



**Newcastle Cruising Yacht
Club Limited**

ACN 064 201 029

**Annual Financial Report
for the year ended 31 March 2025**

Newcastle Cruising Yacht Club Limited ACN 064 201 029

Annual financial report for the year ended 31 March 2025

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These financial statements are the financial statements of Newcastle Cruising Yacht Club Limited. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 17 June 2025. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors' present their report on Newcastle Cruising Yacht Club Limited (the Company) for the year ended 31 March 2025.

Directors details

The following persons were Directors of Newcastle Cruising Yacht Club Limited during the financial year, and up to the date of this report:

Mr Barry Kelly

Commodore
Director since 2015
Yacht owner of Concealed Weapon

Barry is a qualified pilot having commenced his career with the RAAF flying Mirages and F18s. He went on to fly with Cathay Pacific Airways in Hong Kong retiring as a Senior Check Captain and Flying Training Manager. Barry owns and regularly races Archambault M34, Concealed Weapon, in NCYC club races and combined series.

Mr Robert Logan

Rear Commodore
Director since 2022
Yacht owner of Susanna

Robert has had a career in education and public service that spans over 30 years and has held positions from teacher/lecturer to Senior Executive Service positions. He holds numerous degrees and qualifications including a Masters in Education (MEd.) and a Masters of Business Administration (MBA). Robert has been a member of numerous boards and advisory committees including two University boards, Commonwealth and State Government advisory boards and is currently a Director of a private company.

Mr Scott Knights

Treasurer
Director since 2021
Yacht owner of Atraxia

Scott has been an active member of NCYC since 2007 and is a regular participant in offshore races in his boat 'Ataraxia'. Following more than 30 years in commercial roles in the mining industry Scott is looking forward to being able to contribute to the NCYC board in continuing to deliver a high-quality club and well run on-water activities (from racing to cruising) for the members.

Ms Peta Rose

Director
Director since 2025

A keen racing sailor and born and bred Novocastrian, Peta enjoys sharing her love of the sport as an Australian Sailing keelboat instructor and coach, volunteering for NCYC sailing academy programs. She brings to the board operational and strategic leadership experience gained through an almost 30-year career with the NSW government focused on land management, and bushfire and emergency management.

Peta holds qualifications in environmental science, environmental law, government management, bushfire and incident management, and workplace training and assessment. She is mum to two teenage girls with no interest in sailing and wife to Ash who fortunately loves to sail!

Mr Adrian Kiely

Vice Commodore
Director since 2015
Yacht owner of MAKO

Adrian holds a Bachelor of Arts and a Bachelor of Laws from The University of Sydney. A veteran of 8 Sydney Hobart races, he is a regular on NCYC yacht "MAKO" and enjoys racing Laser and Elliots in NCYC events.

Ms Janease Graham

Club Captain
Director since 2024

Janease is a research and development chemist and has worked in the veterinary pharmaceutical industry for twelve years. She has prior research experience in medical plastics and holds an Honours degree in Biomedical Sciences and PhD in Synthetic Organic Chemistry. Janease has raced 420 and ILCA dinghies competitively in her youth and now enjoys the challenge and adventure of long offshore yacht races and deliveries. She loves to introduce others to sailing as a volunteer with the Making Waves Foundation and as an Australian Sailing qualified instructor.

Mr Andrew Hill

Director
Director since 2024
Boat owner of Sans Souci

Andrew is an accomplished business leader with 40 years of experience in the fuel industry. He has held roles as both director and chair on various industry association boards. Andrew joined as a Member in 2016 after purchasing a 42-foot sailing catamaran, and enjoys extended trips while cruising in company with other NCYC members. Joining as a Board Member in 2024, Andrew considers it a privilege to serve NCYC's Members. He is dedicated to maintaining the highest standards of governance, ensuring the club delivers value that includes a commitment to the opportunity, participation, experience, and enjoyment of every aspect of boating for all Members.

Directors' report (continued)

Directors details (continued)

Mr Steve Rae

Director

Director since 2013, resigned 18 March 2025

Yacht owner / skipper of Marta Jean

Steve is a regular participant in NCYC yacht races skippering Marta Jean. Prior to retirement and permanent abode in Newcastle Steve worked for a number of multinational manufacturing companies in Eastern Europe and Asia in mechanical engineering and management roles.

Ms Jan Howard

Club Captain

Director since 2018, resigned 7 August 2024

Jan taught in secondary schools for 20 years, having obtained both a Bachelor of Arts and Diploma of Education. Jan also coordinated workplace training programs for students and ran a small business that provided relocation support to people moving to Newcastle. She is a yacht owner at NCYC, and has been instrumental in introducing strategies to encourage more women to participate in sailing at NCYC.

Company secretary

Paul O'Rourke has been the Company Secretary of Newcastle Cruising Yacht Club Limited since 2017.

Directors' meetings

The number of meetings the Directors held during the year and the number of meetings attended by each Director is as follows:

Board members	Board meetings	
	A	B
Mr Barry Kelly	12	11
Mr Adrian Kiely	12	9
Mr Robert Logan	12	11
Ms Jan Howard Resigned 7 August 2024	4	4
Mr Scott Knights	12	11
Mr Steve Rae Resigned 18 March 2025	12	11
Ms Janease Graham	12	11
Mr Andrew Hill Appointed 7 August 2024	8	6
Ms Peta Rose Appointed 18 March 2025	1	1

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Core and non-core property

Pursuant to Section 41E(5) of the Registered Clubs Act 1976 (NSW) for the financial year ended 31 March 2025, the following land and buildings are considered to be core or non-core property:

- Core property
 - The Clubhouse, Marina and Commercial Centre situated at 95 Hannell Street, Wickham NSW 2294
 - The Bay Sailing Centre situated at 147B Soldiers Point Road, Soldiers Point NSW 2317
- Non-Core property
 - Nil

Principal activities

During the year, the principal activities of the Company were:

- The conduct of organised and recreational sailing activities for members;
- The operation of a 180 berth Marina in Newcastle Harbour;
- Promotion and maintaining a Commercial Centre in the Honeysuckle precinct;
- The operation of a licensed club.

There have been no significant changes in the nature of these activities during the year.

Short and long-term objectives

The Company's short and long-term objectives are to:

Encourage and promote sports of amateur yachting and boating and cruising for pleasure underpinned by financial management, corporate governance, valuing our members, volunteers and employees and operating in a safe and responsible manner. These are in accordance with the principal objectives in the Company's constitution.

Strategy for achieving short and long-term objectives

During the year the principal activities of the Company consisted of:

To continue to operate profitably, providing the best possible facilities, events and activities for members.

Directors' report (continued)

Performance measurement

The strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the Club industry.

Contribution in winding up

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee and has the following paying classes of membership: general, senior, crew, youth and social. If the Company is wound up, the constitution states that each member in all membership classes is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Company. At 31 March 2025 the total amount that members of the Company are liable to contribute if the Company wound up is \$3,500 (2024: \$3,472).

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Review of Operations

Newcastle Cruising Yacht Club had a strong and relatively stable year in 24/25.

The Licenced Clubhouse enjoyed steady growth and good feedback. The clubs food quality and reputation has contributed to the growth in functions and events revenue.

Club sailing has continued to be active both inshore and offshore. The Sailing department was the Organising Authority for Sail Port Stephens this year and delivered the biggest event yet. The Sailing Academy has continued its growth trajectory. Our youth squad are competitive in the InterClub challenge.

Club Membership has continued to grow and member events have been well attended. Member feedback via the annual survey remains extremely positive.

The board is confident that the year ahead will be another successful one for Newcastle Cruising Yacht Club.

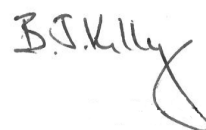
Significant changes in state of affairs

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of this Directors' report.

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



Barry Kelly - Commodore



Scott Knights - Treasurer

Dated: 17 June 2025

Newcastle West, NSW

Auditor's independence declaration

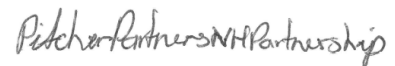
To the Directors of Newcastle Cruising Yacht Club Limited

In accordance with the requirements of Section 307C of the Corporations Act 2001, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Newcastle Cruising Yacht Club Limited for the year ended 31 March 2025, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 17 June 2025
Newcastle West, NSW

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2025

		2025	2024
		\$	\$
Revenue from continuing operations	Notes 2	8,641,346	7,833,717
Other income	3	67,173	9,384
Cost of goods sold		(1,611,052)	(1,438,442)
Clubhouse expenses		(3,418,379)	(2,943,834)
Fuel cost of goods sold		(420,252)	(503,251)
Marina expenses		(468,038)	(455,747)
Commerical rental expenses		(467,380)	(375,762)
Club sailing expenses		(725,337)	(744,053)
Administrative expenses		(1,115,008)	(913,847)
Borrowing cost expenses	3	(72,705)	(116,312)
Profit / (loss) before income tax		(8,298,151)	(7,491,248)
Income tax expense		410,368	351,853
Profit / (loss) for the year		410,368	351,853
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income / (loss) for the year		410,368	351,853

The above *statement of profit or loss and other comprehensive income* should be read in conjunction with the accompanying notes

Newcastle Cruising Yacht Club Limited

Statement of financial position

For the year ended 31 March 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	428,706	224,001
Trade receivables	5	189,779	195,454
Inventories	6	130,950	112,359
Other assets	7	269,180	244,660
Total current assets		1,018,615	776,474
Non-current assets			
Property, plant and equipment	8	8,307,365	8,035,415
Lease asset	9 (a)	2,121,918	2,151,421
Total non-current assets		10,429,283	10,186,836
Total assets		11,447,898	10,963,310
LIABILITIES			
Current liabilities			
Trade and other payables	10	627,199	619,078
Financial liabilities	11	10,000	10,000
Provisions	12	139,857	146,867
Other liabilities	13	615,550	537,776
Lease liabilities	9 (b)	105,401	97,836
Total current liabilities		1,498,007	1,411,557
Non-current liabilities			
Provisions	12	68,147	58,869
Other liabilities	13	53,478	52,449
Lease liabilities	9 (b)	2,181,630	2,204,167
Total non-current liabilities		2,303,255	2,315,485
Total liabilities		3,801,262	3,727,042
Net assets		7,646,636	7,236,268
MEMBERS FUNDS			
Retained profits		7,646,636	7,236,268
Total members funds		7,646,636	7,236,268

The above *statement of financial position* should be read in conjunction with the accompanying notes

Statement of changes in equity

For the year ended 31 March 2025

	Retained Profits \$	Total \$
Balance at 1 April 2023	6,884,415	6,884,415
Profit for the year	351,853	351,853
Total comprehensive income for the year	351,853	351,853
Balance at 31 March 2024	7,236,268	7,236,268
Profit for the year	410,368	410,368
Total comprehensive income for the year	410,368	410,368
Balance at 31 March 2025	7,646,636	7,646,636

The above *statement of changes in equity* should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 31 March 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from members and customers		9,637,688	8,532,699
Payments to suppliers and employees		(8,386,515)	(7,468,115)
Interest received		7,024	-
Interest paid		(72,705)	(116,312)
Net cash inflow (outflow) from operating activities		1,185,492	948,272
Cash flows from investing activities			
Payments for property, plant and equipment		(866,942)	(143,388)
Proceeds from sale of property, plant and equipment		3,583	775
Net cash inflow (outflow) from investing activities		(863,359)	(142,613)
Cash flows from financing activities			
Repayment of borrowings		-	(590,000)
Repayment of lease liabilities		(117,428)	(94,219)
Net cash inflow (outflow) from financing activities		(117,428)	(684,219)
Net increase in cash and cash equivalents		204,705	121,440
Cash and cash equivalents at the beginning of the financial year		224,001	102,561
Cash and cash equivalents at the end of the financial year		428,706	224,001

The above *statement of cash flows* should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 31 March 2025

1 Summary of material accounting policies

(a) Information about the entity

- Newcastle Cruising Yacht Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- Newcastle Cruising Yacht Club Limited is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Company is 95 Hannell St, Wickham NSW 2293.
- The principal place of business of the Company is 95 Hannell St, Wickham NSW 2293.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

(c) Material accounting policy information

The material accounting policies applied in the preparation of this financial report are consistent with the previous period unless otherwise stated.

(d) Statement of compliance

This financial report complies with AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for Profit Tier 2 Entities as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian Dollars.

(e) Working capital deficiency

As at 31 March 2025, Newcastle Cruising Yacht Club Limited has a working capital deficiency of \$479,392 (current assets of \$1,018,615 and current liabilities of \$1,498,007).

The working capital deficiency is impacted by the following key items:

- (a) unearned income in respect of marina rental and leases which is recognised as income over the period of each marina berth rental and represents \$320,344 at 31 March 2025.
- (b) other unearned income and contract liabilities recognised for membership subscriptions and rental of \$93,441 at 31 March 2025 which will also not require any further direct cash outflow to settle the obligation.

The Directors believe the above working capital deficiency will be satisfied through:

- (a) Recent trading performance of the Company which achieved a profit of \$410,368 in the current year compared to a profit of \$351,853 in the prior year. Also, the Company continues to generate positive operating cash flows showing a positive cash flow of \$1,185,492 in the current year which has allowed the Company to repay the creditors as they fell due.
- (b) The ability of the Company to draw on its term loan and overdraft facilities to satisfy creditors.
- (c) The projected profits and positive cashflows and EBITDA based on the prepared budget for the 2026 financial year.
- (d) The continued support from its suppliers and members.

The Directors are of the opinion the above will be achieved and the Company will continue as a going concern and meet its debts and commitments as they fall due. As a result, the Directors have prepared the financial report on a going concern basis.

(f) Income taxes

The Company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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.

Notes to the financial statements

For the year ended 31 March 2025

1 Summary of material accounting policies (continued)**(h) Rounding of amounts**

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Company derives revenue from the transfer of goods and services over time and at a point in time for the following services:

2025	Clubhouse Revenue \$	Fuel Revenue \$	Marina Revenue \$	Sailing Revenue \$	Tenant Rental Revenue \$	Other Revenue \$	Total \$
Revenue from contracts with customers	4,660,333	518,541	-	483,226	-	253,003	5,915,103
Other revenue (not covered by AASB15)	-	-	1,714,006	-	1,012,237	-	2,726,243
	4,660,333	518,541	1,714,006	483,226	1,012,237	253,003	8,641,346

Timing of revenue recognition

At a point in time	4,660,333	518,541	-	483,226	-	65,738	5,727,838
Over time	-	-	1,714,006	-	1,012,237	187,265	2,913,508
	4,660,333	518,541	1,714,006	483,226	1,012,237	253,003	8,641,346

2024	Clubhouse Revenue \$	Fuel Revenue \$	Marina Revenue \$	Sailing Revenue \$	Tenant Rental Revenue \$	Other Revenue \$	Total \$
Revenue from contracts with customers	4,041,009	629,294	-	426,808	-	231,858	5,328,969
Other revenue (not covered by AASB15)	-	-	1,582,570	-	922,178	-	2,504,748
	4,041,009	629,294	1,582,570	426,808	922,178	231,858	7,833,717

Timing of revenue recognition

At a point in time	4,041,009	629,294	-	426,808	-	50,653	5,147,764
Over time	-	-	1,582,570	-	922,178	181,205	2,685,953
	4,041,009	629,294	1,582,570	426,808	922,178	231,858	7,833,717

(b) Accounting policies

The Company recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Company is or expects to be entitled in exchange for those goods or services.

The Company considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Notes to the financial statements

For the year ended 31 March 2025

2 Revenue (continued)**(b) Accounting policies (continued)***(i) Sale of goods and provision of services - clubhouse revenue*

Clubhouse revenue comprises revenue from the sale of beverages and food, and provision of function room hire and is recognised at a point in time when the physical control of the goods passes to the customer or when the relevant function event has been held.

(ii) Sale of goods - fuel revenue

Revenue from the sale of fuel is recognised at a point in time when the physical control of the goods passes to the customer.

(iii) Provision of services - marina revenue

Marina revenue from short casual, monthly and long term marina bookings is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the booking. The Company recognises marina revenue on a straight line basis with reference to the applicable CPI increases, discount rates and any relevant rental incentives. Marina revenue for monthly and long term leases are deemed to be operating leases as the term of the lease is either short term (12 months or less) or is not a significant portion of the remaining term of the underlying lease payable as lessee. Monies received in advance from customers have been included as other liabilities within current and non current liabilities.

(iv) Provision of services - sailing revenue

Revenue from Regatta, Club sailing and sailing academy is recognised at a point in time when the relevant sailing event or sailing course has been held.

(v) Provision of services - tenant rental revenue

Tenant rental revenue is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease. The Company recognises tenant rental revenue on a straight line basis with reference to the applicable CPI increases, discount rates and any relevant rental incentives. Tenant rental revenue is deemed to be an operating lease as the term of the lease is not a significant portion of the remaining term of the underlying lease payable as lessee. Monies received in advance from customers have been included as other liabilities within current and non current liabilities.

(vi) Provision of services - other revenue

Included within other revenue is membership subscriptions which are recognised over the term of membership and any unearned portion is deferred and included in contract liabilities. Membership revenue is measured with reference to the fee received and the period of membership that the member has paid for.

The balance of other revenue is recognised at a point in time when the performance obligation has been satisfied.

3 Other income and expense items

	2025	2024
	\$	\$
(a) Other income		
Interest income	7,024	-
Grant funding income	50,000	-
Gain on disposal of property, plant and equipment	3,500	775
Other income	6,649	8,609
	<u>67,173</u>	<u>9,384</u>

(i) Interest income

Interest income is recognised on an accruals basis.

(ii) Grant funding income

The Company receives grant income which is recognised over the period of the grant agreement. The grant funding is conditional on the Company performing services in accordance with the grant agreement and satisfying its obligations over time. Grant income is recognised over the period of time that the performance obligation is being satisfied.

(iii) Gain on disposal of property, plant and equipment

The Company recognises gains and losses on disposal of property, plant and equipment by comparing proceeds received on sale with the carrying amount of the asset being sold.

Notes to the financial statements

For the year ended 31 March 2025

3 Other expense items

	2025	2024
(a) Other expenses	\$	\$
Employee benefits expense	3,335,870	2,815,197
Loss on disposal of property, plant and equipment	1,085	-
Interest costs	72,705	116,312
Depreciation and amortisation	699,283	697,170

4 Cash and cash equivalents**Current**

Cash and cash equivalents	428,706	224,001
	<u>428,706</u>	<u>224,001</u>

Accounting policy

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

5 Trade receivables**Current**

Trade receivables	199,779	195,454
Allowance for credit losses	(10,000)	-
	<u>189,779</u>	<u>195,454</u>

Accounting policy

Trade receivables are non-interest bearing and are generally due for payment within 30 days of the invoice date.

6 Inventories**Current**

Stock on hand	130,950	112,359
	<u>130,950</u>	<u>112,359</u>

Accounting policy

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

7 Other assets**Current**

Prepayments	269,180	244,660
	<u>269,180</u>	<u>244,660</u>

Accounting policy

This includes prepayments made in advance for goods and services which are to be received in a future period.

Notes to the financial statements

For the year ended 31 March 2025

8 Property, plant and equipment

	Leasehold improvements	Plant and equipment	Marina	Club boats	Capital WIP	Total
	\$	\$	\$	\$	\$	\$
Non-current assets						
At 1 April 2024						
Cost	9,428,635	1,126,605	5,459,312	833,541	34,492	16,882,585
Accumulated depreciation	(3,780,833)	(684,695)	(3,985,225)	(396,417)	-	(8,847,170)
Net book amount	5,647,802	441,910	1,474,087	437,124	34,492	8,035,415
Year ended 31 March 2025						
Opening net book amount	5,647,802	441,910	1,474,087	437,124	34,492	8,035,415
Additions	377,480	231,427	114,568	116,967	-	840,442
Transfer from WIP	30,661	-	-	-	(30,661)	-
Disposals	-	(84)	-	(1,084)	-	(1,168)
Depreciation charge	(272,726)	(124,685)	(89,358)	(80,555)	-	(567,324)
Closing net book amount	5,783,217	548,568	1,499,297	472,452	3,831	8,307,365
Year ended 31 March 2025						
Cost	9,791,926	1,246,252	5,564,996	939,355	3,831	17,546,360
Accumulated depreciation	(4,008,709)	(697,684)	(4,065,699)	(466,903)	-	(9,238,995)
Net book amount	5,783,217	548,568	1,499,297	472,452	3,831	8,307,365

Accounting policy**(a) Leasehold Improvements**

Leasehold improvements are carried at cost less any accumulated depreciation and any impairment in value.

(b) Plant and equipment, Marina, Club Boats

Each class of plant and equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

(c) Depreciation

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

Leasehold improvements	5 - 40 years
Plant & Equipment	3 - 20 years
Marina	5 - 40 years
Club Boats	5 - 16 years

Significant accounting estimates and judgements

The useful life of property, plant and equipment is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Notes to the financial statements

For the year ended 31 March 2025

9 Lease assets and lease liabilities**2025**
\$**2024**
\$

The Company leases the land on which the Clubhouse is situated and the waterway where the Marina is situated.

a) Lease assets**Non-current**

Carrying amount of lease assets, by class of underlying asset:

Marina (Wet) Lease**Land (Dry) Lease**

684,400	698,829
1,437,518	1,452,592
<u>2,121,918</u>	<u>2,151,421</u>

Reconciliation of lease assets

	Marina (Wet) Lease	Land (Dry) Lease	Total	Total
	\$	\$	\$	\$
Carrying amount at the beginning of the year	698,829	1,452,592	2,151,421	2,115,047
Additions	28,133	74,323	102,456	162,335
Amortisation	(42,562)	(89,397)	(131,959)	(125,961)
Carrying amount at the end of the year	684,400	1,437,518	2,121,918	2,151,421

b) Lease liabilities**Current**

Lease liabilities

34,268	71,133	105,401	97,836
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Non-current

Lease liabilities

709,302	1,472,328	2,181,630	2,204,167
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Total

<u>743,570</u>	<u>1,543,461</u>	<u>2,287,031</u>	<u>2,302,003</u>
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Reconciliation of lease liabilities

Carrying amount at the beginning of the year	748,438	1,553,564	2,302,002	2,233,887
Additions	28,134	74,323	102,457	162,335
Interest expense	28,553	43,347	71,900	88,234
Lease payments	(61,555)	(127,773)	(189,328)	(182,453)
Carrying amount at the end of the year	743,570	1,543,461	2,287,031	2,302,003

Maturity analysis of future lease payments

Not later than 1 year	61,555	127,773	189,328	182,453
Later than 1 year and not later than 5 years	246,220	511,092	757,312	729,812
Later than 5 years	682,239	1,416,153	2,098,392	2,204,657
Lease payments	990,014	2,055,018	3,045,032	3,116,922

Accounting policy

Lease assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, on a basis that is consistent with the expected pattern of consumption of the economic benefits embodied in the underlying asset.

Lease liabilities are measured at the present value of the remaining lease payments. Interest expense on lease liabilities is recognised in profit or loss. Variable lease payments not included in the measurement of lease liabilities are recognised as an expense in the period in which they are incurred.

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The weighted average incremental borrowing rate is 3.82%.

Notes to the financial statements

For the year ended 31 March 2025

9 Lease assets and lease liabilities (continued)**Significant accounting estimates and judgements**

The useful life of lease assets (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

The distinction between an operating lease and a finance lease in regards to sublease agreements issued as a lessor has been considered, and based upon the relative length of the sub leases entered in comparison to the head lease agreements entered it has been determined that all sub leases are to be classified as operating leases. As a result of this judgement, no receivable for future lease payments, nor any reduction in the lease assets for the head lease has been recognised. The Company will continue to review the length of these agreements and as a result the judgement whether the agreement constitutes an operating or finance lease.

Lessor

As lessor for operating leases, the Company recognises lease payments as income. The underlying asset is depreciated on a straight line basis over its expected useful life.

10 Trade and other payables

	2025	2024
	\$	\$
Current		
Trade payables	277,309	224,794
Other payables and accruals	214,819	258,690
GST payable	135,071	135,594
	<u>627,199</u>	<u>619,078</u>

Accounting policy

Trade and other payables, including accruals, are non-interest bearing and are generally due for payment within 30 days of the invoice date.

11 Financial liabilities**Current***Secured*

Bank loans (i)	10,000	10,000
Total secured financial liabilities	<u>10,000</u>	<u>10,000</u>

(i) Bank loans

The Company has a business term lending facility of \$405,750 available until 29 November 2025. At 31 March 2025, the Company has available committed capacity (undrawn) of \$395,750 under this facility in addition to a bank overdraft facility of \$150,000. The Company has provided security as follows:

- Security Interest and Charge over all of the present and future rights, property and undertaking of Newcastle Cruising Yacht Club Limited ACN 064 201 029.
- Mortgage over Lease No. 7493224 of premises over property situate at Wharf Road Newcastle NSW.
- Mortgage of Lease No. 7707262 of premises over property situate at Wharf Road Newcastle NSW.

Notes to the financial statements

For the year ended 31 March 2025

12 Provisions

	2025	2024
	\$	\$
Current		
Employee entitlements (i) & (ii)	139,857	146,867
	<u>139,857</u>	<u>146,867</u>
Non-current		
Employee entitlements (ii)	68,147	58,869
	<u>68,147</u>	<u>58,869</u>

Accounting policy**(i) Annual leave**

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits 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. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

13 Other liabilities**Current**

Contract liabilities - clubhouse revenue	25,450	14,331
Contract liabilities - marina revenue	320,344	304,960
Contract liabilities - sailing revenue	147,341	123,207
Contract liabilities - tenant rental revenue	74,607	73,068
Contract liabilities - other revenue	18,834	15,205
Other liabilities	28,974	7,005
	<u>615,550</u>	<u>537,776</u>

Non-current

Contract liabilities - other revenue	53,478	52,449
	<u>53,478</u>	<u>52,449</u>

Accounting policy

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods. Other revenue received in advance that is not covered by AASB 15 is recorded as other liabilities and is recognised as revenue when they are earned in future periods.

14 Contingent liabilities

At the date of this report, the Directors are not aware of any contingent liabilities.

Notes to the financial statements

For the year ended 31 March 2025

15 Related parties

Transactions between related parties are on normal commercial terms and conditions, and are no more favourable than those available to other parties unless otherwise stated.

(a) <i>Key management personnel compensation</i>	2025 \$	2024 \$
Total key management personnel benefits	439,703	374,736

(b) *Transactions with other related parties*

Adrian Kiely Legal, a company associated with Director Adrian Kiely, is a tenant under a standard commercial property lease agreement.

No remuneration has been paid to any Director in respect of their services as a Director during or since the end of the period.

Certain Directors and Director related persons utilise the marina and club facilities, participate in the Club Sailing activities and receive prizes under the same terms and conditions as other members.

16 Remuneration of auditors

Auditor of the company

Audit of the financial statements	23,500	22,600
Other services - consulting services	360	350
	<u>23,860</u>	<u>22,950</u>

Newcastle Cruising Yacht Club Limited

Consolidated entity disclosure statement

For the year ended 31 March 2025

Newcastle Cruising Yacht Club Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

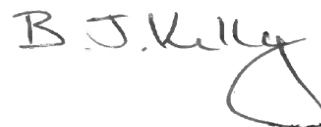
Accordingly, in accordance with subsection 295 (3A) of the Corporations Act 2001, no further information is required to be disclosed in this consolidated entity disclosure statement.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 19 are in accordance with the Corporations Act 2001, including:
 - (i) Complying with Australian Accounting Standards and the Corporations Regulations 2001, and
 - (ii) giving a true and fair view of the financial position of the Company as at 31 March 2025 and of its performance for the year ended on that date, and
- (b) the consolidated entity disclosure statement required by subsection 295 (3A) of the Corporations Act 2001 is true and correct.
- (c) there are reasonable grounds at the date of this declaration, to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Barry Kelly - Commodore



Scott Knights - Treasurer

Dated: 17 June 2025
Newcastle West, NSW

Independent auditor's report

to the members of Newcastle Cruising Yacht Club Limited

Opinion

We have audited the financial report of Newcastle Cruising Yacht Club Limited (the Company) which comprises the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and 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 Newcastle Cruising Yacht Club Limited is in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the Company's financial position as at 31 March 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards 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 audit opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report for the year ended 31 March 2025, but does not include the financial report and our auditor's report thereon.

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 further to report in this regard.

Responsibilities of the Directors for the financial report

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

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) 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:

- (i) 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
- (ii) 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 related 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.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Company for the year ended 31 March 2025 included on the Company's web site. The Company's Directors are responsible for the integrity of the Company's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Pitcher Partners Newcastle & Hunter Pty Ltd

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Auditor's responsibilities for the audit of the financial report (continued)

- 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.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 17 June 2025
Newcastle West, NSW

Pitcher Partners Newcastle & Hunter Pty Ltd

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