



ROYAL AKARANA YACHT CLUB

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# Annual Report 2024

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## Commodore's Report and Annual Review 2024

To the Royal Akarana Yacht Club community,

We are proud to present the Annual Report for 2024, highlighting the achievements and developments of RAYC over the past year. It has been a year filled with challenges and successes, and we are grateful for the dedication and support of our community.

### Key Achievements and Updates:

- **New Start Boat:** We acquired our fantastic new start boat, a 10m Cougar Cat, through a consolidated fundraising effort. This will enhance our ability to conduct races efficiently and safely, whilst enabling a greater volunteer experience.
- **Paul Neshausen Optimist & Starling Auckland Champs:** Over 180 sailors from all over New Zealand descended on RAYC and the newly cleared Landing site for three days of epic racing. The event was awarded a Gold Level Clean Regatta from Sailors for the Sea.
- **Open and Secondary Schools 420 Teams Racing:** Numerous teams racing events held at Akarana showcasing this exciting race format.
- **Paddling:** Our regular paddling events continue to be well attended with opportunities for fitness and skill development on the water.

### Challenges:

- **Financial:** The club is representative of the wider economy and is feeling the effects of the cost-of-living crisis. The General Committee is committed to ensuring the financial viability of the Club through these times.
- **Noumea cancellation:** With preparations well under way for the start of the Auckland to Noumea ocean race, the Race Committee were left with no choice but to cancel the race due to the civil unrest in the country.
- **Harbour Incident:** We faced an almost total shutdown of the Academy due to the closure of the harbour from the Watercare sewerage leak. Thanks to swift action of the team, we were able to mitigate some of the effects of this.

### Looking Ahead 2024/2025 season:

- **FRAMECAD Teams Racing Interdominions:** We are eagerly preparing for this upcoming international event with up to 12 teams competing.
- **WindFoiling Nationals:** We look forward to hosting our first foiling event in early 2025.
- **Toyota Optimist Nationals:** Preparation is well underway for this major event in 2025.

**Summary:**

As we reflect on the past year, we recognise the resilience and passion of our members and supporters. Together, we have navigated challenges and celebrated successes, reinforcing the strong community spirit that defines Royal Akarana Yacht Club.

Thank you to everyone who has contributed to our achievements in 2024. We look forward to another year of growth, camaraderie, and success on the water.

A handwritten signature in black ink, appearing to read 'Nick Hanson', written in a cursive style.

Nick Hanson  
Commodore  
Royal Akarana Yacht Club

We acknowledge the following organisations who have generously supported the Royal Akarana Yacht Club.

Aotea Gifts

Armstrong

Barfoot and Thompson

Burnard International

Doyle Sails

Eastside Paddlers

Ecostore

Four Winds

Framecad

Harken

Hyundai New Zealand

Kiwi Flush

Kiwi Yachting

New World Eastridge

New World Kumeu

New Zealand Community Trust

North and South Trust

Oceanbridge

Orakei Local Board

Paul Neshausen

Placemakers Mt Wellington

Pub Charity Ltd

The Lion Foundation

Trillian Trust

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## DIRECTORY FOR THE YEAR ENDED 31 MAY 2024

Legal Entity Name:	Royal Akarana Yacht Club Incorporated
Type of Entity and Legal Basis (if any):	Incorporated Society
Registration Number:	445677
Auditors:	Grant Thornton New Zealand Audit Limited

### Entity Structure:

Club Structure: The Club is governed by the General Committee comprising of 11 elected members. A Sailing Committee and Paddling committee, comprising of 8 members each, may also be elected.

Commodore: Nick Hanson

Vice Commodore: Linda Ross

Rear Commodore: Jason Morgan

Treasurer: Greg Roake

Club Captain: Jenny Price

Committee member: Anatole Masfen

Committee member: John Cooper

Committee member: Jamie Hutchens

Operational Structure: Our operation is currently managed by a team of 4 part time/full-time paid employees and up to 15 additional casual sailing coaches. We employ a racing coach, an academy coach, and an administrator, with oversight from the ASMCT General Manager. Several volunteers assist with race management and event support and Club operations.

### STATEMENT OF COMPLIANCE AND RESPONSIBILITY FOR THE YEAR ENDED 31 MAY 2024

The General Committee accepts responsibility for the preparation of the separate financial statements and the judgements used in these financial statements.

The General Committee (including others directed by the General Committee) accepts responsibility for establishing and maintaining a system of internal controls designed to provide assurance as to the integrity and reliability of the organisation's financial reporting.

It is the opinion of the General Committee that the separate financial statements for the financial year ended 31 May 2024 fairly reflect the financial position and operations of the organisation.

The Royal Akarana Yacht Club 2024 separate financial statements are authorised for issue by the General Committee.

NICK HANSON

Commodore



Signature of Commodore

Date: 22 August 2024

GREG ROAKE

Treasurer



Signature of Treasurer

Date: 22/08/2024

## ROYAL AKARANA YACHT CLUB – INFORMATION

### Entity's Purpose or Mission:

"The Home of Bluewater Sailing "

Our club is here to provide our members with an on and off water experience of international quality. We are committed to developing future sailors and paddlers through our academy and ensuring the on-water experience is enjoyed with a safe and educated approach for our members and all those participating with us.

### Main Sources of the Entity's Cash and Resources:

The Club receives fees from membership subscriptions and racing regattas, the sailing academy, and boat and ski storage. Funding is also received from Donations and Sponsorships along with Grant applications from a range of sporting and community funding organisations.

### Entity's Reliance on Volunteers and Donated Goods or Services:

The Club's sailing and paddling activity is 100% reliant on the support of volunteers to provide race management and safety boats for events and Club racing. All committee members and Flag Officers of the Club are volunteers.

### Controlled Entities and Additional Information:

The Club continues to diversify and support an increasing range of activities. Standup paddlers, Waka Ama and surf ski paddlers, Community Row Boats and YNZ High Performance athletes all utilise the Club to increase participation and grow their sports with the assistance and access to the facilities. RAYC has a close association with the Akarana Marine Sports Charitable Trust ("AMSCT", registration CC49113), a controlled entity of RAYC by virtue that RAYC appoints 4 of the 7 trustees of AMSCT. AMSCT has been responsible for the development of the Hyundai Marine Sports Centre and provision of support services to RAYC.

### Contact details:

Physical Address:	The Landing, 8 - 10 Tamaki Drive, Okahu Bay 1071, Auckland
Postal Address:	PO Box 42004, Orakei 1745, Auckland
Phone:	09 524 9945
Email:	<a href="mailto:rayc@rayc.co.nz">rayc@rayc.co.nz</a>
Website:	<a href="http://www.rayc.co.nz">www.rayc.co.nz</a>
	facebook.com/raycnz
	twitter.com/raycnz

## STATEMENT OF SERVICE PERFORMANCE

### FOR THE YEAR ENDED 31 MAY 2024

Description of the Entity's Outcomes: The Club moved to the new Hyundai Marine Sports Centre in 2019 and is creating a new era of marine sports and community activities from this centre. The year's activities for the club during the 2023 - 24 season were impacted by the water contamination of Auckland's harbour in October 2023.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	Actual 2024	Actual 2023
Membership	472	534
Academy Sailing Sessions	11,087	12,444
Junior Sailors	1,734	1,556
Club Organised Sailing events	29	41
Total Sailing Days	38	47
Club Organised Paddling Days	178	198
Total Paddling Sessions Completed (Tues am, Thurs pm, Sat am, Sun am)	3,264	3,202
External Sailing Events (run by RAYC)	11	5

#### Additional Output Measures:

Creating a positive and welcoming environment has been a strong focus for the Club Management and General Committee. Although this is not measurable it has been a key driver in maintaining membership and activity at the Club.



## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

FOR THE YEAR ENDED 31 MAY 2024

	Note	2024 \$	2023 restated \$
<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>			
Donations		53,663	-
Grants		39,980	29,100
Other non-exchange income		32,000	959
<b>TOTAL REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>		<b>125,643</b>	<b>30,059</b>
<b>REVENUE FROM EXCHANGE TRANSACTIONS</b>			
Racing Income		62,193	37,754
Sailing Academy Fees		617,544	612,482
Sponsorship		28,000	10,000
Storage		35,736	73,733
Subscriptions		86,151	113,443
Sundry Income		23,122	17,439
<b>TOTAL REVENUE FROM EXCHANGE TRANSACTIONS</b>		<b>852,746</b>	<b>864,851</b>
<b>TOTAL REVENUE</b>		<b>978,389</b>	<b>894,910</b>
<b>EXPENSES</b>			
Audit Fees		36,990	16,879
Depreciation		55,375	53,214
Insurance		14,975	11,559
(Gain)/Loss on Disposal of Assets		1,516	(7,678)
Merchandise		15,791	8,359
National Body levies		13,485	15,093
Racing Expenses	4	99,282	24,230
Sailing Academy Expenses	4	518,380	470,196
Storage Expenses		20,188	32,003
Building and Operational Expenses		2,555	12,503
IT Expenses		19,111	21,402
Other Expenses		19,259	18,070
Vehicles and Fuel		7,564	8,206
Volunteer and employee related costs	4	203,084	161,940
<b>TOTAL EXPENSES</b>		<b>1,027,555</b>	<b>845,976</b>
<b>TOTAL (DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(49,167)</b>	<b>48,934</b>
Other Comprehensive Revenue and Expenses		-	-
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES</b>		<b>(49,167)</b>	<b>48,934</b>

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN NET ASSETS

### FOR THE YEAR ENDED 31 MAY 2024

	<b>ACCUMULATED SURPLUS \$</b>	<b>TOTAL EQUITY \$</b>
<b>OPENING BALANCE 1 JUNE 2023</b>	262,900	262,900
Total comprehensive revenue and expenses for the year	(49,167)	(49,167)
<b>CLOSING EQUITY 31 MAY 2024</b>	<b>213,733</b>	<b>213,733</b>
<b>OPENING BALANCE 1 JUNE 2022</b>	213,966	213,966
Total comprehensive revenue and expenses for the year	48,934	48,934
<b>CLOSING EQUITY 31 MAY 2023</b>	<b>262,900</b>	<b>262,900</b>

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2024

	Note	2024 \$	2023 restated \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		74,062	120,115
Receivables from exchange transactions		14,032	38,121
GST Receivable		4,161	-
Inventory		6,398	11,839
Prepayments		1,416	9,728
<b>TOTAL CURRENT ASSETS</b>		<b>100,069</b>	<b>179,803</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	397,121	249,239
<b>TOTAL NON-CURRENT ASSETS</b>		<b>397,121</b>	<b>249,239</b>
<b>TOTAL ASSETS</b>		<b>497,190</b>	<b>429,042</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		67,112	26,233
Deferred Revenue	6	49,948	24,936
Employee entitlements		13,247	18,404
Subscriptions received in advance		48,997	29,294
GST Payable		-	16,605
Term Loan	7	60,000	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>239,304</b>	<b>115,472</b>
<b>NON-CURRENT LIABILITIES</b>			
Subscriptions received in advance		44,153	50,671
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>44,153</b>	<b>50,671</b>
<b>TOTAL LIABILITIES</b>		<b>283,457</b>	<b>166,142</b>
<b>TOTAL NET ASSETS</b>		<b>213,733</b>	<b>262,900</b>
<b>EQUITY</b>			
Accumulated Surplus		213,733	262,900

The above statement should be read in conjunction with the accompanying notes.

## CASHFLOW STATEMENT

### FOR THE YEAR ENDED 31 MAY 2024

	2024 \$	2023 restated \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash was received from:</b>		
Donations, fundraising and non-exchange receipts	125,643	30,059
Sponsorship and other funding exchange receipts	27,698	12,632
Revenue Earning activities	724,599	661,914
Interest, dividends and other investment receipts	3,019	2,213
Fees, subscriptions and other receipts from members	159,717	158,648
	<b>1,040,676</b>	<b>865,466</b>
<b>Cash was applied to:</b>		
Payments associated with revenue earning activities	(941,955)	(850,808)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>98,721</b>	<b>14,658</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash was received from:</b>		
Receipts from the sale of property, plant and equipment	24,846	21,004
<b>Cash was applied to:</b>		
Payments to acquire property plant & Equipment	(229,619)	(52,227)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(204,773)</b>	<b>(31,223)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash was received from:</b>		
Loan Facility Borrowings	60,000	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>60,000</b>	<b>-</b>
Net (Decrease)/Increase in Cash & Cash Equivalents	(46,052)	(16,565)
Cash & Cash Equivalents at 1 June	120,115	136,680
<b>CASH &amp; CASH EQUIVALENTS AT 31 MAY</b>	<b>74,062</b>	<b>120,115</b>

The above statement should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General Overview

#### 1.1. Reporting Entity

The separate financial statements presented are those for the Royal Akarana Yacht Club (RAYC). RAYC is an Incorporated Society registered under the Incorporated Societies Act 1908. The financial statements are presented for the year ended 31 May 2024. The separate financial statements and the accompanying notes summarise the financial results of the activities carried out by RAYC. RAYC owns and maintains marine sports assets for its members to provide sailing classes and organise regattas for its members. The financial statements have been approved and were authorised for issue by the General Committee on the date specified on page 2. These are the separate financial statements of RAYC. Group accounts have also been prepared.

#### 1.2. Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purposes of financial reporting they comply with PBE IPSAS Accounting Standards Not-For-Profit and Tier 2 reduced disclosure concessions have been applied. As an Incorporated Society, RAYC is required to prepare financial statements in accordance with NZ GAAP as specified in XRB A1. The General Committee has elected to report in accordance with Tier 2 Not for Profit PBE Accounting Standards on the basis that it does not have public accountability and has total annual expenses of less than \$30 million.

#### 1.3. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with PBE Accounting Tier 2 Standards require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, income, and expenditure.

##### Judgements

In the process of applying the accounting policies, management has not applied any judgements that have a significant effect on the amounts recognised in the financial statements.

#### 1.4. Taxes

RAYC continues to meet the requirements for an income tax exemption. RAYC is registered for GST purposes and the financial statements are prepared on a GST exclusive basis. RAYC recognises the requirement to re-register under the Incorporated Societies Act 2022 before 5 April 2026.

### 2. Summary of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented.

#### 2.1. Basis of Measurement

These financial statements have been prepared on the basis of historical cost.

For the year ended 31 May 2023, the RAYC prepared its separate financial statements using Public Benefit Entity Simple Format Reporting – Accrual (Not for Profit). These have now been restated to Not-for-Profit PBE IPSAS-RDR.

### **Effect of First-time adoption of PBE Standards on Accounting Policies and Disclosures**

This is the first set of financial statements of the entity presented in accordance with the Tier 2 PBE IPSAS standards. RAYC has previously reported in accordance with Tier 3 PBE SFR-A (NFP) Public Benefit Simple Format Reporting - Accrual (Not For Profit).

The accounting policies adopted in these financial statements are consistent with those of the previous financial year, except for instances when the accounting or reporting requirements of a PBE IPSAS standard are different to the requirements of PBE SFR-A (NFP) as outlined below. The changes to accounting policies and disclosures caused by first time application of the Tier 2 PBE IPSAS accounting standards are as follows:

#### **PBE IPSAS 1 - Presentation of financial statements**

There are minor differences between Tier 2 and Tier 3 standards. These differences have an effect on disclosure only.

#### **PBE IPSAS 23 - Revenue from non-exchange transactions**

PBE IPSAS 23 specifies the financial reporting requirements for revenue arising from non-exchange transactions. Separate disclosure was not required under PBE SFR-A (NFP). The application of this standard affected RAYC's accounting for donation and grant revenue.

In the previous financial year, grants received were recognised as revenue on a completion basis. However, PBE IPSAS 23 requires revenue from non-exchange transactions, such as grants, to be recognised as they are received, unless the grants meet the definition of and recognition of criteria for a liability.

Non-exchange revenue from grants can only be deferred and recognised as a liability if there is a condition attached to the grant that requires an entity to use the grant as specified or return of the grant if the entity does not perform as specified. This has had no impact on the prior year's numbers.

## **2.2. Revenue**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

### **Revenue from non-exchange transactions**

#### *Donations*

Donations include donations from the general public, donations received for a specific purpose or donations in-kind. Donations are recognised as revenue upon receipt, unless the donation is received for a specific purpose, then that donation is recognised when the specific purpose is fulfilled. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would otherwise be incurred by RAYC.

#### *Grant Revenue*

Grant revenue includes grants given by the government via Sport NZ and other charitable organisations, philanthropic organisations, and businesses. Grant revenue is recognised when the conditions attached to the grant has been compiled with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition

is recognised as a liability and released to revenue as the conditions are satisfied. If there are no conditions attached to the grant, it is recognised when the money is received.

#### **Revenue from exchange transactions**

##### *Sponsorship Revenue*

The revenue received from sponsorship contracts is allocated over the term of the contract. Where sponsorship relates to a particular event, the revenue is recognised when the event occurs.

##### *Interest and Dividend Revenue*

Interest and dividend revenue is recognised as it is received.

##### *General Revenue*

Revenue is recognised in the accounting year in which the services are rendered, by reference to the stage of completion of the specific transaction. The stage of completion is assessed on the basis of the actual service provided as a proportion of the total services to be provided.

### **2.3. Financial Instruments**

Financial instruments and financial liabilities are recognised when RAYC becomes a party to the contractual provisions of the financial instrument.

#### **Financial Assets**

Financial assets within the scope of NFP PBE IPSAS 41 Financial Instruments are classified as financial assets at fair value through surplus or deficit, amortised cost, or fair value through other comprehensive revenue and expense. The classifications of the financial assets are determined at initial recognition. The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. RAYC financial assets are classified at amortised cost. RAYC financial assets include cash and cash equivalents and receivables from exchange transactions.

#### **Receivables**

All trade receivables are initially recognised at fair value plus transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment.

#### **Financial Liabilities**

Financial liabilities include trade and other payables (excluding GST), employee entitlements and loans and borrowings. All financial liabilities are initially recognised at fair value (plus transaction costs) and are measured subsequently at amortised cost using the effective interest method.

### **2.4. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank and term deposits with a maturity date of less than 90 days.

### **2.5. Property Plant Equipment**

Property plant and equipment are measured at cost less accumulated depreciation. When the asset is acquired through a non-exchange transaction, the cost is measured at its fair value at date of acquisition. Depreciation is charged over the useful life of the asset as follows:

Plant and Fittings	13% - 48% DV
Building and Fixtures	20% DV
Boats and Outboards	20% -30% DV
Mooring	12% DV
Sailing Academy Equipment	13% - 20% DV

## 2.6. Leases

Payments on operating lease agreements, where the lessor retains all the risks and rewards of asset ownership, are recognised on a straight line over the lease term.

## 2.7. Employee Benefits

Liabilities for salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities are measured at the amounts expected to be paid when the liabilities are settled.

## 2.8. Good & Services Tax

Revenues, expenses, and assets are recognised net of the amount of the GST except for receivables and payables, which are stated with the amount of GST included. The net amount of GST recoverable from or payable to the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

## 2.9. Equity

Equity is measured as the difference between total assets and liabilities.

## 3. Donations and Pledges

RAYC has received Donations and Donations in-kind of \$48,663 in 2024 (2023 \$0). These Donations carry no conditions for repayment or benefit to those making the donations.

## 4. Labour and Related Costs

The Racing Expenses, Sailing Academy Expenses and Volunteer and employee related costs include employment and related expenses as outlined below.

	2024 \$	2023 \$
Academy Wages	457,327	423,516
Boat Maintenance Wages	36,753	32,500
<b>Total Wages and Employment Related Expenses</b>	<b>494,080</b>	<b>456,016</b>
Other Sailing Academy Expenses	24,300	14,180
<b>Total Sailing Academy Expenses</b>	<b>518,380</b>	<b>470,196</b>

Racing Wages	17,486	2,883
<b>Total Wages and Employment Related Expenses</b>	<b>17,486</b>	<b>2,883</b>
Other Racing Expenses	81,796	21,347
<b>Total Racing Expenses</b>	<b>99,282</b>	<b>24,230</b>

Operations Wages and Salaries	88,932	46,045
Employment Related Expenses	17,732	17,080
<b>Total Wages and Employment Related Expenses</b>	<b>106,664</b>	<b>63,125</b>
Other Volunteer and Management Expenses	96,420	98,815
<b>Total Volunteer and employee related costs</b>	<b>203,084</b>	<b>161,940</b>



## 5. Property, Plant & Equipment

<b>2024</b>	<b>Buildings and Fixtures</b>	<b>Sailing Academy Equipment</b>	<b>Plant and Fittings</b>	<b>Boats and Equipment</b>	<b>TOTAL</b>
Opening Book Value	949	134,121	3,938	110,230	249,239
Purchases		15,137	30,045	184,437	229,619
Sales/ Disposals		(7,315)	(12)	(19,034)	(26,361)
Depreciation and Impairment	(190)	(27,017)	(4,385)	(23,783)	(55,375)
<b>Closing Book Value</b>	<b>760</b>	<b>114,925</b>	<b>29,586</b>	<b>251,850</b>	<b>397,121</b>
Cost	11,054	373,509	48,857	401,777	835,197
Accumulated Depreciation	(10,294)	(258,584)	(19,270)	(149,927)	(438,076)
<b>Closing Book Value</b>	<b>760</b>	<b>114,925</b>	<b>29,586</b>	<b>251,850</b>	<b>397,121</b>

<b>2023</b>	<b>Buildings and Fixtures</b>	<b>Sailing Academy Equipment</b>	<b>Plant and Fittings</b>	<b>Boats and Equipment</b>	<b>TOTAL</b>
Opening Book Value	1,187	131,561	3,777	127,025	263,551
Purchases		39,269		10,342	49,611
Sales/ Disposals		(9,267)		(4,059)	(13,326)
Reclassification		(937)	938	2,615	2,616
Depreciation and Impairment	(237)	(26,505)	(778)	(25,693)	(53,214)
<b>Closing Book Value</b>	<b>949</b>	<b>134,121</b>	<b>3,938</b>	<b>110,230</b>	<b>249,239</b>
Cost	11,054	554,014	22,856	393,137	981,062
Accumulated Depreciation	(10,105)	(419,893)	(18,919)	(282,907)	(731,823)
<b>Closing Book Value</b>	<b>949</b>	<b>134,121</b>	<b>3,938</b>	<b>110,230</b>	<b>249,239</b>

There are no assets under construction as at reporting date.

## 6. Deferred Revenue

The composition of deferred revenue is as outlined in the table below.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Academy Fees	34,948	24,936
Grants	15,000	-
<b>Total Deferred Revenue</b>	<b>49,948</b>	<b>24,936</b>

## 7. Term Loan Current

Unsecured and interest-free short term vendor credit provided for the purchase of a race management boat, due 22 May 2025.

**8. Capital commitments**

There are no capital commitments (2023 \$Nil).

**9. Contingent Liabilities and Guarantees**

There were no contingent liabilities or guarantees at the reporting date (2023 \$Nil).

**10. Related Party Transactions**

		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		\$	\$	\$	\$
<b>Description of Related Party Relationship</b>	<b>Description of the Transaction (whether in cash or kind)</b>	<b>Value of Transactions</b>	<b>Value of Transactions</b>	<b>Amount Outstanding</b>	<b>Amount Outstanding</b>
The Akarana Marine Sports Charitable Trust ('AMSCT') is a related party as the General Committee members of the Club are also Trustees of AMSCT and the Club appoints the majority of the AMSCT Trustees.	Payments received have been in cash and is substantially comprised Academy fees for the AMSCT New Navigator program.	120,066	119,770	-	23,523
	Payments have been made in cash and include management services, contract labour, capitation fees and event expenses.	158,703	66,783	-	6,711

**11. Events after Reporting date**

The General Committee and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise included in these financial statements that have significantly or may significantly affect the operations of RAYC.

**12. Categories of Financial Assets and Liabilities**

The carrying amount of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities.

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Financial Assets</b>		
<b>At amortised cost</b>		
Cash and Cash Equivalents	74,062	120,115
Receivables from Exchange Transactions	14,032	38,121
<b>Total Loans &amp; Receivables</b>	<b>88,094</b>	<b>158,237</b>
<b>Financial Liabilities</b>		
<b>At amortised cost</b>		
Trade and Other Payables	67,112	26,233
Employee Entitlements	13,247	18,404
Term loan	60,000	-
<b>Total Financial Liabilities</b>	<b>140,359</b>	<b>44,636</b>

**13. Key management remuneration**

The General Committee are considered to be key management personnel of the Club. The General Committee do not receive any remuneration.

# Independent Auditor's Report

## To the Members of the Royal Akarana Yacht Club Incorporated

### Report on the Audit of the Separate Performance Report

#### Opinion

We have audited the separate financial statements of Royal Akarana Yacht Club Incorporated (the "Club") which comprise:

- a. The entity information on page 2 to 3;
- b. the financial statements set out on pages 5 to 15, which comprise the separate statement of financial position as at 31 May 2024, and the separate statement of comprehensive revenue and expenses, separate statement of changes in net assets, and separate cash flow statement for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies; and
- c. the statement of service performance on page 4.

In our opinion, the accompanying separate financial report present fairly, in all material respects:

- a. the entity information as at 31 May 2024
- b. financial position of the Entity as at 31 May 2024 and its financial performance and cash flows for the year then ended; and
- c. the service performance for the year ended 31 May 2024 in accordance with the Entity's service performance criteria

in accordance with the Public Benefit Entity Reduced Disclosure Regime Accounting Standards issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit of the separate financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the General Purpose Financial Report* section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Entity.

#### Other Information other than the Separate Financial Statements and Auditor's Report thereon

The members are responsible for the other information. The other information obtained at the date of this auditor's report is Commodore's Report and Annual Review 2024, the Directory for the year ended 31 May 2024 and Royal Akarana Yacht Club - Information, but does not include the statement of service performance or the separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 General Committee for the Separate Performance Reports**

The General committee are responsible on behalf of the Club for:

- (a) the preparation and fair presentation of the directory, separate financial statements and separate statement of service performance in accordance with Public Benefit Entity Reduced Disclosure Regime Accounting Standards issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Reduced Disclosure Regime Accounting Standards; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the separate financial statements and separate statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the General Committee on behalf of the Club are responsible for assessing the Club'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 those charged with governance either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the Audit of the Separate Performance Reports**

Our objectives are to obtain reasonable assurance about whether directory, and the separate financial report as a whole are 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 ISAs (NZ) 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 the separate performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements and the service performance information, 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 the group's 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 group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the General Committee, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club'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 separate performance 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements and the service performance information, including the disclosures, and whether the separate financial statements and the service performance information represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the General Committee 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.

#### **Restriction on use of our report**

This report is made solely to the Entity's members, as a body. Our audit work has been undertaken so that we might state to the Entity's members, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity and its members, as a body, for our audit work, for this report or for the opinion we have formed.

*Grant Thornton*

**Grant Thornton New Zealand Audit Limited**

**Auckland, New Zealand**

**23 August 2024**