

**ROYAL MOTOR
YACHT CLUB
OF
NEW SOUTH WALES
LIMITED**

**(A Company Limited by Guarantee)
(ABN: 72 001 040 820)**

**REGISTERED OFFICE
21 WUNULLA ROAD
POINT PIPER NSW 2027
PHONE: (02) 9327 6828**

**118th ANNUAL REPORT
and
ACCOUNTS
as at
30 June 2024**

**ROYAL MOTOR YACHT CLUB
OF
NEW SOUTH WALES LIMITED**

THE HONORARY PATRON – IN – CHIEF

Her Excellency the Honourable Samantha Joy Mostyn AC

PATRON

Her Excellency the Honourable Margaret Beazley AO KC

VICE – PATRON

Rear Admiral Christopher Smith CSM RAN

FLAG OFFICERS

COMMODORE

J.M.Barbouttis

VICE COMMODORE

N.Webster

REAR COMMODORE

M.Finkelstein

DIRECTORS

M.Dinte, R.Paridis, S.Scarf, J.O'Connor, D.Simons

HOUSE COMMITTEE

N.Webster
M.Dinte

**FINANCE ADMINISTRATION
COMMITTEE**

J. M. Barbouttis
N.Webster
R.Paridis

MARINE / SAFETY COMMITTEE

M.Finkelstein
D.Simons

MEMBERSHIP COMMITTEE

J M Barbouttis
M.Finkelstein
R.Paridis

LIFE MEMBERS

Commodore John M. Barbouttis
Past Commodore Michael R. Tess
Vice Commodore Neil Webster

Royal Motor Yacht Club of New South Wales Limited

COMMODORE'S REPORT 2024

I am pleased once again to present to members the Annual Report of our Club. In last year's report I advised members we were transitioning to a new management of the Club which involved, firstly the appointment of Jason Leven as Secretary manager, and thereafter the procurement of new Club computer hardware and software throughout each facet of the Club. This also necessitated appointment of new office staff and an overlapping period where we were running both systems side by side, including both the training of new staff and the maintaining of existing staff. The software is now operational and save for some teething issues which remain to be completed, we are confident these will be resolved by the end of the calendar year.

It would be remiss of me if I did not raise the issues some members have had regarding how the Club should be managed. This should be a matter for the Board and subsequently members. The distribution of anonymous letters which were sent to members and others including to our sister clubs the RMYC Port Hacking and RMYC Broken Bay brings disrepute to all of those involved. It also has a damaging effect on staff. Thankfully this issue now remains in the past and the Board was delighted to introduce three new Board members, Jane O'Connor, Simon Scarf, and William Bracey who now joins the Board after the AGM. The Board is confident these newer members will bring new enthusiasm and rigour to the Board.

During the new financial year, the Board will have to address the fact that the cost of services provided to members have not been increased for a number of years. In many cases they have not even reflected CPI increases. Notwithstanding this the Board will continue to progress plans for a new marina, the rebuilding of the "outside" area of the marina restaurant, and the change to create a new outdoor bar and Café.

It is with great pleasure the Board unanimously agreed to nominate Matthew Joseph Scarf for life membership. Matthew has been a member of the Club for over 53 years. Despite an initial reluctance to join the Board he eventually did, and served as Hon. Treasurer for seven years, Vice Commodore also for seven years and Rear Commodore for one year. Matthew's service to the Club both as a Board member and thereafter has been a valuable and significant support to the Board and staff of the Club. This is an honour rarely given and we look forward to members conferring this honour upon Matthew.

On behalf of the Board I wish to thank all staff members for their support over the last two years. We also take this opportunity to thank our function caterers, Zest, who continue to provide exceptional service to members and guests.

The Board is pleased to advise members the following amounts were given to Charities,

St Vincent's Hospital: \$20,000

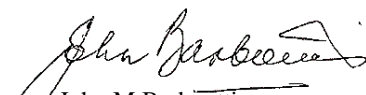
Sydney Children's Hospital: \$20,000

Chris O'Brien Life house: \$20,000

Salvation Army: \$10,000

And to the Sir David Martin Foundation from funds raised in cooperation with the Australian Navy, our staff (who donated their time and efforts), and members of our Club and the RMYC Broken Bay and the RMYC Port Hacking and St George Motor Boat Club \$52,000.

Finally, I regret to advise the passing of a number of members a list of which appears below, and wish to mention Peter Ryba who was one of our longest serving members, and Wolfie Pizem who was one of the members and together with others, after the fire of 1984, was instrumental in raising funds to build a new restaurant on the deck area. May those and others listed below rest in peace.



John M Barbouttis
Commodore

The Board Notes the passing of the following members and expresses our sincerest sympathies to their families.

Wolfie Pizem OAM

Peter Ryba

Lewis Levi

Grace Spyrou

Beatrice Jacobs

Fran Mead

Robert Rose

Joy Jenkins

Gaish Albert

Aiden Kinsella

Gregory Stewart

Royal Motor Yacht Club of New South Wales Limited
Directors' report
For the year ended 30 June 2024

The directors have pleasure in presenting their report of Royal Motor Yacht Club of New South Wales Limited (the "Company" or "Club") for the year ended 30 June 2024.

Directors

The following persons held office as directors of the company at any time during or since the end of the year and up to the date of this report:

John Barbouttis, Michael Dinte, Michael Finkelstein, Robert Paridis, Neil Webster, Aaron Senes, Jamie Mackay, Derek Simons, Ned O'Neil, Simon Scarf and Jane O'Connor.

Company secretary

The company secretary is Jason Paul John Leven appointed on February 2024.

Principal activities

The principal activities of the company during the course of the financial year were the operation and maintenance of a motor yacht club and its associated facilities. There has been no significant change in those activities during the year.

Operating results

The net profit for the year amounted to \$195,398 (2023: \$670,528). This resulted after charging \$864,808 (2023: \$828,123) for depreciation and \$80,331 (2023: \$106,760) for borrowing and interest costs.

Membership

The Club is a company limited by guarantee and without a share capital. The number of members as at 30 June 2024 and the comparison with last year is as follows:

<u>Members</u>	<u>2024</u>	<u>2023</u>
General	1,688	1,677
Boat owners	83	83
Boat owners/Life	1	1
Life	2	2
Honorary	41	37
Junior	97	102
	<u>1,912</u>	<u>1,902</u>

Review of operations

	2024	2023
	\$	\$
Total operating revenue	<u>8,506,578</u>	<u>7,986,364</u>
Gross trading profit was as follows:		
Entrance Fee New Membership	348,033	335,665
Sundry income	104,308	68,907
Liquor trading	1,104,579	1,160,357
Dining Room trading	576,435	571,619
Interest received	5,614	2,082
Function area income	323,055	251,808
Marina trading	1,678,429	1,608,790
Regalia trading	9,522	9,522
Subscriptions	2,247,904	2,038,268

The net assets of the company have increased by \$195,398

Dividends

The company is a company limited by guarantee and does not have a share capital. No profits are returned to members by way of dividend or otherwise.

Royal Motor Yacht Club of New South Wales Limited
Directors' report (Continued)
For the year ended 30 June 2024

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the accounts.

After balance date events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company, in subsequent financial years.

Future developments

It is intended to continue the activities and operations of the company on a similar basis to the past financial year.

Auditor

Ernst and Young are the current auditors and have been since 2009.

Environmental issues

The company's operations are subject to various environmental regulations under the law of the Commonwealth and State.

The directors are not aware of any significant breaches during the period covered by this report.

Meetings of directors

The number of directors' meetings (excluding special and sub-committee meetings) and number of meetings attended by each of the directors of the Company during the financial year are:

	Number eligible to attend	Number attended
John Barbouttis	8	8
Michael Dinte	8	7
Michael Finkelstein	8	8
Robert Paridis	8	8
Neil Webster	8	8
Jamie Mackay	8	6
Aaron Senes	8	8
Derek Simons	8	7
Ned O'Neil	8	6

Indemnification and Insurance of Officers and Auditors

During or since the financial year the company has paid premiums to insure each of the following persons against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity as an officer of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium cannot be disclosed due to policy conditions. John Barbouttis, Michael Dinte, Michael Finkelstein, Robert Paridis, Neil Webster, Jamie Mackay, Aaron Senes, Derek Simons, Ned O'Neil, Simon Scarf and Jane O'Connor. To the extent permitted by Law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount) other than a loss resulting for Ernst & Young's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify Ernst & Young during or since the financial year.

Royal Motor Yacht Club of New South Wales Limited
Directors' report (Continued)
For the year ended 30 June 2024

Directors' benefits

Since the end of the previous financial year no director of the company has 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 directors shown in the accounts) by reason of a contract made by the Company or a related corporation with a director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Short and long term objectives

The short and long term objective is to continue the operation of a social and motor yacht club.

Measurement of Success

Royal Motor Yacht Club of New South Wales Limited focuses on three key areas – Retaining current club membership numbers, maintaining, renovating and upgrading existing club facilities and where possible providing additional amenities or social activities.

Introducing new and additional activities for Club members including new in house promotions, and upgrades to the marina decking, kitchen and function rooms.

Information on directors

John Barbouttis B. Com.(Hons), LLB

Appointed 29/10/2020
Director 29 years
Solicitor

Neil Webster

Appointed 29/09/1993
Director 31 years
Company Director

Michael Finkelstein

Appointed 26/09/2013
Director 11 years
Company Director

Michael Dinte

Appointed 27/10/2016
Director 8 years
Company Director

Robert D. Paridis

Appointed 08/11/2018
Director 6 years
Company Director

Derek Simons

Appointed 30 November 2023
Director 1 year

Jamie Mackay

Appointed 30 November 2023
Company Director
Ceased 8 /8/2024

Aaron Senes

Appointed 30 November 2023
Company Director
Ceased 8/7/2024

Ned O'Neil

Appointed 30 November 2023
Company Director
Ceased 29/05/2024

Simon Scarf

Appointed 8/8/2024
Company Director

Jane O'Connor


Appointed 8/8/2024
Solicitor

Royal Motor Yacht Club of New South Wales Limited
Directors' report (Continued)
For the year ended 30 June 2024

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 8 of the financial report.

This report is made in accordance with a resolution of the directors.



J.M. Barbouttis
Commodore



M. Finkelstein
Rear Commodore

Dated
6 November 2024

Sydney



**Building a better
working world**

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Auditor's Independence Declaration to the Directors of Royal Motor Yacht Club of New South Wales Limited

As lead auditor for the audit of the financial report Royal Motor Yacht Club of New South Wales Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
- b. no contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Daniel Cunningham
Partner
Sydney
6 November 2024

Royal Motor Yacht Club of New South Wales Limited
Statement of Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Continuing Operations			
Revenue	3	8,500,964	7,984,282
Interest Income	3	5,614	2,082
		<u>8,506,578</u>	<u>7,986,364</u>
Costs of sales			
– Marina trading		(574,420)	(525,053)
– Dining room		(728,736)	(632,419)
– Liquor trading		(799,756)	(774,245)
– Regalia		(18,664)	(7,629)
		<u>(2,121,576)</u>	<u>(1,939,346)</u>
Gross Profit		<u>6,385,002</u>	<u>6,047,018</u>
Administrative costs	4	(3,336,211)	(2,748,687)
Operating costs	4	(2,356,674)	(2,177,377)
Other costs	4	(416,388)	(343,666)
		<u>(6,109,273)</u>	<u>(5,269,730)</u>
Finance costs	4	(80,331)	(106,760)
Net finance costs		<u>(80,331)</u>	<u>(106,760)</u>
Profit before income tax		<u>195,398</u>	<u>670,528</u>
Income tax expenses	5	-	-
Profit from continuing operations		<u>195,398</u>	<u>670,528</u>
Profit for the period		<u>195,398</u>	<u>670,528</u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		<u>195,398</u>	<u>670,528</u>

The above statement of comprehensive income is to be read in conjunction with the accompanying notes.

Royal Motor Yacht Club of New South Wales Limited
Statement of Financial Position
As at the 30 June 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	6	714,729	364,865
Contract assets and other receivables	7	925,972	667,039
Inventories	8	250,557	270,111
Total current assets		<u>1,891,258</u>	<u>1,302,015</u>
Non-current assets			
Property, plant and equipment	9	15,970,024	16,508,486
Total non-current assets		<u>15,970,024</u>	<u>16,508,486</u>
Total assets		<u>17,861,282</u>	<u>17,810,501</u>
Current liabilities			
Trade and other payables	10	603,830	417,325
Provisions	12	330,197	303,222
Other liabilities	13	698,341	849,308
Financial liabilities	11	12,291	14,604
Total current liabilities		<u>1,644,659</u>	<u>1,584,459</u>
Non-current liabilities			
Provisions	12	38,127	61,382
Other liabilities	13	2,223,205	2,338,971
Financial liabilities	11	179,099	244,895
Total non-current liabilities		<u>2,440,431</u>	<u>2,645,248</u>
Total liabilities		<u>4,085,090</u>	<u>4,229,707</u>
Net assets		<u>13,776,192</u>	<u>13,580,794</u>
Equity			
Assets revaluation reserve		2,055,803	2,055,803
Retained earnings	15	11,720,389	11,524,991
Total Equity		<u>13,776,192</u>	<u>13,580,794</u>

The above statement of financial position is to be read in conjunction with the accompanying notes.

Royal Motor Yacht Club of New South Wales Limited
Statement of Changes in Equity
For the year ended 30 June 2024

	Asser Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$
At 1 July 2023	2,055,803	11,524,991	13,580,794
Profit for the year		195,398	195,398
At 30 June 2024	2,055,803	11,720,389	13,776,192
At 1 July 2022	2,055,803	10,854,463	12,910,266
Profit for the year		670,528	670,528
At 30 June 2023	2,055,803	11,524,991	13,580,794

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Royal Motor Yacht Club of New South Wales Limited
Statement of Cash Flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Cash receipts in the course of operations		8,272,080	8,928,532
Cash payments in the course of operations		(7,339,591)	(7,318,521)
Interest received	3	5,614	2,082
Finance costs	4	(80,331)	(106,760)
Net cash provided by operating activities		<u>857,772</u>	<u>1,505,333</u>
Cash flows from investing activities			
Payment for property, plant and equipment		(326,346)	(960,138)
Net cash used in investing activities		<u>(326,346)</u>	<u>(960,138)</u>
Cash flows from financing activities			
Repayment of borrowings		(115,766)	(1,200,000)
Proceeds from borrowings		-	450,000
Principal payment of lease liability		(65,796)	(62,783)
Net cash used by financing activities		<u>(181,562)</u>	<u>(812,783)</u>
Net increase/(decrease) in cash held		<u>349,864</u>	<u>(267,588)</u>
Cash and cash equivalents at the beginning of the financial year		<u>364,865</u>	<u>632,453</u>
Cash and cash equivalents at the end of the financial year	6	<u>714,729</u>	<u>364,865</u>

The statement of cash flow is to be read in conjunction with the accompanying notes.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements
For the year ended 30 June 2024

Note 1. Corporate information

The financial report of Royal Motor Yacht Club of New South Wales Limited (the Company) for the year ended 30 June 2024 was authorised for issue by the Directors on the date of the declaration signed by the directors.

Royal Motor Yacht Club of New South Wales Limited is a company limited by guarantee and without share capital. It is incorporated and domiciled in Australia. The Company is a not-for-profit entity. In accordance with the Constitution the liability of members in the event of the Company being wound up would not exceed \$20 per member.

The nature of the operations and principal activities of the Company are the operation and maintenance of a motor yacht club and its attendant facilities.

Note 2. Material accounting policy information

(a) Basis of preparation

The financial report is a general purposes financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Simplified Disclosure and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Interpretations.

The financial report has been prepared on a historical cost basis. The financial report is presented in Australian dollars (\$).

(b) Going Concern and Basis of preparation

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2024 the Club generated a surplus of \$195,398 and had unused banking facilities of \$2,650,000. The Directors therefore believe the Club can continue to pay its debts as and when they fall due.

(c) Statement of compliance

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Club for the annual reporting period ended 30 June 2024. The directors have not early adopted any of these new or amended standards or interpretations. The directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Club) and interpretations.

The financial report complies with Australian Accounting Standards – Simplified Disclosure Requirements and other authoritative pronouncements as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The Company is a Not-for-profit, private sector entity which is not publicly accountable. Therefore, the financial statements for the Company are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures.

New and amended Accounting Standards and Interpretations

There are no new or amended Australian Accounting Standards and interpretations that apply for the first time in current year and having materially impact the financial statements of the Company.

Comparatives

Where necessary comparative figures have been reclassified to conform with changes in presentation in the current year.

(d) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above. Commercial bills are included within interest-bearing loans and borrowings in current liabilities on the balance sheet.

(e) Contract assets and other receivables

Trade receivables, which generally have 60-day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for credit loss.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 2. Material accounting policy information (Continued)

(g) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Freehold Land - not depreciated
Buildings (Including bar and restaurant) - over 40 years (prime cost)
Plant and equipment - over 2.5 to 20 years (prime cost)
Marinas and pontoons - over 10 to 20 years (diminishing value method)
Swimming Pool- over 40 years (prime cost)
Club Gymnasium – over 8 years (prime cost)
Club management system – over 4 years (prime cost)

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year-end.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(h) Leases

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Club applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Club recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets

The Club recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Photocopier and printers - 5 years
- Bottlecycler - 10 years

If ownership of the leased asset transfers to the Club at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Note 2. Material accounting policy information (Continued)

(ii) Lease Liabilities

At the commencement date of the lease, the Club recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Club and payments of penalties for terminating the lease, if the lease term reflects the Club exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Club uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Club applies the short-term lease recognition exemption to its short-term leases of plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(i) **Impairment of non-financial assets**

Assets are tested for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. The Directors conduct an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in economic conditions, are also monitored to assess indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

(j) **Trade and other payables**

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) **Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) **Borrowing costs**

Borrowing costs are recognised as an expense when incurred.

(m) **Employee leave benefits**

(i) *Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Long service leave*

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Note 2. Material accounting policy information (Continued)

(n) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

(ii) Rendering of services

Revenue from rendering of services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

(iii) Interest income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(iv) Entrance fees

Entrance fees are recognised when the performance obligations are provided in accordance with AASB 15 Revenue from contracts with Customers. Management have calculated the average term of a member (14 years from commencement) and recognised the Entrance Fee revenue evenly over that period, as performance obligations do not differ between financial years.

(v) Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

The directors of the company have assessed that the revenue from the marina sales and the sale of the food will be recognised at the point in time when control over the corresponding goods and services are transferred to the customer. Revenue from events will be recognised over time as the performance obligation is performed over the term of the event. The company's accounting policy for its revenue stream is disclosed in detailed in Note 2(n) above.

(o) Income tax

The Income Tax Assessment Act 1997 (Amended) provides that under the concept of mutuality, companies are only liable for income tax on income derived from non-members and from outside entities. The assessable income of the Company for income tax purposes comprises only certain income deemed to be derived from non-member activities. Conversely, allowable deductions for income tax purposes are limited to certain expenses and statutory deductions.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(p) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 2. Material accounting policy information (Continued)

(q) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(i) Significant accounting judgments

Impairment of non-financial assets

The Company assesses impairment of all assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. These include technology, economic and political environments. If an impairment trigger exists the recoverable amount of the asset is determined. If an impairment trigger exists the recoverable amount of the asset is determined.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 3. Revenue	2024	2023
	\$	\$
Sale of goods		
- Catering sales	1,305,170	1,204,038
- Liquor sales Members Dining Room	1,152,759	1,118,746
- Liquor sales Club function centre	711,037	780,221
- Sales of fuel and oil	667,647	608,286
- Regalia sales	15,310	17,150
	<u>3,851,923</u>	<u>3,728,441</u>
Rendering of services		
- Mooring fees and Pen fees	1,534,782	1,490,085
- Subscriptions	2,247,904	2,038,268
- Licence fees	323,055	251,808
- Entrance Fee new membership	348,033	335,665
- Other revenue	195,267	140,015
	<u>4,649,041</u>	<u>4,255,841</u>
Total revenue	<u>8,500,964</u>	<u>7,984,282</u>
Other income		
- Interest revenue	5,614	2,082
Total revenue and other income	<u>8,506,578</u>	<u>7,986,364</u>

All revenue is derived in Australia. There are no other geographical locations generating revenue for the Company.

Note 4. Expenses		
Administrative costs		
- Salaries and wages	2,776,673	2,219,155
- Superannuation	289,458	217,220
- Audit	60,065	37,200
- Accountancy	43,400	30,500
- Payroll tax	96,064	61,112
- Employee benefits provisions	3,721	115,053
- Insurance Workers Compensation	55,427	45,875
- Legal	6,713	8,114
- Postage	4,459	11,667
- Filing fees	231	2,791
	<u>3,336,211</u>	<u>2,748,687</u>
Finance costs		
- Bank fees and charges	71,715	75,642
- Interest	8,616	31,118
	<u>80,331</u>	<u>106,760</u>
Operating costs		
- Depreciation	864,808	828,123
- Repairs and Maintenance	427,311	379,884
- Maritime rental	180,668	183,079
- Electricity and gas	152,398	132,922
- Cleaning and Rubbish removal	196,294	170,014
- Insurance	229,181	224,713
- Rates and Land tax	126,659	96,123
- Members functions	41,144	65,395
- Computer expenses	91,216	44,911
- Stock taking	16,988	18,280
- Telephone	5,066	4,969
- Rental - Equipment	1,956	7,790
- Decorations	7,407	8,555
- Uniforms	9,011	6,516
- Entertainment	6,567	6,103
	<u>2,356,674</u>	<u>2,177,377</u>
Other cost	<u>416,388</u>	<u>343,666</u>

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 5. Income tax

	2024	2023
Reconciliation tax expense and accounting profit multiplied by Australia's domestic income tax rate	\$	\$
Accounting profit before tax	195,398	670,528
At the Club's statutory tax rate of 25%	48,850	167,632
Proportion of income attributable to non-members	873,677	852,931
Proportion of expenses attributed to non-members	(1,613,067)	(1,364,958)
Other items (net)	<u>246,347</u>	<u>216,087</u>
Tax (loss) / profit for the year (before tax loss applied)	<u>(493,043)</u>	<u>(295,940)</u>
Income tax losses brought to account	<u>(493,043)</u>	<u>(295,940)</u>
Tax losses brought forward	<u>(5,832,307)</u>	<u>(5,536,367)</u>

(a) Tax losses and unrecognised temporary differences

The company has tax losses of \$6,325,350 (2023: \$5,832,307) for which no deferred tax asset is recognised on the balance sheet given that it is not probable that taxable profit will be available against which the tax loss can be utilised.

	2024	2023
Note 6. Cash and cash equivalents	\$	\$
Cash and cash equivalents	<u>714,729</u>	<u>364,865</u>
Note 7. Contract assets and other receivables		
Contract assets	738,370	539,409
Other receivables and prepayments	<u>187,602</u>	<u>127,630</u>
	<u>925,972</u>	<u>667,039</u>
Note 8. Inventories		
Liquor, food and fuel - at cost	234,362	252,351
Regalia – at cost	<u>16,195</u>	<u>17,760</u>
	<u>250,557</u>	<u>270,111</u>

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

	2024	2023
	\$	\$
Note 9. Property, plant and equipment		
Freehold land		
At cost	<u>1,200,000</u>	<u>1,200,000</u>
Land adjoining Lot 2		
At cost	<u>2,160,980</u>	<u>2,160,980</u>
Clubhouse, car park, inclinator, recreation and marina area		
At cost	9,300,451	9,300,451
Less accumulated depreciation	<u>(3,306,519)</u>	<u>(3,088,799)</u>
	<u>5,993,932</u>	<u>6,211,652</u>
Marina tender		
At cost	522,636	383,182
Less accumulated depreciation	<u>(285,413)</u>	<u>(245,800)</u>
	<u>237,223</u>	<u>137,382</u>
Marina berths		
At cost	2,639,108	2,639,108
Less accumulated depreciation	<u>(1,839,956)</u>	<u>(1,797,743)</u>
	<u>799,152</u>	<u>841,365</u>
Plant, furniture equipment		
At cost	3,068,840	3,022,817
Less accumulated depreciation	<u>(2,546,895)</u>	<u>(2,433,429)</u>
	<u>521,945</u>	<u>589,388</u>
Club management system		
At cost	185,176	75,000
Less accumulated depreciation	<u>(9,941)</u>	<u>-</u>
	<u>175,235</u>	<u>75,000</u>
Swimming pool, infrastructure and landscaping		
At cost	689,527	689,527
Less accumulated depreciation	<u>(432,733)</u>	<u>(415,495)</u>
	<u>256,794</u>	<u>274,032</u>
Bar and restaurant refurbishment		
At cost	3,351,077	3,351,077
Less accumulated depreciation	<u>(1,401,077)</u>	<u>(1,280,482)</u>
	<u>1,950,000</u>	<u>2,070,595</u>
Marina decking		
At cost	1,989,881	1,989,881
Less accumulated depreciation	<u>(378,083)</u>	<u>(276,995)</u>
	<u>1,611,798</u>	<u>1,712,886</u>
Right-of-use assets		
At cost	68,314	68,314
Less accumulated depreciation	<u>(66,851)</u>	<u>(53,471)</u>
	<u>1,463</u>	<u>14,843</u>
Club gymnasium		
At cost	239,380	239,380
Less accumulated depreciation	<u>(84,491)</u>	<u>(56,710)</u>
	<u>154,889</u>	<u>182,670</u>
Glassware, crockery and cutlery		
At cost	37,297	37,297
	<u>37,297</u>	<u>37,297</u>

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

	2024	2023
	\$	\$
Note 9. Property, plant and equipment -continued		
Branding	18,300	18,300
Less accumulated depreciation	<u>(18,300)</u>	<u>-</u>
	<u>-</u>	<u>18,300</u>
New Marina	<u>30,692</u>	<u>-</u>
Club gymnasium – leased asset	269,171	269,171
Less accumulated depreciation	<u>(89,724)</u>	<u>(53,145)</u>
	<u>179,447</u>	<u>216,026</u>
Pacific Room – refurbishment	855,148	855,148
Less accumulated depreciation	<u>(195,971)</u>	<u>(89,078)</u>
	<u>659,177</u>	<u>766,070</u>
	<u>15,970,025</u>	<u>16,508,486</u>

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year 2023.

<u>2024</u>	Carrying Amount Beginning Of Year	Additions	Depreciation Expense	Carrying Amount at End of Year
Freehold land	1,200,000	-	-	1,200,000
Land adjoining Lot 2	2,160,980	-	-	2,160,980
Clubhouse, car park, inclinator, recreation and marina area	6,211,652	-	217,720	5,993,932
Marina tender	137,382	139,455	39,613	237,224
Marina berths	841,365	-	42,213	799,152
Plant, furniture and equipment	589,388	46,024	113,466	521,946
Club management system	75,000	110,176	9,941	175,235
Swimming pool, infrastructure and landscaping	274,032	-	17,238	256,794
Bar and restaurant refurbishment	2,070,595	-	120,595	1,950,000
Marina decking	1,712,886	-	101,087	1,611,798
Right-of-use assets(Photocopier Printer & bottlecycler)	14,843	-	13,380	1,463
Gym equipment	185,602	-	30,714	154,888
Glassware, crockery and cutlery	37,297	-	-	37,297
Right of use asset-Gym equipment	213,094	-	33,646	179,448
Pacific room-refurbishment	766,070	-	106,893	659,177
New marina - plans	-	30,692	-	30,692
Branding	18,300	-	18,300	-
	<u>16,508,486</u>	<u>326,347</u>	<u>864,808</u>	<u>15,970,025</u>

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

	2024	2023
	\$	\$
Note 10. Trade and other payables		
Trade creditors	506,973	367,629
Other payables	96,857	49,696
	<u>603,830</u>	<u>417,325</u>
Note 11. Financial liabilities		
Current		
Lease liability	12,291	14,604
	<u>12,291</u>	<u>14,604</u>
Non-current		
Bank bill business loan (Note 17)	50,000	50,000
Lease liability	129,099	194,895
	<u>179,099</u>	<u>244,895</u>
Note 11 (a) Lease Liability		
Balance movement		
As at 1 July	209,499	272,282
Additions		-
Accretion of interest	2,287	2,287
Payments	(70,396)	(65,070)
As at 30 June	<u>141,390</u>	<u>209,499</u>
Current	12,291	14,604
Non-current	129,099	194,895
<p>The entity has lease contracts for various items of equipment used in its operations. Lease generally have lease terms between 4 and 7 years (interest 3.14%)</p>		
Note 12. Provisions		
Current		
Employee benefits	<u>330,197</u>	<u>303,222</u>
Non-current		
Employee benefits	<u>38,127</u>	<u>61,382</u>

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

	2024	2023
	\$	\$
Note 13. Other liabilities		
Current		
Unearned income	142,907	154,693
Subscriptions in advance	<u>555,434</u>	<u>694,615</u>
	<u>698,341</u>	<u>849,308</u>
Non-current		
Unearned	<u>2,223,205</u>	<u>2,338,971</u>

Note 14. Capital Commitments and Contingencies

Capital commitments as at 30 June are as follows:

Total contractual commitment	nil	nil
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Note 15. Retained earnings

Retained profits at the beginning of the financial year	11,524,991	10,854,463
Net profit attributable to members of the company	195,398	670,528
Retained profits at the end of the financial year	11,720,389	11,524,991

Note 16. Related party disclosures

a) Key management personnel disclosures

The following were key management personnel of the Company at any time during the reporting period, and unless otherwise indicated were key management personnel for the entire period:

Non-executive directors

John Barbouttis, Michael Dinte , Michael Finkelstein, Jamie Mackay, Ned O’Neil, Robert Paradis, Aaron Senes, Derek Simons and Neil Webster

b) Transactions with key management personnel

No director of the Company receives any remuneration or retirement benefit.

c) Other key management personnel transactions with the Company

No key management personnel have entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving key management personnel interest existing at year-end. The directors of the Company may purchase goods, pay pen fees for marina usage, or participate in other Club activities. These transactions are on the same terms and conditions no more favourable than those available to other parties. Mr. J. Barbouttis is the brother of a consultant in the firm of BT & A Consultants Pty Ltd, which provided accountancy services amounting to \$43,400.

d) Loans to Key Management Personnel

There are no loans between key management personnel and the Company.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 17. Bank Facilities

The Company's borrowing facilities as at 30 June 2024, consists of Bank bill business loan with redraw facilities permitted only during a period in which a variable interest rate applies and bank overdraft facility, all of which are with Westpac Banking Corporation and are secured by a Registered Mortgage over 21 Wunulla Road, Point Piper and a mortgage debenture over all company assets. The bank bill facility of \$2,500,000 has an indicative interest rate of 6.715% and expiration date is 08/05/2025. The bank overdraft facility has an indicative interest rate of 9.34% with an annual review but payable on demand.

The funding facilities available are as follows:

	2024	2023
	\$	\$
Total facilities		
- Bank overdraft	150,000	150,000
- Bank bill business loan with redraw	<u>2,500,000</u>	<u>2,500,000</u>
	<u>2,650,000</u>	<u>2,650,000</u>
Facilities used at reporting date		
- Bank overdraft	-	-
- Bank bill business loan with redraw	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>
Facilities unused at reporting date		
- Bank overdraft	150,000	150,000
- Bank bill business loan with redraw	<u>2,450,000</u>	<u>2,450,000</u>
	<u>2,600,000</u>	<u>2,600,000</u>

Note 18. Membership Liability

The Company is a company limited by guarantee under the Corporations Law and does not have any share capital. In accordance with the Constitution of the Company every member undertakes to contribute such amount (not exceeding \$20.00) as may be required in the event of the winding up of the Company during the time that he or she is a member or within one year thereafter. At 30 June 2024, there were 1,912 members.

Note 19. Segment Reporting

The principal activity of the Company is the operation and maintenance of a motor yacht club and its attendant facilities. The company operated from only one location being Point Piper, New South Wales, Australia.

Note 20. Contingent Liability

	2024	2023
	\$	\$
Bank guarantee: Roads and Maritime Services	<u>26,750</u>	<u>26,750</u>

Note 21. Core Property

Pursuant to Section 41J of the Registered Clubs Amendment Act 2006, the Club defines property as follows:

	2024	2023
	\$	\$
Core Property	<u>14,631,832</u>	<u>15,237,580</u>

Core property includes the defined premises of the club and any facilities provided for the Club members. Accordingly, all property occupied by the Club is defined as core property.

Royal Motor Yacht Club of New South Wales Limited
Notes to the financial statements (Continued)
For the year ended 30 June 2024

Note 22. Events Subsequent to Balance Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company, in subsequent financial years.

Royal Motor Yacht Club of New South Wales Limited
Consolidated entity disclosure statement
For the year ended 30 June 2024

Disclosure of subsidiaries and their country of tax residency, as required by the Corporations Act 2011, does not apply to the Company as the Company is not required by accounting standards to prepare consolidated financial statements.

Royal Motor Yacht Club of New South Wales Limited
For the year ended 30 June 2024

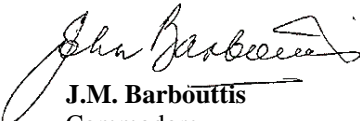
Directors' Declaration

In accordance with a resolution of the directors of Royal Motor Yacht Club of New South Wales Limited, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act* is true and correct;

On behalf of the Board


J.M. Barbouttis
Commodore


M. Finkelstein
Rear Commodore

Dated
6 November 2024

Sydney



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working world**

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Independent auditor's report to the members of Royal Motor Yacht Club of New South Wales Limited

Opinion

We have audited the financial report of Royal Motor Yacht Club of New South Wales Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*; and
- ▶ The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ▶ The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

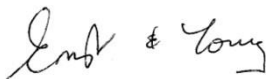
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- ▶ Conclude on the appropriateness of the directors' 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 Company'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 Company 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.

We communicate with the directors 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.



Ernst & Young



Daniel Cunningham
Partner
Sydney
6 November 2024



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working world**

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Disclaimer on additional financial information

The additional financial information, being the attached Income and Expenditure and Trading Statements, has been compiled by the management of Royal Motor Yacht Club of New South Wales Limited.

No audit or review has been performed by us and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than Royal Motor Yacht Club of New South Wales Limited may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Daniel Cunningham' in a cursive style.

Daniel Cunningham
Partner
Sydney
6 November 2024

Royal Motor Yacht Club of New South Wales Limited
Income and Expenditure Account
For the year ended 30 June 2024

	2024	2023
	\$	\$
INCOME		
Subscriptions	2,247,904	2,038,268
Net Income from Liquor Trading Statement	566,757	645,610
Net Loss from Members Dining Room Trading Statement	(835,200)	(534,571)
Net Income from Marina Trading Statement	457,271	503,609
Net Income from Regalia	(3,954)	8,917
Entrance / Joining fees	348,033	335,665
Sundry income	104,308	68,907
	<u>2,885,119</u>	<u>3,066,405</u>
EXPENSES		
Advertising	47,583	28,303
Administration – salaries and wages	561,340	420,926
Accounting fees	43,400	30,500
Audit fees	60,065	37,200
Bank charges	71,715	75,642
Cleaning & rubbish removal	196,294	170,014
Computer charges	91,216	44,911
Consultants Fees	6,950	12,726
Depreciation	529,618	537,829
Other expense	15,015	46,173
Donations	93,890	70,250
Electricity and gas	11,430	9,969
Filing fees	231	2,791
Flowers and decorations	7,407	8,555
Entertainment	6,567	6,103
Gymnasium	91,976	28,647
Gymnasium – salaries	132,908	131,745
Insurance	174,601	162,726
Interest	8,616	31,118
Legal and associated costs	6,713	8,114
Licensing fees and taxes	5,685	6,990
Balance c/f	<u>2,163,220</u>	<u>1,871,232</u>

Royal Motor Yacht Club of New South Wales Limited
Income and Expenditure Account (Continued)
For the year ended 30 June 2024

	2024	2023
	\$	\$
<i>Balance b/f</i>	2,163,220	1,871,232
Members functions	25,574	52,793
Opening day	15,570	12,602
Payroll tax	96,064	61,112
Postage	4,459	11,668
Printing and stationery	20,641	22,179
Provision for employee entitlements	(58,163)	20,735
Rates and taxes	126,659	96,123
Rental-equipment	114,202	133,097
Repairs and maintenance	352	-
Security	22,144	9,805
Staff training	136	2,032
Staff amenities	9,946	-
Staff hiring expenses	33,100	427
Subscriptions	2,725	6,212
Sundry expenses	29,122	8,415
Superannuation contributions	74,671	58,316
Telephone	5,066	4,969
Travelling	836	1,090
Uniforms	9,011	6,516
Valuation fee	-	18,636
	<u>2,695,335</u>	<u>2,397,959</u>
TRADING PROFIT	<u>189,784</u>	<u>668,446</u>
OTHER INCOME		
Interest received	<u>5,614</u>	<u>2,082</u>
OPERATING PROFIT	<u><u>195,398</u></u>	<u><u>670,528</u></u>

Royal Motor Yacht Club of New South Wales Limited
Trading Statement
For the year ended 30 June 2024

	2024 \$	2023 \$
LIQUOR TRADING STATEMENT		
Liquor sales members dining room	1,152,759	1,118,746
Liquor sales Club Function centre	471,273	491,201
Sundry income	40,539	35,635
Takeaway	239,764	289,020
	<u>1,904,335</u>	<u>1,934,602</u>
Opening stock	214,470	112,799
Purchases	774,433	875,916
	988,903	988,715
Closing stock	<u>(189,147)</u>	<u>(214,470)</u>
Cost of sales	<u>799,756</u>	<u>774,245</u>
Gross profit	<u>1,104,579</u>	<u>1,160,357</u>
EXPENSES		
Electricity	53,339	46,523
Provision for employee entitlements	5,733	9,990
Rental	1,604	7,790
Repairs and maintenance	23,113	29,019
Stocktaking fees	16,988	18,280
Sundry expenses	4,594	964
Superannuation contributions	32,285	25,595
Caterer's cost	103,495	115,048
Wages	296,671	261,538
Total expenses	<u>537,822</u>	<u>514,747</u>
NET INCOME	<u><u>566,757</u></u>	<u><u>645,610</u></u>

Royal Motor Yacht Club of New South Wales Limited
Trading Statement (Continued)
For the year ended 30 June 2024

	2024 \$	2023 \$
MEMBERS' DINING ROOM AND CLUB FUNCTION TRADING STATEMENT		
Catering income	<u>1,305,170</u>	<u>1,204,038</u>
Opening stock	15,630	9,920
Purchases	724,518	638,129
Closing stock	<u>(11,412)</u>	<u>(15,630)</u>
Cost of sales	<u>728,736</u>	<u>632,419</u>
Gross profit	<u>576,434</u>	<u>571,619</u>
EXPENSES		
Depreciation	120,596	120,780
Electricity and gas	26,670	23,260
Glassware / Crockery	2,831	16,621
Laundry	39,585	33,150
Provision for employees entitlement	19,624	59,730
Repairs and maintenance	22,590	21,437
Staff hiring expenses	9,046	14,310
Sundry expenses	3,218	11,313
Superannuation contributions	145,750	99,407
Wages	<u>1,344,779</u>	<u>957,990</u>
	<u>1,734,689</u>	<u>1,357,998</u>
LOSS FROM TRADING	(1,158,255)	(786,379)
Function license fee	<u>323,055</u>	<u>251,808</u>
NET LOSS	<u>(835,200)</u>	<u>(534,571)</u>

Royal Motor Yacht Club of New South Wales Limited
Trading Statement (Continued)
For the year ended 30 June 2024

	2024 \$	2023 \$
MARINA TRADING STATEMENT		
Sales - fuel and oil	667,647	608,286
Opening stock	22,251	47,651
Purchases	585,973	499,652
	<u>608,224</u>	<u>547,303</u>
Closing stock	(33,803)	(22,251)
Cost of sales	<u>574,421</u>	<u>525,052</u>
Net Profit from fuel & oil	93,226	83,234
Mooring/Marina fees	87,143	51,958
Pen fees	1,447,639	1,438,127
Sundry income	<u>50,421</u>	<u>35,473</u>
Gross profit	<u>1,678,429</u>	<u>1,608,792</u>
EXPENSES		
Depreciation - marina berths	42,213	44,451
Depreciation - marina tender	39,613	23,975
Depreciation – marina decking	101,088	101,088
Electricity and gas	60,959	53,169
Insurance	110,007	107,862
Provision for employee entitlements	36,527	24,598
Repairs and maintenance	267,406	196,331
Sundry expenses	8,445	4,820
Superannuation contributions	36,752	33,902
Wages – boatmen	337,480	331,908
Waterways Authority rental	<u>180,668</u>	<u>183,079</u>
	<u>1,221,158</u>	<u>1,105,183</u>
NET INCOME	<u>457,271</u>	<u>503,609</u>
REGALIA TRADING STATEMENT		
Sales - Regalia	15,310	17,150
Opening stock	17,760	9,959
Purchases	17,099	15,429
Closing stock	<u>(16,195)</u>	<u>(17,760)</u>
Cost of sales	<u>18,664</u>	<u>7,628</u>
LOSS FROM TRADING	<u>(3,354)</u>	<u>9,522</u>
Expenses		
Sundry expense	<u>600</u>	<u>605</u>
NET LOSS	<u>(3,954)</u>	<u>8,917</u>