Vahoumis, the CYCSA Marketing and Communications representative. In particular, we are particularly pleased with the recently released 2020/2021 Course Guide which is available as a hard copy at the Club and online. Many thanks Mel.

## Financials

The financial statements included in this report show an income of \$66,947 with total expenses of \$101,199. The resulting deficit is mainly attributable to the extra ordinary expense associated with fitting out the new training vessel *Southern Investigator* to the value of \$26k. In addition the training course program was cut short earlier this year due to COVID-19 restrictions also contributing to the overall deficit.

Surewise, our Insurance brokerage firm, continue their support, and we also welcome on board North Haven Marine and thank them for their assistance with *Southern Investigator*.

We are currently looking at boosting sponsorship associated with our Marine Academy. This would provide a very attractive opportunity for a business wanting to align themselves with a beginning sailing market.

As in recent years, members were invited to contribute tax deductible dollars to the Marine Academy Foundation to support the activities of the Academy. Contributions and members' support for the scheme once again was fantastic with \$14,850 donated.

Finally, a big thank you to my fellow Marine Academy Advisory Committee members - Andrew Saies, Doreen Perrin, Jeff Dinham, Rod Hunter and Fran Semmler (resigned in April 2020). Your voluntary time and deep expertise is much appreciated and valued.

Your voluntary time and deep expertise is much appreciated and valued.

**Geoff Catt, Marine Academy Chair**





# Groundswell Editorial Committee Report

**Groundswell** is an important communication and promotion vehicle for the Club as 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 with the aim of encompassing 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 not be a 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 please contact [mellissa@cycsa.com.au](mailto:mellissa@cycsa.com.au) for details.

Inese Lainis from the Racing Association and David Royle, the Marine Academy contact, have been wonderful contributors 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 Social, Cruising and Fishing Association chairs also contribute with articles about what has happened and future events in their respective areas.

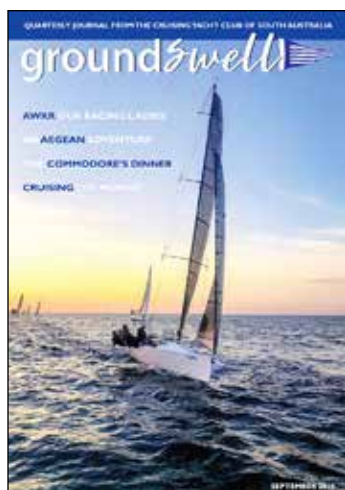
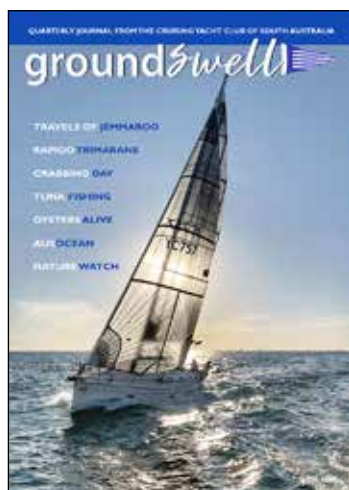
Alan Noble continues to provide us with informative articles about all manner of things and his interest and willingness to allow us to include them in *Groundswell* is much appreciated.

Members of the *Groundswell* Editorial Committee are myself, Dianne Schwerdt, Pat Catley and Mellissa Vahoumis and we encourage you to approach any of us if you have suggestions about content and format of the magazine. Pamela Tse resigned from the committee late last year due to an interstate transfer and we thank her for her contribution. Mellissa is the Club's Marketing and Communications Officer and has done a wonderful job of the graphic design for the magazine and is to be congratulated.

For *Groundswell* to maintain the high quality 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 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 correct grammar and format where required.

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

**Gay Footer, *Groundswell* Chair**



# Association Reports - Social

The past year has seen the Social Activities Association move from a very busy and successful 8 months to a complete standstill at the onset of COVID-19.

The years events commenced with an extremely successful Quiz Night in July 2019. Anne Wills was the Quiz Master hosting over 150 members and guests. With a large selection of prizes, we had a number of happy winners.

This event was followed by the Commodore's Dinner in August. A number of special guests were in attendance including past Commodores Graeme Footer, Geoff Catt and Geoff Boettcher. With a special welcome to Barbara Page, wife of the late Commodore Peter Page.

Our most successful event for the year was the Italian Night with 240 in attendance. Head Chef Tony excelled with a delicious menu and with food kindly donated by our major sponsor, Stellar Hospitality, aka Jim Rinaldi. A big thank you also, to the rest of the sponsors for the night who contributed towards the major raffle. Following previous discussion with the Board all funds raised were allocated to the Children's Xmas Party.

In October the SAC facilitated the CYCSA garage sale. Much to our surprise this was a great success. The Committee cleared out its lockers and storage and everything was sold. Proceeds were credited to the SAC account. It was anticipated to make this an annual event, unfortunately COVID-19 intervened, and the 2020 date was cancelled.

December commenced with the annual Children's Christmas party. Where 38 very excited participants welcomed not only children's entertainer Mr Oopy, but also the main event, Santa.

The calendar year rounded out with the All Associations Bash. This casual self-catering event saw over 100 Members and guests enjoying a balmy evening in the brightly decorated BBQ area.

The Committee met with enthusiasm in January and the 2020 year was planned however the balance of the year has been held over for the time being. At the time of writing we are planning our first function in September.

## Income Statement 2019/2020

### Income

Kids Xmas Party Income	\$1,114.00
Garage Sales	\$518.00
Italian Night Raffle	\$1,463.00
<b>Total</b>	<b>\$3,095.00</b>

### Expenses

Kids Xmas Party Expenses	
Catering	\$345.00
Entertainment	\$550.00
Xmas Presents (Lighthouse Toyshop)	\$692.00
Other Expenses	\$59.00
Hospitality Expenses	\$241.00
Other (name badge, garage sale, letter drop)	\$77.00
<b>Total</b>	<b>\$1,964.00</b>

<b>2019/2020 Result</b>	<b>\$1,131.00</b>
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I would like to thank the SAC Committee for their time and effort over the last 12 months: Jennifer McAuliffe, Jacqueline Heffernan, Giorgi Gauci, Caroline Holdt, Anne Marie Wallage and Adrian Wilson. A small and very energetic team who have agreed to sign on for another year.

The Social Association will not be nominating a volunteer of the year on this occasion.

**Rosemary Gould, Chair Social Activities Association**



# 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:

- **The October Long Weekend Cruise to Port Vincent**  
The weather was perfect over the October Long Weekend, and several CYCSA boats cruised across the Gulf to various locations. A number of boats made their way to Port Vincent and caught up with fellow club members for sundowners or over a coffee in town. Members also had an enjoyable club dinner at the Ventnor Hotel on Saturday night.
- **The Port River Mangroves Cruise**  
Jacq and Marty Heffernan organised a tour of the amazing Port River Mangroves. It was a gloomy day but the club members had a wonderful and fun excursion. Plans are afoot to make this an annual event.
- **The Christmas Bash**  
The four associations continued with their festive tradition, combining their Christmas celebrations, with a great turn-out, in the members' BBQ area.
- **Christmas and New Year's Eve Cruising**  
CYCSA cruising boats journeyed throughout our beautiful SA waters, including Spencer and St Vincent Gulfs, Port Lincoln and Port Vincent. Many made their way to Kangaroo Island after Boxing Day. The weather was good and a number of us gathered at the Brown's Beach BBQ area for New Year's celebrations. The Ballast Head Cup Race, held on New Year's Day, was great fun with light fluky winds testing the fleet. Later that day there was a strong smell of smoke in the air and, unknown to us, it was the beginning of the terrible fires overtaking the West end of the Island.
- **Australia Day Long Weekend**  
Over the Australia Day weekend, several members sailed to Kangaroo Island and Port Vincent. It was a lovely weekend, with perfect weather and lots of boats bringing in plentiful hauls of big blue swimmer crabs.



## Income Statement 2019/2020

Income	
Sponsorship	\$4,000.00
<b>Total</b>	<b>\$4,000.00</b>
Expenses	
BBQ Expenses	\$185.00
Other Expenses - Prizes	\$54.00
<b>Total</b>	<b>\$239.00</b>
<b>2019/2020 Result</b>	<b>\$3,761.00</b>

- **The Easter Cruise to Port Vincent**  
As with so many aspects of our lives, the cruising community activities were severely restricted after March, due to the COVID-19 pandemic. The usual cruise across the Gulf and catch up with fellow club members in Port Vincent over Easter was cancelled, due to regional travel restrictions. Quite a few of our boats, however, sailed around local waters, many staying onboard whilst at anchor.
- **The Second Saturday BBQs**  
The 'BYO everything' events continued to be very popular throughout the year. The BBQs are held in the warmer months and all CYCSA boats, both power and sail, are very welcome to attend. Our last BBQ was held on 14 March just before the social restrictions came into place. It a fun night but little did we know that it was to be our last gathering for quite a while. We hope that the popular cruising BBQs will resume in summer, albeit with COVID-19 protocols in place.

### Sponsorship

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

### SA Cruisers Google Group

'SA Cruisers' continues to be great a resource. Whilst not officially part of the Club, a number of committee members of the Cruising Association are moderators of the Group. Members need to simply request membership via emailing [sa\\_cruisers@googlegroups.com](mailto:sa_cruisers@googlegroups.com)

### Volunteer of the Year

The Cruising Association will not be nominating a volunteer of the year on this occasion.

Finally, I would like to thank everyone in the cruising community for their continual friendship and support during the 2019-20 year.

**Adrian Wotton, Chair Cruising Association**



# Association Reports - Fishing

The membership of the Fishing Association Committee for this year was as follows:

Vlad Humeniuk	Chair
Peter Clark	Vice Chair
Glen Simpson	Secretary
Ken Amos	Treasurer
Geoff Wiggins	
Joe Mezzini	
Peter Schembri	
Ciaron Cowley	
Frank Mammone	
Adam Hays	GM – ex officio

Our mission statement continues:

- 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 fishing related activities.
- To increase numbers on the FA committee thus providing broader opinion, discussion, innovation and ideas, and people to manage specific projects.

I thank the members of our committee for their good work throughout the year, especially at our major events – Crabbing Day and Boating Showcase.

## Cockling Day

Activities started as usual, in November with a Cockling Day at Goolwa Beach. In spite of a cooler day, it 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 (once the new BBQ was assembled and lit). Support from the CYCSA Board was greatly appreciated with post event drinks at the Goolwa Beach Surf Club.



## Boating & Fishing Showcase

The Boating & Fishing Showcase was also a success. Southern Cross Marine continued as sponsors this year and all enjoyed their hospitality in a new format where, formalities were held in the patio area and a larger than usual array of boats were moored along the walkway, as well as parked on trailers on the lawn, to be inspected at leisure by our members and guests. I would like to thank Southern Cross Marine for their sponsorship and organisation in this event. I also want to thank our other sponsors (North Haven Marine, CYCSA Bar & Functions and Alegayter Sails) for their contributions.

Our Fishing Awards were announced and awarded at the Boating & Fishing Showcase. Congratulations went to John Kenny for Snapper, Vadis Rodato for Game Fish, and Geraldine Cox for 'Classic Catch'. I remind and encourage all members to send in their photos of their catch to the web page for consideration for this year's awards.

## Crabbing Day

Crabbing Day was held on Sunday March 1st 2020. The weather was perfect, with a calm morning and the predicted change not until the afternoon, by which time the crabs had been cooked and eaten. Tides were excellent, with seas calm and the temperature not too hot. Crabs were plentiful with occasional boats getting the limit. Eleven boats went out and 300 plus crabs were the reward.

Ninety-three guests and members joined the FA Committee to catch, cook and enjoy the crabs and the day. With the lesser number, seating was spacious and comfortable, with easy movement to enjoy the company of all present. Our thanks go to Ken Amos and friend Peter Williams, as well as Joe Mezzini and Alex (who made the wonderful chilli sauce) for the cooking, to all who did the cleaning and serving and to the CYCSA kitchen for the rolls, plates and salads.

Thanks also to Pam and Giorgi for running the raffle. With the great support from members and guests, \$490 was raised.

*Blue Sky 1* took out the Crabbing Day Award with the most crabs. Peter Bolton and crew came in with the boat limit of 60 crabs. Largest Crab (claw to claw 588mm) went to Lily Mia, Largest Crab Junior went to Chloe on *CYC1* and Claude Marchesi won the first prize in the raffle.



Raffle and Award prizes were exceptional this year. Many thanks to our major sponsor – Port River Marine, James and Jim Theodore for not only their generous sponsorship but also for excellent prizes. North Haven Marine, CYCSA Functions and CYCSA Fishing Association also contributed generous donations to the prize pool.

Thanks also to the FA Committee for setting up on the Saturday afternoon, and then cleaning up after the event. Special thanks to the CYCSA maintenance and office staff for their help, especially in bringing all the cooking gear across from the Western Basin, cleaning up on Monday morning and returning the gear to storage.

### Fishing Charter

The charter of Fish Stalker from Wirrina was on February 22nd. Ten members and friends went to Saunders Bank, off Kangaroo Island and caught their quota of tuna and several snappers. This event is very popular, so consideration is being given to do a second charter, this time to target whiting and other species.

### Volunteer of the Year

The Fishing Association will not be nominating a volunteer of the year on this occasion.

### General

The assets added this year are a commercial size storage cupboard, a small BBQ, 10 additional trophies for future use and 10 freezer bait boxes for members use.

A Fishing Association fishing shirt was designed and procured. Many thanks to Adam and the CYCSA Office for supporting this venture. It appears to be very desirable as 17 shirts have been purchased to the end of May.

Financially, the association made a small profit of \$2,260 over the 12 months to the end of May 2020. The income statement shows subscriptions of \$2551, Crabbing Day profit of \$536, Sponsorships of \$2364, Boating Showcase loss of \$1862 and capital purchases of \$831 for a cupboard and \$188 for new trophies.

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

### Income Statement 2019/2020

#### Income

Subscription Fees	\$2,551.00
Crabbing Day Income	\$1,945.00
Sponsorship	\$2,364.00
Shirts / Burgee / Flags Sales	\$895.00
Boat Showcase Income	\$432.00
Tuna Charter Ticket Sales	\$2,750.00
Other Income	\$79.00
<b>Total</b>	<b>\$11,016.00</b>

#### Expenses

Bar / Catering Expenses	\$122.00
Crabbing Day Expenses	\$1,409.00
Shirts / Embroidery/ Flags	\$739.00
Boat Showcase Expenses	\$2,294.00
Trophy/Engraving Expenses	\$234.00
Tuna Charter Expenses	\$2,750.00
Other Expenses	\$1,210.00
<b>Total</b>	<b>\$8,756.00</b>

#### 2019/2020 Result

**\$2,260.00**

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.

Finally, 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. Especially Mellissa in the office and to Susan Laird, who have been a great help to the committee.

**Vlad Humeniuk, Chair Fishing Association**



# Association Reports - Racing

I offer the following report on behalf of the Racing Committee, at the conclusion of my second year as chair and fifth year on the Committee:

## COVID-19

The COVID-19 Pandemic has influenced every aspect of our lives and the CYCSA Racing Program was not immune. We had to abandon the Racing Presentation night, the last round of the Inshore Series and delay the start of the Winter & Two-Hand Series, which I am happy to say are now running nicely. The REX continued to meet during the crisis, using videoconferencing, to keep up momentum during the restrictions. The REX have strived to keep our racing members as informed as possible and I thank you all for your patience.

## People

Of course, the most important part of the association are the people involved. This means the ongoing support of our Volunteer Duty Crews on CYC1 and CYC2, the Racing Officials, the Racing Manager, the CYCSA Management and the racing participants. The racing committee salutes you all.

This year I am pleased to report that the relatively new Race Officers, Greg Borg and John Sibly who have had rave reviews for the courses they have set. We welcome the contribution of Adrian Wilson as our primary CYC1 operator and Geoff Catt as CYC1 crew, plus John Collett and the ever faithful CYC2 crew.

We are always looking for volunteers so please get in touch if you are interested.

The committee thanks the Protest Panel Chairman Lisa Bettcher, who I understand has not had any protests to hear, so that's great.

Last but not least, I would like to thank our 2019-20 Racing Association Committee members, namely Tim Cowen, Adrian Wotton, Rob Human, Vern Schulz and Wayne Grant. Many of the committee members "double-hat" as trained Australian Sailing safety auditors, who we thank for their services. Wayne Grant deserves a special mention, who joined the committee last year as the new Safety Officer. He has been very active in promoting safety in the Club, attending training in Sydney and proposing a number of improvements to our systems.

## Racing

We have sustained around 280 racing members in the Club and many additional sailors that turn-up to take advantage of the relaxed sailing conditions of Wednesday Twilight racing in the summer months. The Club greatly appreciates the increased hospitality activity the Twilight racing drives, I should add when the weather is in our favour. For many years we have had the situation that twilight sailors can turn up without charge, but the fact is there is a cost in everything the Club does, and twilight racing is no exception. Our insurance conditions demand that we need to know the basic details of each and every person out on the water every Wednesday night (and weekend for that matter), by capturing crew and Australian Sailing membership details. We have had a couple of seasons under this requirement to get used to knowing who we have out on boats, now we need to absolutely know. We are going to achieve this by the introduction of the MemberPoint app, which will allow crew to be connected to boats and give skippers the ability to easily demonstrate compliance with the requirements. We will be rolling out more information before the start of the summer season. However as announced at the Racing AGM, we will need to levy a modest charge for each participant, while still incorporating a free 'come-and-try' element for newbies.

The Club recognises that we have a core group of Racing members that operate under a fee structure that can find some members paying as much as \$50 a race. We as a Club need to do more to demonstrate how we are delivering value to you as members and Adam has agreed to work with the REX to find better ways of achieving this, through discounts at the Club and other supporting businesses. Please stay tuned for this as more information becomes available.

As for the racing that was held, aside from the disappointing loss of nights to bad weather on Wednesday nights, the season was reasonably lucky in the weather stakes.

The George's Wines Premiers Cup was run in excellent conditions, with good CYCSA numbers. Yet in spite of the efforts of the REX, we could not get more Squadron boats competing. Sundays are still a problem, it seems.

The Lincoln Race saw good numbers from interstate, particularly in the "big boat club". Luckily Geoff Boettcher was able to send most of them home without silverware, with *Secret Mens*





*Business* prevailing on AMS over Ichi Ban in the regatta week and a close second in most other cases. Well done to Geoff and *SMB*.

CYCSA boats racing interstate were limited to *Secret Mens Business* at the Geelong Festival of Sails, where they took outright victory in the TP52 category from Zen.

Handicapping was achieved over the year between me and William Strangways. Thank you William. I didn't receive a single complaint. Using the Top Yacht Exponential Algorithm again has kept results close, with only occasional manual adjustments required.

Finally, while the Racing Presentation Night had to be postponed in May, I am pleased to announce that the Presentation Night will be held here on 18 September. Expect further announcements soon.

## Process

Most things are now happening automatically, or via a process that is written down. For example, the Yacht Safe electronic Safety Auditing Program has now completed its third year of operation at CYCSA, thanks to the energy and enthusiasm the auditor team. With your support we achieved 100% success in auditing the fleet. I have already mentioned the MemberPoint service that is coming soon.

## Facilities & Equipment

The crane remains a source of concern for our important hard stand competitors. I can report the new crane is on order (from Germany) with installation due in the third quarter. We will work closely with management to ensure things run as smoothly as possible.

## Sponsors

Once again, this season we are grateful for the ongoing support of our valued primary sponsors: Phil Hoffmann Travel and Yalumba plus regatta sponsors George's Wines, Bravo Sails and Port River Marine. Please support these businesses who support you as racing members.

## 2020/2021 Racing Program

This has now been finalised. Here are the highlights:

1. **Youth Racing** – We will have two major, pre-Christmas, regattas that are programmed to allow the participation

of our young, off-the-beach sailors, from other clubs up and down the coast. In addition, we plan to hold a 'Youth Sunday' to get as many dingy sailors (and family members) racing out on keel boats as possible in the run up to the end of the year. Expect this to be heavily promoted by the Club.

2. **Women's Series** – We will now jointly promote and operate the SA Women's Series with the RSAYS. Many CYCSA members have been sailing in this series on RSAYS boats over many years. We are working to have CYCSA boats compete (on Sundays) using courses that will mostly start outside of the breakwater (ie not in the Port River). Again, expect this to be promoted to members.
3. **Offshore Racing** – Sadly, this aspect of the sport has been in decline in recent years. In an effort to reinvigorate interest, we will have a 'short offshore series' of three races consisting of courses around 60 miles plus the Adelaide-Port Lincoln as the last race. The idea here is to get most boats home before midnight to give them a taste of off-shore racing before the highlight of the year, Lincoln. This will in turn hopefully lead to better practiced (and hence safer) crews for the long race. We are also offering to have this as a Two-Hand series if we can get numbers, subject to the agreement of the Port Lincoln organisers.
4. **Twilight Racing** – The Club relies on having strong gatherings of boats and crews on summer Wednesday nights to help keep the Club financial. We will be running a social media campaign to promote this

## Volunteer of the Year

The Racing Association will not be nominating a volunteer of the year on this occasion.

In closing, I would like to thank all Racing Members, the CYCSA Office, Hospitality Staff, Volunteer Duty Crew and Racing Association Committee members for their ongoing help and support. Inese Lainis has completed her first year as our valued Racing Manager, who we thank for her dedication to the role. Please contact me or any of the Racing Committee members if we can assist.

**Mike Holmes, Chair Racing Association**

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# Association Reports - Racing

## Income Statement 2019/2020

### Income

Racing Membership Fees	\$16,178.00
YA/YSA Membership Income	\$38,007.00
Casual Membership Fees	\$95.00
Racing Nominations	\$15,531.00
Safety Income	\$748.00
Racing Flags	\$350.00
Sail Storage Shed	\$7,940.00
Other Income	\$486.00
Sponsorship:	
• Yalumba	\$4,000.00
• Phil Hoffmann Travel	\$7,136.00
• Port River Marine	\$1,500.00
• Georges Wine	\$2,500.00
<b>Total</b>	<b>\$94,472.00</b>

### Expenses

Administration expenses	\$2,040.00
Engraving/Signage expense	\$792.00
Sponsors Expenses	\$1,342.00
Duty Crew Expenses	\$4,736.00
Trophies/Prizes	\$135.00
YA/YSA Yearly Membership expense	\$35,999.00
Salaries and wages	\$31,992.00
Repairs & Maintenance - CYC1	\$3,257.00
Repairs & Maintenance - CYC2	\$4,776.00
Fuel for boats	\$1,662.00
Other Expenses	\$2,257.00
<b>Total</b>	<b>\$88,989.00</b>

**2019/2020 Result** **\$5,483.00**



# 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 General Manager.
  - 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.

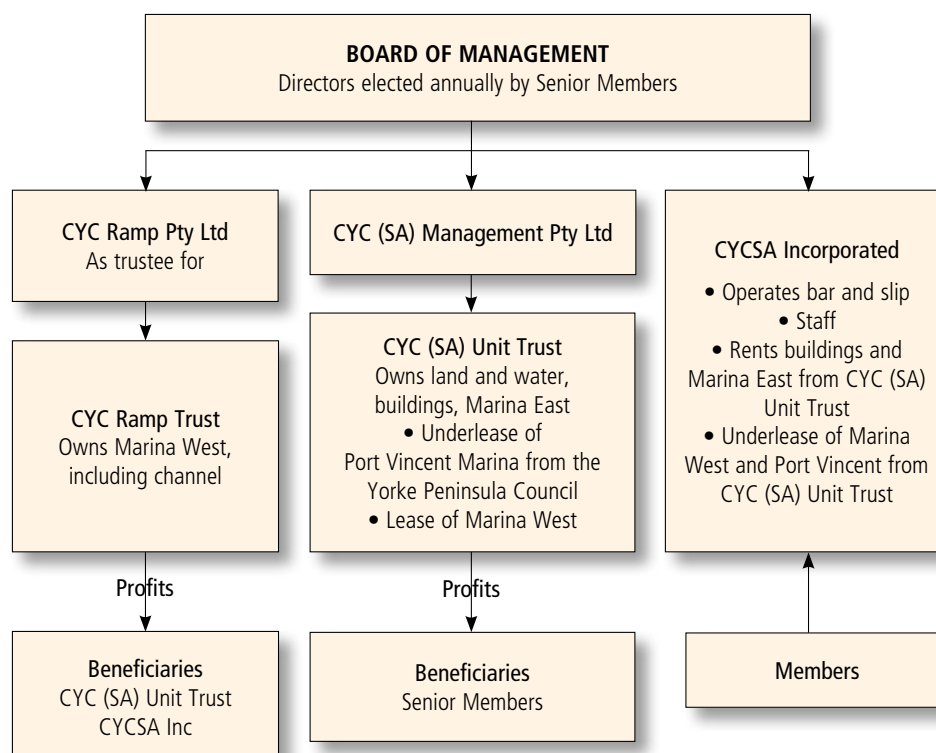
## CYC (SA) Unit Trust

- 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 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 manages 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 30 to 43.

1. Presents fairly the financial position of The Cruising Yacht Club of SA Incorporated & its Controlled Entities (the "consolidated group") as at 31 May 2020 and its performance for the year ended on that date in accordance with the 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 consolidated group 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 consolidated group hereby states that during the year ended 31 May 2020:
  - Other than disclosed in Note 23 in the financial statements, no officer of the consolidated group 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 consolidated group 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 in the consolidated group;
  - No officer of the consolidated group has, since the end of the previous financial year, received directly or indirectly from the consolidated group, 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 consolidated group 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 20th day of August 2020

# Statement of Comprehensive Income

for the Year Ended 31 May 2020

	Note	Consolidated Group	
		2020	2019
		\$	\$
<b>REVENUE</b>			
Revenue	2	3,040,049	3,948,033
Other revenue	2	784,774	453,700
Profit on Sale	3	-	1,772,103
<b>TOTAL REVENUE</b>		<b>3,824,823</b>	<b>6,173,836</b>
<b>EXPENSES</b>			
Employee benefits expense		1,441,442	1,455,583
Depreciation	10	462,033	449,149
Other expenses	4	949,224	974,472
Finance costs		15,097	16,110
Cost of sales		469,475	589,044
Insurance		111,219	112,559
Repairs & maintenance		160,864	140,341
<b>TOTAL EXPENSES</b>		<b>3,609,354</b>	<b>3,737,258</b>
<b>NET PROFIT/ (LOSS)</b>		<b>215,469</b>	<b>2,436,578</b>
Other Comprehensive Income		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>215,469</b>	<b>2,436,578</b>

The accompanying notes form part of these financial statement



# Statement of Financial Position

as at 31 May 2020

Consolidated Group			
	Note	2020 \$	2019 \$
ASSESTS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,586,369	303,669
Trade and other receivables	6	92,688	66,935
Inventories	7	40,177	43,480
Other assets	8	315,191	174,442
Financial assets	9	2,296,462	5,548,344
TOTAL CURRENT ASSETS		6,330,887	6,136,870
NON-CURRENT ASSETS			
Property, plant and equipment	10	16,984,680	16,768,717
TOTAL NON-CURRENT ASSETS		16,984,680	16,768,717
TOTAL ASSETS		23,315,567	22,905,587
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	564,862	505,851
Borrowings		-	-
Short-term provisions	12	133,567	159,908
TOTAL CURRENT LIABILITIES		698,429	665,759
NON-CURRENT LIABILITIES			
Trade and other payables	11	4,424,920	4,550,187
Borrowings	13	1,175,648	905,648
Long-term provisions	12	37,062	20,554
TOTAL NON-CURRENT LIABILITIES		5,637,630	5,476,389
TOTAL LIABILITIES		6,336,069	6,142,148
NET ASSETS		16,979,508	16,763,439
EQUITY			
Issued capital	14	6,136,919	6,136,319
Reserves	16	1,479,140	1,464,290
Retained earnings		9,363,449	9,162,830
TOTAL EQUITY		16,979,508	16,763,439

The accompanying notes form part of these financial statements.





# Statement of Changes in Equity

for the Year Ending 31 May 2020

	Contributed Equity \$	Retained Earnings \$	Premium Reserve \$	Marine Academy Reserve \$	Total \$
<b>Consolidated Group</b>					
<b>Balance at 1 June 2018</b>	<b>6,137,387</b>	<b>6,743,008</b>	<b>1,420,500</b>	<b>27,034</b>	<b>14,327,929</b>
Contributed (Reduction) in Capital	(1,068)	-	-	-	(1,068)
Operating Result for the Year	-	2,436,578	-	-	<b>2,436,578</b>
Transfer Between Reserves	-	(16,756)	-	16,756	-
<b>Balance at 31 May 2019</b>	<b>6,136,319</b>	<b>9,162,830</b>	<b>1,420,500</b>	<b>43,790</b>	<b>16,763,439</b>
<b>Balance at 1 June 2019</b>	<b>6,136,319</b>	<b>9,162,830</b>	<b>1,420,500</b>	<b>43,790</b>	<b>16,763,439</b>
Contributed (Reduction) in Capital	600	-	-	-	<b>600</b>
Operating Result for the Year	-	215,469	-	-	<b>215,469</b>
Transfer Between Reserves	-	(14,850)	-	14,850	-
<b>Balance at 31 May 2020</b>	<b>6,136,919</b>	<b>9,363,449</b>	<b>1,420,500</b>	<b>58,640</b>	<b>16,979,508</b>

# Statement of Cash Flows

for the Year Ending 31 May 2020

	Note	Consolidated Group	
		2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipt from customers		3,677,129	4,174,120
Interest received		-	970
Payments to suppliers and employees		(3,208,313)	(3,664,037)
Receipt from investments		213,296	413,759
Interest paid		(15,097)	(16,110)
<b>Net cash provided by (used in) operating activities</b>		<b>667,015</b>	<b>908,702</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment		-	5,450,378
Payments for property, plant and equipment		(677,996)	(511,434)
Purchase of investments		(404,746)	(5,548,344)
Proceeds from the sale of investments		3,427,827	-
<b>Net cash provided by (used in) investing activities</b>		<b>2,345,085</b>	<b>(609,400)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds / (Repayments) from borrowings	13	270,000	(35,001)
Proceeds / (Redemption) from issue of units in Unit Trust		600	(1,068)
<b>Net cash provided by (used in) financing activities</b>		<b>270,600</b>	<b>(36,069)</b>
Net increase / (decrease) in cash held		3,282,700	263,233
Cash and cash equivalents at beginning of financial year		303,669	40,436
<b>Cash and cash equivalents at end of financial year</b>	<b>5</b>	<b>3,586,369</b>	<b>303,669</b>

The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 1: Summary of Significant Accounting Policies

The financial statements were authorised for issue on 20 August 2020 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 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 CYC 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 entity 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

At inception of a contract, The CYC Incorporated & Controlled Entities assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by The CYC Incorporated & Controlled Entities where The CYC Incorporated & Controlled Entities is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

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.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, The CYC Incorporated & Controlled Entities uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;

# Notes to the Financial Statements

for the Year Ending 31 May 2020

- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Leases between related entities aren't recognised as they are cancelled out upon consolidation.

## (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.

### 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



# Notes to the Financial Statements

for the Year Ending 31 May 2020

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.

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(e) 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 16 *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) 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.

## for the Year Ending 31 May 2020

## Revenue

### Note 3: Other Comprehensive Income

## Note 4: Other Expenses

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## for the Year Ending 31 May 2020

Cash on hand	
Cash at bank	
Cash at bank – Sinking Fund	9

### Reconciliation of Cash

- Cash and cash equivalents
- Bank overdraft

## Current

Trade receivables  
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.

### Opening provision for impairment

Charge for the year

### Closing provision for impairment

*At lower cost or net realisable value*

- Stock on hand

Marina Berth held for sale – at cost  
Prepayments  
Income in advance

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# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 9: Property, Plant and Equipment

### CURRENT

Investments in equity instruments designated as at fair value through comprehensive income -

Sinking Fund Investments	9a	2,296,462	5,548,344
Total current assets	(1)	<b>2,296,462</b>	<b>5,548,344</b>

a. Investments in equity instruments designated as at fair value through comprehensive income

Listed investments, at fair value:

– shares in listed corporations	18	2,296,462	5,548,344
		<b>2,296,462</b>	<b>5,548,344</b>

(1) The combined value of the Sinking Fund including investments and cash is \$5,845,235 (2018 \$5,838,720). The Sinking Fund was established in November 2018 subsequent to the sale of the Boat Ramp. The Board initially set up an Investment Committee to advise the Board on strategies and investment decisions and to oversee the performance of the Fund. During the year the Committee was wound up and the Board engaged the firm Ord Minnett to manage the Fund. The only fees paid to Ord Minnett are brokerage fees on trading activities

## Note 10: Property, Plant and Equipment

Land – At Deemed Cost		<b>5,138,296</b>	<b>5,138,296</b>
Buildings – At Deemed Cost		3,650,056	3,615,896
Accumulated Depreciation		(949,950)	(820,945)
		<b>2,700,106</b>	<b>2,794,950</b>
Plant and Equipment – At Deemed Cost		1,462,133	1,220,397
Accumulated Depreciation		(908,337)	(835,874)
		<b>553,796</b>	<b>384,523</b>
Office Equipment – At Deemed Cost		167,270	144,115
Accumulated Depreciation		(124,691)	(113,298)
		<b>42,579</b>	<b>30,817</b>
Marina and Improvements (Marina West) – At Deemed Cost		8,542,680	8,504,347
Accumulated Depreciation		(2,100,788)	(1,938,095)
		<b>6,441,892</b>	<b>6,566,252</b>
Marina and Improvements (Marina East) – At Deemed Cost		3,473,877	3,172,826
Accumulated Depreciation		(1,428,287)	(1,342,088)
		<b>2,045,590</b>	<b>1,830,738</b>
Right-of-Use Asset		22,947	-
Accumulated Depreciation		(280)	-
		<b>22,667</b>	-
<b>Total property, plant and equipment</b>		<b>16,984,680</b>	<b>16,768,717</b>

# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 10: 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 2019	5,138,296	2,794,951	384,523	30,817
Additions	-	34,159	241,735	23,156
WIP Capitalised	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	-	(129,004)	(72,463)	(11,393)
<b>Carrying amount at 31 May 2020</b>	<b>5,138,296</b>	<b>2,700,106</b>	<b>553,795</b>	<b>42,580</b>

	Marina and Improvements Marina West \$	Marina and Improvements Marina East \$	Right of Use Asset \$	WIP \$	Total \$
Balance at 1 June 2019	6,566,252	1,830,738	-	23,140	16,768,717
Additions	38,333	301,051	22,947	-	661,381
WIP Capitalised	-	-	-	37,715	37,715
Disposals	-	-	-	(21,100)	(21,100)
Depreciation expense	(162,693)	(86,200)	(280)	-	(462,033)
<b>Carrying amount at 31 May 2020</b>	<b>6,441,892</b>	<b>2,045,589</b>	<b>22,667</b>	<b>39,755</b>	<b>16,984,680</b>



# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 11: 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 West revenue in advance
--------------------------------

## Note 12: 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 13: Borrowings

Westpac Loan – Bar & Patio Redevelopment
--

In 2016/17, the entity borrowed \$1.349 million to fund the Bar & Patio Redevelopment Project.

The loan was extended in November 2019 for \$1,450,000 for a further term of 3 years and is structured as an interest only loan (expiring in November 2022) which upon expiry will require monthly principal and interest repayments to be made and repaid over a 10 year loan term.

As at 31 May 2020, the entity had access to \$375,000 of undrawn funds available from the Westpac Loan facility and Westpac Overdraft Facility.

### Consolidated Group

2020 \$	2019 \$
105,038	124,304
148,140	148,140
311,684	233,407
<b>564,862</b>	<b>505,851</b>
4,424,920	4,550,187
<b>4,424,920</b>	<b>4,550,187</b>
99,067	95,589
34,500	64,319
<b>133,567</b>	<b>159,908</b>
37,062	20,554
37,062	<b>20,554</b>
1,175,648	905,648
<b>1,175,648</b>	<b>905,648</b>



# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 14: Issued Capital

Settled Capital

122,173 (2018: 122,185) fully paid issued units at \$50 each

27,545 (2018: 27,545) fully paid issued units at \$1 each

Consolidated Group	
2020 \$	2019 \$
592	592
6,109,250	6,108,650
27,077	27,077
<b>6,136,919</b>	<b>6,136,319</b>

## Note 15: Events after the Reporting Period

There were no events subsequent to 31 May 2019 that needed to be disclosed in the financial statements

## Note 16: Reserves

### Marine Academy

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.

During the financial year, the Club transferred an additional \$14,850 to the reserve.

### Ramp Trust Distribution Reserve

The sale of the boat ramp assets in 2018/19 resulted in a net cash proceeds (after settlement costs) of \$5.45M. The carrying value of boat ramp trust assets were \$3.68M. A profit on disposal was recorded in the 2018/19 year being \$1.77M by the Ramp Trust.

The carrying value of the assets disposed had previously been revalued. The difference between the original cost of \$2.22M and the revalued amount of \$3.67M resulted in a capital profit in 2018/19 of \$1.45M.

This amount was distributed by the Ramp Trust as a capital distribution. As a result the Club treated this amount as capital and applied it directly to retained earnings.

## Note 17: Capital and Leasing Commitments

### Operating Lease Commitments

#### Payable – minimum lease payments:

No later than 12 months

Between 1 – 5 years

Consolidated Group	
2020 \$	2019 \$
7,320	7,870
9,760	19,120
<b>17,080</b>	<b>26,990</b>
-	-
-	-
-	-

### Capital Expenditure Commitments

No later than 12 months

Between 1 – 5 Years

# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 18: Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, accounts receivable, shares in listed corporations 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	Consolidated Group	
		2020 \$	2019 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	3,586,349	303,669
Accounts receivable and other debtors	6	92,688	66,935
<b>Investments in equity instruments designated as at fair value through other comprehensive income:</b>			
shares in listed corporations	9,19	2,296,462	5,548,344
<b>Total financial assets</b>		<b>5,975,499</b>	<b>5,918,948</b>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost:			
Accounts payable and other payables	11	394,555	335,243
Borrowings	13	1,175,648	905,648
<b>Total financial liabilities</b>		<b>1,570,203</b>	<b>1,240,891</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 2020, \$Nil of this facility was used (2019: \$Nil). Interest rates are variable.

The entity has \$275,000 available in undrawn funds with the Westpac loan facility. The total limit of the facility is \$1.450 million.

## Note 19: Fair Value Measurements

The entity has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition.

The association does not subsequently measure any liabilities at fair value on a recurring basis.

	NOTE	Consolidated Group	
		2020 \$	2019 \$
<b>Recurring fair value measurements</b>			
<i>Financial assets</i>			
Financial assets at fair value through comprehensive income:			
– shares in listed corporations	9,18	2,296,462	5,548,344
<b>Total financial assets recognised at fair value on a recurring basis</b>		<b>2,296,462</b>	<b>5,548,344</b>

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

# Notes to the Financial Statements

for the Year Ending 31 May 2020

## Note 20: 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 2020 \$Nil was drawn down on the bill facility (2019: \$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 2020 (2019: \$Nil).

The entity has an undrawn bank overdraft facility as at 31 May 2020 of \$100,000 held with the Westpac Banking Corporation.

## Note 21: 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 2020

## Note 22: Key Management Personnel

	Salary \$	Superannuation Contributions \$	Non-Cash Benefits \$
2020	<b>116,327</b>	<b>11,051</b>	<b>753</b>
2019	208,141	11,629	210

The Club's position of General Manager remuneration is the only position reflected in the above figures disclosed. The 2019 salary figure includes leave entitlement payouts for the then departing Chief Executive Officer.

## Note 23: Related Party Transactions

No Board Members, through entities associated with them, provided goods and/or services during the year to the Club.

## Note 24: 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 2020, 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 2020 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.



# 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



SAMANTHA CRETEN  
PARTNER

Signed on the 27th day of August 2020, at 214 Melbourne Street, North Adelaide



