

Zephyr Owners' Association (Inc)

BOARD PACK

for

ZOA Annual General Meeting

23 Aug 2018 07:30 PM

Held at:

Pt Chev Yacht Club

Pt Chev
Auckland

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AGENDA

ZOA ANNUAL GENERAL MEETING

Name:	Zephyr Owners' Association (Inc)
Date:	Thursday, August 23, 2018
Time:	7:30 PM
Location:	Pt Chev Yacht Club, Pt Chev Auckland
Board Members:	Peter Busfield (Chair), Andy Knowles, Brian Peet, John Kliffen, Peter Stokell, Richard Middleton, Steve Pyatt, Tony Miller
Attendees:	Rob Ebert
Apologies:	Richard MacKay

1. Opening Meeting

1.1 Confirm Minutes

Supporting Documents:

1.1.a	SGM Minutes 2, Jan 2018.docx	6
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1.1.c	Copy of ZOA Budget 2018-19 (003).xlsx	16

1.2 Matters Arising from Previous Meetings

2. AGM Reports

2.1 President's Report

Peter Busfield

Supporting Documents:

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2.2 Treasurer's and Trading Report

Tony Miller

**ZEPHYR OWNERS' ASSOCIATION
TREASURER'S and TRADING REPORTS
YEAR ENDED 31 MAY 2018**

TREASURER'S REPORT

Tony Miller took over as Treasurer from Murray Sargisson in February 2018.

2017/2018 -The ZOA made a small profit over the year of \$1,060.

Major Changes over 2016/17

- Less Income from Trading

- Only 1 hull sale this year
- Less sails and mast sales
- GST reduction of subs
- Higher Cost of Sales
- Hulls includes centre case replacement costs of boat 602
- Pre-purchase of ply and yellow cedar for future hulls
- Higher Expenses
- MYOB costs (ongoing \$351 pa)
- Chief Measurer expenses, travel & accommodation (\$1,500)
- Board Pro purchase (\$345)
- Advertising/website (\$495)
- Meeting expenses, Nat Exec meetings.

Overall the ZOA faces increases in operating costs and reductions in income. To offset this a sub increase will be required.

TRADING REPORT

Sails

A modification at both tack and clew of the sail has been a significant improvement. The slider lug on the clew works well and the sail shows fewer creases.

Masts

NZ Rigging location at Kumeu has proven to be an inconvenient location for some. Moving the masts to a more central location will cause problems for those wanting fittings fitted (tang, halyard lock etc). There is still no easy way to ship masts around NZ without risk of damage.

Hulls

After several years helping the class develop the fibreglass hull, Salthouse Boatbuilders have decided they can no longer build Zephyr hulls. Increasing workload and the upcoming America's Cup has meant that they are unable to build Zephyr hulls. We thank Greg Salthouse for his input and support over the past years.

While the fibreglass hulls have presented some issues, we now have a clear understanding of how to build consistent hulls.

We are now in discussions with a dinghy class boatbuilder with a view to a long-term relationship.

Tony Miller

18/07/18

Supporting Documents:

2.2.a 2018 Financial Statements.pdf

2.2.b Budget 2018-19 (003).xlsx

3. Election of Officers

3.1 Election of Officers and Appointments

Peter Busfield

Executive Nominations ZOA Annual General Meeting

Alex Aitken	Patron
Peter Busfield	President
Tony Miller	Treasurer
Rob Ebert	Secretary
Steve Pyatt	Committee Member 1
Peter Stokell	Committee Member 2
John Kliffen	Committee Member 3
Clive Wright	Committee Member 4
TBA	Committee Member 5
Brian Peet	Regional Representative
Andy Knowles	Regional Representative
Glenn Tassicker	Regional Representative
Richard MacKay	Regional Representative
Class Measurer Appointment ZOA Annual General Meeting	
Graeme Robinson	Chief Measurer

4. Other Business

4.1 Life Member Nominations

Peter Busfield

4.2 Nationals 2019 and Beyond

4.3 Zephyr Boat Builder and All Glass Zephyr

Tony Miller

4.4 Rule Change Proposals

Rob Ebert

4.5 Other Business

5. Close Meeting

5.1 Close the meeting

Next meeting: No date for the next meeting has been set.

**Zephyr Owners' Association
Special General Meeting
Pt Chevalier Yacht Club
1900hrs, Jan 17th 2018**

1. **Attendance;** Twenty-nine members of the Association

Rob Ebert opened the meeting and gained confirmation that Brian Peet be Chairperson for the meeting.

2. **Apologies;** G Gager, C Moss, R Adolph, A Aitken, R Middleton, P Stokell, R MacKay, *Carried, Ebert/Peet.*
3. **Background;** Brian Peet outlined the background to the meeting, including the contribution of the Faire Report in formulating proposed rule changes. He thanked John Faire.
4. **Zephyr Class Rule Changes;** Rule changes outlined in the documentation supporting the meeting were read, queries answered. A number of issues were raised that ensured the reasons for the changes were understood, but this did not materially affect the relevance of the proposed rule changes. The exception was 2.2.1 and the definition of marine ply. There was considerable discussion on the role of standards in the plywood timber industry and how they applied to the glue and timber used. There was concern that the standard proposed in the rules did not actually exist. To resolve the issue, voting on the first part of the proposed rule change (which was defeated) occurred first and the results informed the voting on the second part. This approach confirmed the desire of the class to have a definition for marine ply and the second part was subsequently passed. The results of voting are appended.

It was repeatedly stated that the role of the class rules was to ensure that Zephyrs were as alike as possible, so sailors could concentrate on enjoying their sailing and class participation. In discussion it was intended that the adopted rules would apply after YNZ approval and be in effect for the upcoming Worser Bay Nationals in February.

5. **Zephyr Owners' Association Rule changes;** It was pointed out that the ZOA Constitution did not allow for proxy votes, so this rule change needed to be supported by the meeting vote only. There was a general discussion on the value an independent Chief Measurer would bring to the Zephyr class. Debate on the need for the Chief Measurer to physically inspect and weigh new hulls, especially given the Napier location of the nominee resulted in a proposed amendment, allowing this to be delegated. The meeting accepted the amendment of section 8.2 Duties of the Chief Measurer, to read;

Supervising, and may delegate, the inspection and weighing of fibreglass hulls on completion of the builder's production for delivery as directed by ZOA Executive Committee.

With this adjustment, the amended 8.0, Duties of the Chief Measurer, passed.

6. **Election of Officers;**
- President: Peter Busfield nominee for President, was elected, there being no other nominations
 - Treasurer; Tony Miller, nominee for Treasurer, was elected, there being no other nominations
7. **Appointment of Chief Measurer;**
Brian Peet read out the brief CV of nominee Graeme Robinson. Considerable discussion on the role of a Chief Measurer, relationship with regional measurers and the possibility of paying for measurement of boats.
- Chief Measurer; Graeme Robinson, was elected.

8. **General Business;**

- 8.1. J Faire spoke to proposal 9.9 in his report, recommending a change in the ZOA modus operandi in relation to new hulls – to keep and inventory of 2 new hulls on hand at all times and build a third in response to an order. This would allow the purchaser to be allocated one of three hulls, ensuring the purchaser has no input into Stage 1 and protecting the objective position of the builder. This resulted in considerable discussion, but was felt to be operationally feasible and worthy of further study. The incoming Executive undertook to study this more closely.
- 8.2. Rule 2.2.1; The meeting returned to the issues in Rule 2.2.1 for further discussion. The meeting confirmed the intention to confirm or refine the definition of marine ply. It was resolved that “this meeting make a recommendation to the Executive to research the practicality of rule 2.2.1 regarding the clarification of what constitutes marine plywood”
Carried, Busfield/Snedden.
- 8.3. Change of President: Peter Busfield thanked the meeting for supporting him as President. He noted the ongoing success of the Zephyr class and paid tribute to all those who had contributed to the success of the class and the organisation of the Special General Meeting. He proposed a special vote of thanks to Murray Sargisson for his contribution as President, then Treasurer and Trading Officer. The meeting unanimously supported the vote of thanks to Murray. Peter noted that the running of the ZOA was becoming more complex, with increased trading revenue and the need to register for GST. This was likely to require more Executive involvement. The regional strength of the class was a positive, and it had the potential to appeal to youth and females. He felt that the ZOA had a story to tell about its progress, results and ambitions, and needed to explore how to do this. He felt that the issues underlying the need for the SGM reflected ZOA growing pains.
- 8.4. Regional Measurers; Russell Turner was confirmed as Auckland Measurer. Regional Measurers to be confirmed at a subsequent Executive meeting. It was suggested that three Auckland Measurers be appointed, for the North, South and Central areas.
- 8.5. Wellington Nationals; John Kliffen took the floor to promote the Worsler Bay Nationals and to encourage attendance.

Meeting concluded 2120 hrs

ZOA Rule Changes Proposal				
Results of Special General Meeting Votes January 2018	Yes	No	%	Result
Rule 4.1.6 Add clause: <i>'The Builder will not permit a prospective purchaser of a Zephyr Hull to witness, improve, or interfere with the manufacture and production of the Zephyr hull in any way. This does not apply to the builder or its staff.'</i>	49 20 69	0 0 0	100	Pass
Rule 1.6.3 Add: <i>'Purchasers shall purchase hulls from ZOA and no other person.'</i>	46 19 65	2 1 3	95	Pass
Rule 4.1.5 Delete existing rule and replace with: <i>'The builder shall sell Zephyr hulls to ZOA and no other person.'</i>	48 20 68	0 0 0	100	Pass
Rule 4.3.3 Replace 12 mm in last sentence with; <i>'...not less than 9 mm.'</i>	42 18 60	6 1 1	87	Pass
Rule 2.1.3 Delete the last two sentences and replace with: <i>'Corrector weights of equal amounts shall be fixed at the keelson adjacent to the aft bulkhead and the aft section of the mast step cross member or in an equivalent position approved by the Chief Measurer for those boats which do not have a conventional mast step cross member and/or an aft bulkhead.'</i>	47 20	2 0	100	Pass
Rule 2.2.1 <i>Deleted the word: 'marine'.</i> <i>If this rule fails to receive the required support from members present and proxies at the Special General Meeting then the following rule amendment to be submitted for voting:-</i> <i>Insert after '...marine plywood' 'i.e. BS 1088 or the European Equivalent EN 314-3 Class 3, Exterior.'</i>	26 8 34	23 12 35	49	Fail
	46 12 58	3 7 10	85	Pass
Rule 4.5.3 Change <i>'...in consultation with the Class Measurer'</i> to <i>'...in consultation with the Chief Measurer.'</i> Add a penultimate sentence: <i>'Prior approval where practicable must be obtained for such replacement from the Chief Measurer.'</i>	45 19 64	3 1 4	94	Pass
ZOA Constitution – Duties of the Chief Measurer	Nineteen in favour, nine abstentions. Proxy votes were discarded it was pointed out that the ZOA Constitution does not permit proxies!			

SSM Attendance 17/1/18

Name	Email
Rob Oberp	rob.oberp@gmail.com
Peter Busfield	
Brian Peet	peetfamily@one.net
NEWELYN VILJOEN	new@viljoen.co
JOHN KLIFFEN	john.kliffen@spark.co.nz
Tony Miller	tjmiller39@outlook.com
Andy Knowles	andy@knowles.co.nz
Rob Gill	robgill@xtra.co.nz
ALAN RITCHIE	alan.ritchie@xtra.co.nz
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Brian Baker	brian.baker257@gmail.com
Murray Sargison	murray.sargison@gmail.com

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**Zephyr Owners' Association
Minutes of the Annual General Meeting
Worser Bay Boating Club, August 25th 2017**

1. **Attendance:** M Sargisson, R Ebert, A Aitken, B Peet, J Kliffen, P Williams, R Mackay, A Campbell, C Hargreaves, J Parkin, R Bryant, P Sutton, R Middleton, B Linton, H Garside.
2. **Apologies:** S Pyatt, A Knowles, T Snedden, P Stokell, T Crew, R Dreverman. *Accepted Sargisson/Ebert*
3. **Minutes of the Previous Meeting (Chch);** These had been previously circulated via email and posted on the web site. Taken as read and accepted as a true and correct record of the previous AGM. *Ebert/Sargisson*
4. **Matters arising from the previous meeting;**
 - a. The jig for the wooden boats had been destroyed by R Ebert
 - b. Alloy mast taper issue had been improved with an inspection and sign off process run by M Sargisson.
5. **President's Report;** M Sargisson spoke to his report, it having been posted on the web site.
 - a. *Membership:* Down a little, to be expected following the large 60th regatta, which boosts involvement.
 - b. *New Zephyrs:* Seven completed, three sailing regularly at present. All have been purchased by existing Zephyr sailors who have sold their boats. The second-hand price of boats has firmed up as the class continues its popularity.
 - c. *National Championship Winner;* Wayne Avery's winning of the National Championship in Akaroa was not recognised by Yachting NZ as he was not a member of an affiliated yacht club at the time. M Sargisson then awarded the trophy to Phil Williams and received the Runners Up trophy in return!
 - d. *Thanks:* Murray acknowledged the contribution from his Committee over the past year. *Accepted Sargisson/Ebert*
6. **Treasurer's Report;** M Sargisson spoke to his report and set of accounts – his first year as Treasurer.
 - Transferring the accounts from Tim Snedden's MYOB Account Right to MYOB Essentials was far more complicated and time consuming than appreciated. It took three days' work and the help of a supportive accountant.
 - Supply of seven new hulls contributed to a much greater trading revenue increase. It is likely that sales will fall back to a nominal two or three hulls per year, to be fitted into the Salhouse Boats production schedule.
 - GST registration would be required now that the ZOA income exceeded the GST threshold. Returns are six monthly.
 - Accounts query; Alex Aitken noted that the Total Members Funds at the end of 2016 (\$68217.00) differed from the Accumulated Funds figure in the 2017 set of accounts (\$65617.27) and suggested a query was in order.
 The Treasurer's report was accepted. *Sargisson/Aitken.*
7. **Subscriptions**
 - M Sargisson noted the potential impact of GST in subscription income and noted that subs were unchanged from 1993! He recommended they stay at \$20, but an increase may be indicated next year. *Sargisson/Kliffen*

8. Secretary's Report

R Ebert commented in the increased use of Facebook for commenting on class events. Even though Zephyr sailors are not "the demographic", Facebook figure showed considerable interest in the class.

9. Election of Officers;

The following positions were filled, there being no other nominations.

Patron; Alex Aitken,

President; Murray Sargisson.

Secretary; Rob Ebert

Treasurer; Murray Sargisson

Financial Scrutineer; Vacant

Committee Members;

Steve Pyatt

Peter Stokell

Andy Knowles

Richard Middleton

Regional Representatives (ex officio)

Richard MacKay (CZOA)

John Kliffen (Wgtn)

Brian Peet (AZO)

The Treasurer vacancy was discussed. Murray commented that the transfer of the Treasurer function occurred at the time of intense building activity, requiring focus on several issues at the same time. Having the same people in charge of the class for long periods became onerous and was not good for the ZOA. It was also felt that the Treasurer and Trading roles could be formally split.

10. General Business;

1. **Trading Report;** M Sargisson spoke to his Trading Report. There had been renewed scrutiny of the transport crease in the new sails and it was desirable that this be eliminated. B Linton commented that he thought Mike Sanderson, or Doyle Sails would be reluctant to accept such a crease in his own sail! The potential cost of this was recognised, but the meeting felt sailor would tolerate a \$50 price increase to have it eliminated. An improved looking and performing sail was possible with a better cloth, but the current Contender 3.8 was felt to be satisfactory at present. Moved that "the ZOA investigate the feasibility of a maximum \$50 price increase for a Zephyr sail with without transport crease.
2. **Regional Round Up;**
 - 2.1.R Mackey, CZOA. Canterbury noted the passing of Andy Holland a great Zephyr Class stalwart. His contribution acknowledged by the Andy Holland Series at the Waimak. Gavin Bird replaces Murray Hay as Secretary. John Boraston has been appointed a Measurer. Waimak, Naval Point and Chch Yacht Club are the main Zephyr fleets, with 5-7 boats. Glen McKenzie was Canterbury Champion, but has now sold his boat. Daniel Smith, Sth Island Champ. No 328, an uncompleted decked Franklin boat had been sighted and was still owned by the Simpson family.
 - 2.2.Worser Bay; John Kliffen updated. Greg Wright Bourke was the Wellington Champion. Participation ranged from 6-23 boats. 35 local sailors with 22 members. Richard Dreverman was returning to Australia, but has retained his boat for the Nationals. National Championship organisation is the current focus, as is rebuilding the club house.

- 2.3. Auckland: Tony Miller has stepped down after 7yrs championing Zephyr sailing in Auckland. Brian Peet will take up the role. Auckland has some 35 active sailors competing in seasonal series. Current AKL champ is Tim Snedden. There are some signs that Zephyr sailing at Waiuku is reviving.
- 2.4. Hamilton/Tauranga; Tauranga has an active and enthusiastic fleet. Hamilton has been in a bit of a lull for a couple of seasons, but looks to be picking up sailors again.
3. **National Contest Guidelines;** A document laying out suggestions to assist organisers of National Championships has been formulated from a number of sources and circulated for comment. The most contentious item is the alternative penalty rule. Class preference from previous Championships contestant's forum is for a 360 penalty turn rather than a 720 but this remains controversial. The guidelines were included in the meeting agenda papers and will be published in West Wind.
4. **National Contests Venues;** Nelson and Queen Charlotte remain possible venues for National Championships. The 2019 Nationals will likely be Manly or Torbay, potentially late Feb.
5. **Glass Zephyr Variation;** The meeting spent considerable time reviewing construction of the 600 series glass Zephyrs, after the most recent hulls came out lighter than the initial boats.
- 5.1. Construction of glass Zephyrs is by Salthouse Boats, who lay up the hull and contract Don Currie for a "joinery pack" of centrecase, bulkheads, side tanks, and mast step. The joinery pack is inserted with the boat still in the mould. Once inserted, the hull is released from the mould, weighed and supplied to the owner. This is referred to as Stage 1. Experience with the initial boats is as follows;
1. 601; Weight unknown at Stage 1, but finished about a kg underweight despite a centrecase known to be at the high end of the weight range.
 2. 602; 47 kgs at Stage 1, but a centrecase known to be heavy installed. The 12mm Gaboon transom doubler was coved into position. It was realised that the final Stage 2 "full completion" weight would be tight but with care in finishing timber selection final weight was 58.7kgs. At this stage, it was apparent that a maximum Stage 1 finished weight needed to be no more than 45kgs. So, for subsequent boats care was taken with joinery pack timber selection and the transom doubler reduced to 9mm and not coved in place.
 3. 603-605; Finishing weights for the next three boats 603 (45.2kgs), 604 (43.6kgs), 605 (44.3kgs) had weights close to the target.
 4. 606-609; However, the next batch of boats, 606 (40kgs), 607 (39kgs), 608 (40.3 kgs), 609 (40kgs) were disappointingly, and puzzlingly lighter.
 5. Why the difference? A combination of factors most likely accounts for the drop in Stage 1 weight. A new roll of foam core mat was used for the latter boats. Each roll produces 4 boats and the resin uptake with each apparently standard roll can vary. In addition, timbers in the joinery pack, gaboon ply and yellow cedar have variable density.
- 5.2. Transom doubler and its coving/filleting; The class rules call for a 12mm transom stiffening doubler, which was fitted loosely and coved around. This was changed to a 9mm doubler and not coved after 602 in an effort to save weight. This should be confirmed by a rule change, but arguably, this detail should belong in the building spec rather than rules. The class rules are silent on the coving detail of the doublers installation.
- 5.3. 13mm doubler; 607 has a slightly thicker, balsa cored doubler coved into position, fitted at request of the customer. The meeting was unhappy at the involvement of

- a knowledgeable customer in the building process, but recognised that, with the addition of the coving, it probably made little difference to the overall weight distribution in the boat.
- 5.4. Customer involvement in the build process; The ZOA needed to emphasise that customers were not entitled to interact with the builder, as the building contract and client relationship was with the ZOA. This includes the selection of timbers for the joinery pack. This is particularly important if customers have close personal and business relationships with the builder.
 - 5.5. Poplar Plywood; 607 has been completed with poplar plywood, seemingly a relatively new boat building product. The class rules call for the use of “marine” ply, without defining it. Rules for other classes are;
 1. Sunburst; Marine bonded or external 6mm 3 or 5 ply.
 2. Jollyboat; The hull shall be constructed of timber and plywood with composite structures excluded. The plywood minimum thickness is 4mm
 3. 3.7; No plywood specification
 4. Starlings; The bottom, sides, frames, deck, bulkheads and side bulkheads are to be of plywood 6mm thick, conforming to BS1088:1966 "Specifications for Plywood for Marine Craft".
 5. There is now considerable variability in the available standards for “marine” ply. Some products are rated for exterior use if covered and would be suitable in a Zephyr – and in fact, all ply needs to be coated in a marine environment. Our class rule definition needs to be either refined, or eliminated from the rules entirely. Options for refinement were "Lloyds approved" BS 1088 marine ply or a European standard. As there is no way of checking the standard of ply used in a Zephyr, the meeting was of the opinion that the requirement for “marine” should be removed from the rules.
 6. Make Weights; In the light of the discussion above, it was clear that boats 606-609 would need considerable make weights to bring them up to 58kgs final weight – the allowance for fitting a deck, adding fittings and paint being approximately 10kgs. There was considerable discussion over the best place to site this, to ensure the weight distribution in all Zephyrs was as consistent as possible. The options were;
 - 6.1. Retain the current rule that requires make weights to be readily visible, but most install them on the centrecase;
 - 6.2. Split the weights between the centrecase, aft bulkhead and mast step, with a limit on the centrecase weights. This received considerable discussion, but it would require the checking of centrecase weight during measuring.
 - 6.3. Require make weights to be placed at the mast step and aft bulkhead regions, these being the locations that were the most practical. After considerable discussion it was moved *“that the ZOA promulgate a rule to distribute make weights evenly between the mast step and aft bulkhead”*, Peet/Hargreaves, Carried
 7. **Target Weight for Stage 1;** There was considerable discussion on the Stage 1 target weight and the amount of weight added in subsequent finishing by amateur builders with a range of skills. It was moved *“that the ZOA establish with Salthouse boats a target weight range for the supply of boats at Stage 1 completion. Suggested range 42-45kgs. Ebert/Williams, Carried* It was acknowledged that we do not want complicate matters for Salthouse boats as our supplier.
 8. **Rules Compliance:** Phil Williams relayed a query from Steve Pyatt to the effect; "Does the class consider the rules absolute or guidance that can be loosely followed?" This had only a brief discussion, but the class rules are for a restricted sail and hull

plan, with certain freedom of finish and equipment, so as to ensure all boats have the same potential speed. Some of the Zephyr measurements arguably do not affect potential speed, but all variations are noted on the measurement forms. Deviation could be the subject of a measurement protest. Major departures can result in withdrawal of a measurement certificate and this threat has been used in the past.

9. **Rule Changes;** The meeting did not object to re-submitting the carbon fibre rule change. Wellington sailors had expressed the most reservations when this was first proposed and the rule was defeated. They indicated they now no longer opposed the suggested rule.

Meeting finished 2240hrs.

Accounts Query;

Hi Murray

Total accumulated funds includes the Royalty Reserve of \$2600 and because it is shown as a separate item that figure is deducted from the total accumulated funds to be carried forward. Another way to put it is the accumulated funds figure carried forward will be the sum of the previous accumulated funds plus the surplus for the year. Ie: \$61544 + Previous year's surplus \$4073=\$65617

Accumulated funds as at 31 May 2016	65,617.27	61,544.00
Current year's surplus	11,148.02	4,073.00
Royalty Reserve	2,600.00	2,600.00
Total accumulated funds	79,365.29	68,217.00

-----Original Message-----

From: Murray Sargisson [<mailto:murray.sargisson@gmail.com>]

Sent: Wednesday, 30 August 2017 9:05 AM

To: Don McBeth <don@mcbethconsultants.co.nz>

Subject: RE ZOA member funds

Hi Don

It was noted at the AGM last Friday that the Total member funds for year end 2016 was \$68217.00 but the Accumulated funds in the 2017 column for year end 2016 is showing as \$ 65617.27 . Could you please check and advise.

Many Thanks

Murray

Addendum;

Make weight strategies for other classes;

Jolly Boat;(a more recent class); Where the weight is less than 66kg weight correctors of 5kg maximum shall be fitted to make good the deficiency and shall be attached permanently in the forward buoyancy compartment to the mast strut in full view through an inspection port.

Sunburst; Corrector weights 650mm from bow and 300mm from stern.

Heron Class; CORRECTORS 12.(3) If required to bring the hull up to minimum weight, correctors shall be of metal and shall be attached by screws or bolts to the underside of the forward thwart adjacent to the centre-board case.

OK Dinghy; Corrector weights of not more than 10kg are allowed. However (b) If the weight of the hull is under the minimum limit, corrector weights of not more than 5Kg and of approximately equal weight and made of any material shall be fastened so as to touch the aft face of the bulkhead at station 2 and situated within an area of 150mm athwartships, 150mm vertical and 80mm aft from the intersection point of the sheerline and station 2 bulkhead. 10 OK Dinghy Class Rules (c) Additional corrector weights of not more than 5 kg and of approximately equal weight and made of any material may be used and shall only be attached to the underside of the deck at bow and transom.

3.7 Class; Weight correctors up to 5kg in weight may be attached to the bulkhead at station 2 above the false floor, and details of such shall be entered on the measurement form and Registration Certificate. Extra-lightweight composite hulls up to 15kg of weight correctors shall be attached as follows: the first 5kg shall be attached to the bulkhead at station 2 above the false floor. The remainder (up to 10kg) allowed shall be divided into halves. One half shall be attached to either the foredeck or the interior of the prodder tube, within 300mm of the bow.

President's Report 2018

The Zephyr Owners Association main aims are to:

Promote races and social functions, administer the class rules and to develop and protect the interests of the Zephyr sailing class.

Sailing Report

During the last year the Association has, I believe, endeavoured to deliver on our aims and the best gauge of success is the number of sailors enjoying participating in racing and on land socialising. This has been achieved by the good and enthusiastic work of the regional committees and is evidenced by the large number -73 entries— for the 2018 Zephyr Class National Championships at Worsler Bay, Wellington in February of this year. Refer to Wellington Region Chairman, John Kliffen's report attached. The Worsler Bay National Championships received good media coverage in Boating NZ Magazine, local newspapers and various on-line sailing sites.

The regions of Canterbury, Wellington, Tauranga-Central and Auckland are well served by year-round weekend sailing, complemented by midweek evening sailing in the summer. On a national level we are now looking forward to the North Islands - at Lake Taupo on 17th and 18th November and the National Championships at Tauranga 22nd to 27th February 2019, detailed in the Notice of Race circulated earlier this month. The Executive Committee, following the consensus agreement of the forum held at Worsler Bay, has agreed for the 2020 Nationals to be held in the South Island and then in Auckland in 2021 - as a curtain raiser to the America's Cup!

Trading Report

The sales of masts and sails have been steady, but we saw a decline in sales of new fibreglass boats as outlined in Trading Manager Tony Miller's report elsewhere in West Wind. We are appreciative of all the work that Salthouse Boat Builders, supported by Greg Salthouse, Grant Beck, Murray Sargisson, Don Currie and others did in getting the fibreglass hull into production and achieving the goal of having the fibreglass version being of equal speed to that of the top achieving wooden boats. Both wood and fibreglass boats have the same speed potential, but the fibreglass boats will allow more time sailing and less time maintaining compared with their wooden counterpart. With the assistance of Greg Salthouse, we are looking to have the fibreglass hulls built by a new supplier and Tony Miller will provide an update of this at the AGM.

Financial Report

12month period to 31st May 2018

The Financial Statements show the Association had a net surplus of \$1,059 and as such accumulated funds increased slightly to \$80,425 at year end. Thanks to Treasurer Tony Miller and the valued assistance of Gerard Turnbull of chartered accountants Turnbull and Associates Limited in preparing our financial end year accounts. Their help means we meet the requirements in our rules for a qualified person to inspect the accounts.

Budget 1st June 2018 to 31st May 2019

The Executive has set a budget for the year ending 31st May 2019, refer attached, where we are budgeting to have a breakeven result. Now that we are GST registered and have additional management and compliance requirements, the Executive is recommending that the national subs be increased to \$40 including gst per annum to cover these costs. The Association is in a sound financial position and this will allow for future development costs of tooling for a fibreglass deck if the association wants to move in this direction.

Special General Meeting of 17th January 2018 and related Association and Class Rule changes, appointment of Chief Measurer and election of President

At the special general meeting of the Association on 17th January 2018 several rules were changed to both the Association and Class rules. A Chief Measurer – Graeme Robinson, was appointed and I was elected President.

Executive Committee activity January to August 2018

At the Special General Meeting the membership requested that the Executive look at the practicality of the BS1088 provision inserted into the rules. That meant ensuring members were able to source BS1088 and that Measurers could confirm its use in boats. The Executive, after much research, found that BS1088 marine plywood was readily available and that leading NZ builders of all types of boats sourced and used it. The Executive also agreed that given the rule BS1088 rule was only applicable to boats post 17th January 2018, it should be easy for owners to source BS1088 marine plywood and to retain the receipt as confirmation a boat is measured. The Executive therefore recommends no change to the rule that was adopted on 17th January this year.

The Executive, with the assistance of the Chief Measurer Graeme Robinson, has over the last 6 months further looked at the Class Rules and are recommending some wording changes for improved clarification on several areas of the rules. These proposed changes will be tabled at the AGM and will be put to the wider membership

subsequently as per the class rules.

As Chief Measurer, Graeme has spent time in Auckland and Wellington working with the local appointed Measurers ensuring measuring consistency up and down the country. We very much appreciate his and our regional Measurers dedication to this role and the class will be better off with this consistent approach going forward.

The Executive Committee has acted on the Chief Measurer's advice in several instances. This has seen several boats either being denied or having to have major modifications in order to retain their measuring certificate. The ZOA has agreed to replacing a fibreglass boat that was significantly heavier than expected and another boat has been bought back by ZOA as it did not meet our measurement requirements when first sold to the owner. This boat is now owned by ZOA and this gives us options to use it as a plug for making a deck mould and/or using it as a demo boat to entice young or older new commers to our class. This is never an easy thing to deal with from the Measurers, Executives and boat owner's point of view and I am pleased with the response from all involved seeking and achieving resolution to the issues.

Going forward, this consistent approach to measuring, particularly for fibreglass boats, will ensure that the boats are potentially the same in boat speed and it is the talents of the sailor that wins races, not faster boats. The Executive has an important role in administering the class to ensure that boats conform to the rules. This is an area that we will continue to monitor closely so that the class retains its one class design feature.

You have a dedicated Executive Committee that has had three meetings over the last 6 months and I would like to thank them for their commitment to the ensuring the class is on a solid foundation and is delivering on the association aims. Rob Ebert has continued in the important role of Secretary and Tony Miller has been busy taking on the role of Treasurer and Trading Manager.

We have purchased a software package "Board Pro" that facilitates the preparation, running and minute taking of the Executive and other meetings and with our MYOB accounting software we are able to approve and pay accounts on line. Rob has continued to keep the class informed of activities through our West Wind on line newsletter and web site. I believe that we have the necessary tools in place and people in key roles to well manage the affairs of the Association going forward.

Future aspirations.

The Executive is looking at ways to continue the good work of previous Executives and this includes us investigating the requirements for the class to have a complete fibre glass deck option to go with our fibreglass hull.

The website continues to be an important communication and promotional tool for the class and we will continue to further develop this with additional interesting information. I would like to have a sailing tips corner where the more experienced sailors can share some tips on setting up the Zephyr for various wind conditions so the newer sailors to the class can get up to speed quicker.

We will continue to use PR and free media coverage of our major events to promote the great sport, fun and recreational activity of Zephyr sailing.

AGM 23RD August 19.30 hours at Pt Chev Yacht Club, Auckland.

With the exception of Richard Middleton of Wellington, who is stepping down from the Executive, all other executive members are making themselves available for re-election. The Wellington ZOA has nominated Glenn Tassicker as a Wellington representative on the Executive.

Life Membership.

The Executive at their meeting of 24th July unanimously agreed that two absolute stalwarts of the Zephyr Owners' Association, Past President Murray Sargisson and current Secretary Rob Ebert be nominated for Life membership. At the AGM, I will have pleasure in nominating them and outlining the huge contribution Murray and Rob have made to the class. In Murray's case, it goes back to 1962 and Rob continues his two decade stint as Secretary.

I have enjoyed the challenges and opportunities of serving you as President for the last 6 months and have appreciated the support from the Executive and membership to me in this role. I will be making myself available for re-election as President for the 2018/19 year.

Peter Busfield.

August 2018

Zephyr Owners' Association

Financial Statements

For the Year Ended 31 May 2018

ZEPHYR OWNERS' ASSOCIATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

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ZEPHYR OWNERS' ASSOCIATION

**ENTITY INFORMATION
AS AT 31 MAY 2018**

<i>Established:</i>	24 September 1964
<i>Company Number:</i>	223627
<i>Registered Office:</i>	24 Lammermoor Drive St Heliers Auckland 1071
<i>Bankers:</i>	ASB Bank Limited
<i>Accountants:</i>	Turnbull & Associates Limited PO Box 276 Whangaparaoa

ZEPHYR OWNERS' ASSOCIATION

ENTITY INFORMATION AS AT 31 MAY 2018

LEGAL NAME OF ENTITY

Zephyr Owners' Association

TYPE OF ENTITY AND LEGAL BASIS

Incorporated Society

REGISTRATION NUMBER WITH DIA CHARITIES

223627

MISSION STATEMENT

To Develop and Protect the interests of the Zephyr dingy sailing class

ENTITY STRUCTURE

Elected Officers & Additional Committee

RELIANCE

Organisation is run by Volunteers

FUNDRAISING

Subscriptions & Sale of Zephyr Hulls & Equipment

ZEPHYR OWNERS' ASSOCIATION

COMPILATION REPORT

Compilation report of the Zephyr Owners' Association.

Scope

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the financial statements of Zephyr Owners' Association for the year ended 31 May 2018. These have been prepared in accordance with the Reporting Framework described in Note 1 to the financial statements.

Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the reporting framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or a review engagement has been performed, and accordingly no assurance is expressed.

Disclaimer

As mentioned earlier in our report, we have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we, nor any of our employees accept any responsibility for the reliability, accuracy or completeness of the compiled financial information nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

Turnbull & Associates Limited
Chartered Accountants

16 July 2018

ZEPHYR OWNERS' ASSOCIATION**STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2018**

	<i>Note</i>	2018	2017
CURRENT ASSETS			
ASB Cheque Account		11,654	11,641
ASB Fast Saver		8	8
ASB Term Dep 0072		14,503	14,013
ASB Term Dep 0074		21,491	20,760
Accounts Receivable		-	666
GST Refund Due		179	-
Inventories		16,582	17,188
		<u>64,417</u>	<u>64,277</u>
NON CURRENT ASSETS			
Property, Plant and Equipment			
As per Schedule (at Book Value)		16,138	16,138
		<u>16,138</u>	<u>16,138</u>
TOTAL ASSETS		<u>80,555</u>	<u>80,415</u>
CURRENT LIABILITIES			
Accounts Payable		130	1,050
		<u>130</u>	<u>1,050</u>
TOTAL LIABILITIES		<u>130</u>	<u>1,050</u>
NET ASSETS		<u>\$80,425</u>	<u>\$79,365</u>
ACCUMULATED FUNDS			
Accumulated Surplus		77,825	76,765
Capital Reserve	2	2,600	2,600
		<u>\$80,425</u>	<u>\$79,365</u>

 Chairperson

 Date

 Treasurer

 Date

The accompanying notes form part of these financial statements.
The above information has been prepared without performance of audit or review engagement procedures and must be read subject to the compilation report.

Turnbull & Associates Limited
Chartered Accountants

ZEPHYR OWNERS' ASSOCIATION**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MAY 2018**

	<i>Note</i>	2018	2017
INCOME			
Sails		14,268	17,231
Battens		610	1,911
Spars & Rigging		5,184	31,747
Hulls		5,652	46,500
Beach Trolley		-	639
Nationals Donations		-	1,280
Subs Auckland		974	1,040
Subs Central		426	430
Subs Wellington		626	300
Subs Canterbury		365	535
Subs Prior Year		87	20
		<u>28,191</u>	<u>101,633</u>
COST OF SALES			
Opening Stock		17,188	-
Purchases Sails		15,478	8,460
Purchases Battens		177	1,418
Purchases Spars & Rigging		1,230	35,257
Purchases Hulls		7,650	41,589
Purchases Miscellaneous		-	54
Freight & Cartage		-	139
		<u>41,723</u>	<u>86,917</u>
Closing Stock		16,582	-
Cost of Sales		<u>25,141</u>	<u>86,917</u>
GROSS MARGIN		3,050	14,716
INVESTMENT AND OTHER INCOME			
Interest Received		1,221	1,155
Other Income		2,242	-
		<u>3,463</u>	<u>1,155</u>
TOTAL INCOME		6,513	15,870
EXPENSES			
Accountancy Fees		806	145
Advertising		495	-
Bank Charges		40	20
Contest Promotion		1,200	-
Insurance		666	723
Meeting Expenses		741	203
Nationals Costs		1,320	2,680
Subscriptions		117	4
Sundry Expenses		44	186
Travelling Expenses		23	-
Trophy Engraving/Miniatures		-	135
Website Expenses		-	627
TOTAL EXPENSES		<u>5,453</u>	<u>4,722</u>
NET SURPLUS		<u>\$1,059</u>	<u>\$11,148</u>

*The accompanying notes form part of these financial statements.
The above information has been prepared without performance of audit or review
engagement procedures and must be read subject to the compilation report.*

Turnbull & Associates Limited
Chartered Accountants

ZEPHYR OWNERS' ASSOCIATION

**STATEMENT OF MOVEMENTS IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MAY 2018**

	<i>Note</i>	2018	2017
Net Surplus for the Period		1,059	11,148
<i>Total Recognised Revenue and Expenses</i>		<u>1,059</u>	<u>11,148</u>
<i>ACCUMULATED FUNDS AT START OF PERIOD</i>		79,365	68,217
		<u>80,425</u>	<u>79,365</u>
<i>ACCUMULATED FUNDS AT END OF PERIOD</i>		<u>\$80,425</u>	<u>\$79,365</u>

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The above information has been prepared without performance of audit or review
engagement procedures and must be read subject to the compilation report.*

Turnbull & Associates Limited
Chartered Accountants

ZEPHYR OWNERS' ASSOCIATION

**STATEMENT OF CASH BALANCES
FOR THE YEAR ENDED 31 MAY 2018**

	2018	2017
<i>Cash Balances in Balance Sheet</i>		
ASB Cheque Account	11,654	11,641
ASB Fast Saver	8	8
ASB Term Dep 0072	14,503	14,013
ASB Term Dep 0074	21,491	20,760
<i>Ending Cash Carried Forward</i>	<u>\$47,657</u>	<u>\$46,423</u>

*The accompanying notes form part of these financial statements.
The above information has been prepared without performance of audit or review
engagement procedures and must be read subject to the compilation report.*

Turnbull & Associates Limited
Chartered Accountants

ZEPHYR OWNERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1 STATEMENT OF ACCOUNTING POLICIES REPORTING ENTITY

Zephyr Owners' Association is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

BASIS OF PREPARATION

Zephyr Owners' Association has elected to apply Public Benefit Entity Simple Format Reporting - Accrual (Not-for-Profit) (PBE SFR-A (NFB)), as established by the External Reporting Board for registered charities, on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000 for the last two annual reporting periods. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the Society will continue to operate as a going concern in the foreseeable future.

PARTICULAR ACCOUNTING POLICIES

The following is a summary of the significant accounting policies adopted by the Society in the preparation of these financial statements.

Fundraising and Grants

Grants received are included in operating revenue. If particular conditions are attached to a grant that would require it to be repaid if these conditions are not met, then the grant is recorded as a liability until the conditions are satisfied.

Donations

Donations received are included in operating revenue. If particular conditions are attached to a donation that would require it to be repaid if these conditions are not met, then the donation is recorded as a liability until the conditions are satisfied.

Donated goods or services (other than donated assets) are not recognised.

Where significant donated assets are received with useful lives of 12 months or more, and the fair value of the asset is readily obtainable, the donation is recorded at the value of the asset obtained. Where the fair value of the asset is not readily obtainable, the donation is not recorded. Donated assets with useful lives less than 12 months are not recorded.

Going Concern

These financial statements have been prepared on the basis that the Incorporated Society is a going concern.

Valuation of Inventories

Inventories are valued at the lower of cost and net realisable value. Cost has been assigned to inventory items on hand at balance date using the first-in first-out basis.

Accounts Receivable

Accounts receivable are stated at their estimated realisable value.

Bank Accounts and Cash

Bank and Cash in the Statement of Cash Flows comprise of cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Goods and Services Tax

Financial information in these accounts is recorded exclusive of GST with the exception of receivables and payables, which include GST. GST payable or receivable at balance date is included in the appropriate category in the Balance Sheet. The 2017 financial statements are GST inclusive as the entity was not GST registered.

ZEPHYR OWNERS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

Finance Leases

Assets under finance leases are recognised as non-current assets in the Statement of Financial Position. Leased assets are recognised initially at the lower of the present value of the minimum lease payments or their fair value. A corresponding liability is established and each lease payment allocated between the liability and interest expense. Leased assets are depreciated on the same basis as equivalent property, plant and equipment.

There have been no specific changes in accounting policies and they have been applied on a consistent basis with those of the previous period.

2	RESERVES	2018	2017
	<i>Capital Reserve</i>		
	Opening Balance	2,600	2,600
		<hr/>	<hr/>
3	CONTINGENT LIABILITIES		
	There are no contingent liabilities at year end (31 May 2017: \$Nil).		
4	CAPITAL COMMITMENTS		
	There are no capital commitments at year end (31 May 2017: \$Nil).		
5	RECONCILIATION OF NET PROFIT with Cash flows from Operating Activities	2018	2017
	Reported Surplus	1,059	11,148
	Net Cash Inflow From Operating Activities	<hr/> \$1,059	<hr/> \$11,148

The above information has been prepared without performance of audit or review engagement procedures and must be read subject to the compilation report.

Turnbull & Associates Limited
Chartered Accountants

ZEPHYR OWNERS ASSOCIATION

Taxation Depreciation Schedule
For the Year Ended 31 May 2018

	Private Use %	Date	Orig Cost	Open W.D.V	Add'ns (Sales)	Profit(Loss) on Sale	Dep Method	YTD Dep	Accum Depn	Close W.D.V
750										
75001										
Building Moulds & Pattens										
		01/04/2016	16138	16138			P			16138
			<u>16138</u>	<u>16138</u>	<u> </u>	<u> </u>		<u> </u>	<u> </u>	<u>16138</u>

The above information has not been audited, refer accompanying disclaimer of liability.