

YARRA BAY 16 FT SKIFF SAILING CLUB



**ANNUAL REPORT
2011**

President's Report

Well members we had a very challenging year due to all the bad weather during the summer. We have been battling with all the rises in electricity, water, rates and the continual prices rises in all the products we purchase (beer, spirits etc) as we try to stay in front. We have ended the year in the black which is very good considering other clubs in our area. This result has been achieved because of Claude's thankless time he puts into the running of the club. He is assisted by a very honest and uncomplaining staff. My thanks to all of you. My thanks also to my fellow director's who worked together with me so everything ran smoothly. But members a club is only as strong as its members, so without your continuous support, we would have to close our doors. If your having a birthday or celebrating anything please get in touch with Claude or the office staff (Virginia or Amanda). I wish to thank our Patrons Mr Keith McGraw of South Sydney Juniors, Mr Alan White and Mr Michael Daley MP thank you for your continuous support.

Lindsay Sadgrove

President

Chief Executive Officers Report

To All Members,

The Club industry has some difficult challenges ahead and with the support of our members we hope to conquer these difficulties. We are a community based club and without the support of the Local's these times would be more challenging.

During this financial year we have made more improvements within the club including the new gaming area and seven new machines with a jackpot link. We have moving forward in the TAB with an Easy Bet Terminal installed and further changes will be happening in the future.

Again the summer months were not as prosperous as the previous years due to the weather, we have our fingers crossed that this summer will bring better weather. Remember to use the Heroes bar for any of your upcoming functions.

I have had a few curve balls thrown at me this year with visits from the DGR, Work Cover and ASIC all three were contacted with complaints from anonymous persons.

Work Cover were informed our roof was leaking asbestos into the club (we have had these leaks for many years); fortunately Barry Wallace and Paul Krekelberg had repaired these leaks two weeks prior to their visit. We had to get an asbestos register at a cost to the club to prevent hefty fines.

We are currently negotiating with Landco for future improvements to the interior and exterior of the club, thank you to Henry Morris for this valuable contact.

A special thanks to The Directors, staff and supervisors who have been very supportive in the past year. I would also like to thank the many members that volunteer their time and make improvements around the club it is much appreciated.

We were saddened to hear of the passing of Beryl Ferguson, Beryl was a life member of the club and her tiresome work didn't go unnoticed.

Thank you to all our members that do support the club throughout the year without you our future would not be possible.

Claude Grande
CE

Sailing Directors Report

It's been another exciting 12 months with some great results though the year. Lachlan Kesting did us proud by winning the "Australia Day Council Youths' Trophy" during the Australia Day Regatta. This is the second year in a row that a Yarra Bay Sky rider has won the trophy. The "Australia Day Council Youths Trophy" is awarded to the line honours winner, of the largest Junior Fleet on Australia Day.

We hosted two introductions to sailing days, sponsored by the NSW Boating Association and Randwick Council which saw a large number of people come down and give sailing ago.

Our Sunday Summer series is still growing with another great turnout of Junior Sailors. We had some great weather this year, so there was plenty of on water time.

New rashie's were design for the kids to wear this year. Although, there were some technical issues during the production of the shirts, they arrived in time for the last race of the season and the kids looked great.

The 2011/12 Season looks like it's going to be even bigger, with the "Sail Botany Bay Regatta" during December. The O'pen Bic State Titles is being hosted this year on Botany Bay and with the club purchasing some boats, it would be great to see Yarra Bay Sailors there as well.

One area that could use a lot of improvement is our Senior Fleet. So, "come on down" on a Sunday during the summer and get back into it.

I would like to thank all the volunteers and parents who help us to run a great sailing program. I know it takes a lot of time and dedication, especially on those cold wet days.

Paul Krekelberg
Sailing Director

FINANCIAL STATEMENTS

30TH APRIL 2011

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NOTICE OF ANNUAL GENERAL MEETING

Sunday 28th August 2011 at 10.00 am at Yarra Bay 16ft Skiff Sailing Club

AGENDA

1. Confirm minutes of previous Annual General Meeting.
2. To receive and consider the Annual Report of the Board of Directors.
3. To receive and consider the Statement of Financial Position, Income and Expenditure Statement for the year ended 30th April 2011 and the Auditor's Report.
4. To receive the President's Statement.
5. To elect a Board of Directors.
6. To elect Club Auditors and set remuneration – members will be asked to consider the re-appointment of the new auditor Rick Fitzpatrick of Fitzpatrick & Associates, Suite 126, 4 Hyde Parade, Campbelltown NSW 2560 for the financial year 2011-2012.
7. To elect Club Patrons.
8. To consider and, if thought fit, pass the Special Resolutions set out on the following pages, as recommended by the Board of Directors.
9. To deal with any other business of which due notice has been given.

**PLEASE NOTE THAT DIRECTORS NOMINATION FORMS
CAN BE OBTAINED FROM THE CLUB**

**Any questions in respect to the financial statements
are required to be put in writing to the General Manager
at least 14 days prior to the date of the
Annual General Meeting.**

NOTICE OF SPECIAL RESOLUTIONS FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the 2011 Annual General Meeting of YARRA BAY 16ft SKIFF SAILING CLUB LIMITED is to be held on Sunday 28th August 2011 commencing at 10.00am at the premises of the club, Yarra Road, Phillip Bay, New South Wales.

Business

Part of the business of that meeting will be for members to consider, and if thought fit, pass the following resolutions, which are proposed as Special Resolutions:

FIRST SPECIAL RESOLUTION

That pursuant to the Registered Club Act:

- A) The members hereby approve and agree to expenditure by the club in a sum not exceeding \$10,600 until the next Annual General Meeting of the Club for the following activities of directors:
- 1) The reasonable cost of a meal and beverage for each director immediately before or immediately after a Board or Committee meeting on the day of that meeting when that meeting corresponds with a normal meal time.
 - 2) Reasonable expenses incurred by directors in travelling to and from directors meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure.
 - 3) Reasonable expenses incurred by directors relation to such other duties including entertainment of special guests at the Club and other promotional activities performed by directors which activities and expenses therefore are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.
- B) The members acknowledge that the benefits in paragraph (A) above are not available to members generally but only for those who are directors of the Club.

SECOND SPECIAL RESOLUTION

That pursuant to the Registered Clubs Act:

- A) The members hereby approve and agree to expenditure by the Club in a sum not exceeding \$15,000 for the professional development and education of directors until the next Annual General Meeting being:
- 1) The reasonable costs of directors attending the Registered Clubs Association's Annual General Meeting.

- 2) The reasonable cost of directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
- 3) The reasonable cost of director's attending other registered clubs for the purpose of reviewing and assessing facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
- B) The members acknowledge that the benefits in paragraph (A) above are not available to members generally but only for those who are directors of the Club

NOTES TO MEMBERS

1. To be passed each Special Resolution must receive votes from not less than three quarters of those members who, being eligible to do so, vote on the Special Resolution at the meeting.
2. Each Special Resolution must be considered as a whole and cannot be altered by motions from the floor of the meeting.
3. The effect of the First Special Resolution is to have members in General Meeting approve the appointment of a new patron of the Club.
4. The effect of the Second Special Resolution is to have members in General Meeting approve an amount no greater than 10,000 for expenditure by the club's directors.
5. The effect of the Third Special Resolution is to have the members in General Meeting approve an amount no greater than \$15,000 for expenditure by the club for directors to attend seminars, lectures, trade displays and other similar events including the Registered Clubs Association of New South Wales Annual General Meeting and to visit other clubs to enable the club's governing body to be kept abreast of current trends and developments which may have a significant bearing on the nature and way in which the club conducts its business.

DIRECTORS' REPORT

Your Directors present their report on the Financial Reports of the Company for the year ended 30th April 2011.

NAME OF DIRECTORS

The Directors in Office at the date of this report and at any time during the year were: -

Henry Morris (Resigned on 29/08/2010)

Paul Krekelberg

George Charlton

Bary Wallace

Bradley Owen (Resigned on 29/08/2010)

Steven Longbottom

Lindsay Sadgrove

Raymond Vine (Appointed on 29/08/2010)

Troy Rugless (Appointed on 29/08/2010 and resigned on 21/03/2011)

COMPANY SECRETARY

The following person held the position of company secretary at the end of the financial year.

Claude Grande who was appointed company secretary on 1st September 2008 who previously had several years management experience, and was a former director of the club.

PRINCIPAL ACTIVITIES

The principal continuing activity of the Company consisted of: - Maintaining a Licensed Sporting Club (Sailing) for members.

SIGNIFICANT CHANGES

During the year, there was no significant change in the nature of the principal activities of the Company.

OPERATING RESULTS

The Net profit from Trading for the year (after income tax provision) amounted to a profit of \$74,926 (2010: Loss \$78,280) after charging Depreciation and Amortisation \$ 67,450 (2010: \$68561).

DIVIDENDS

The Company is a Non-Profit Organisation and is prevented by its Articles from paying a Dividend.

YARRA BAY 16' SKIFF SAILING CLUB LIMITED**A.C.N. 000 583 693****(A Company Limited by Guarantee)**

MEMBERS

The number of Members of the Company registered in the Register of Members at the date of this report is:

	2011	2010
Life Members	9	6
Junior Members	87	103
Ordinary Members	2,360	3,796
Honorary Members	3	3
	<u>2,459</u>	<u>3,908</u>

REVIEW OF OPERATIONS

Movements in significant items of Revenue are as follows: -

	2011	2010	Increase (Decrease)	%
Keno Commission	40,109	29,313	10,796	26.92%
Bar Sales	687,758	755,531	(67,773)	8.97%

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Due to the profit incurred the club's net equity increased from \$844,898 to \$919,824.

DIRECTORS INTERESTS

The Company does not have a Share Capital nor does it have any related corporations, hence no Director has an interest required to be declared by Section 307(c).

ENVIRONMENTAL REGULATION

The Company's operations are subject to various environmental regulations under both Commonwealth and State legislation.

The Directors are not aware of any breaches of the legislation during the financial year that are material in nature.

EVENTS SUBSEQUENT TO BALANCE DATE

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

DIRECTORS BENEFITS

Since the end of the previous financial year no Director has received or become entitled to receive any benefit by reason of a contract between the Company and himself or with a firm of which has a substantial financial interest

INFORMATION ON DIRECTORS

Name	Meetings Attended	Apologies
Henry Morris	4	0
Lindsay Sadgrove	11	1
George Charlton	10	2
Steve Longbottom	12	0
Brad Owen	0	0
Barry Wallace	10	2
Paul Krekelberg	12	0
Raymond Vine	8	0
Troy Rugless	3	3

LIKELY DEVELOPMENTS

It is intended to continue the company activities on a similar basis to the past financial year. When possible improvements will be carried out consistent with a conservative utilization of available funds. Economic conditions play a major role in the Company's performance.

DIRECTORS AND AUDITORS INDEMNIFICATION

The Company has not, during or since the financial year, in respect to any person who has been an Officer or Auditor of the Company: -

- Indemnified or made any relevant agreement for indemnifying against a liability as an Officer or Auditor, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract ensuring against a liability incurred as an Officer or Auditor for the costs or expenses to defend proceedings;

Director's indemnity premiums have been provided for and paid by the Company during the year cost \$1,991.49 for Director's and Officer's Liability Insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$1,000,000 arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting as Directors or Officers of the Company.

**Dated at Yarra Bay this 2nd Day of August 2011
in accordance with a resolution of the Directors**

LINDSAY SADGROVE-PRESIDENT**GEORGE CHARLTON-DIRECTOR**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTOR OF YARRA BAY 16' SKIFF
SAILING CLUB LIMITED**

I declare, that to the best of my knowledge and belief, during the year ended 30 April 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Fitzpatrick & Associates
Certified Practising Accountants

Name of Partner: W.A. Fitzpatrick

Address: Suite 126/4 Hyde Parade
Campbelltown NSW 2560

Dated this 03 day of August 2011

INCOME STATEMENT FOR THE YEAR ENDED 30TH APRIL 2011

	Notes	2011 \$	2010 \$
Revenue from Sales of goods		688,922	756,598
Revenue from rendering of services		389,651	402,310
Other Revenue		226,754	153,301
Total Revenue		1,305,327	1,312,209
Cost of Sales		229,656	303,008
Donations & Subscriptions		5,004	3,949
Directors expenses		2,025	2,229
Employment Benefits Expenses		451,220	423,466
Entertainment, marketing & promotional costs		51,792	52,754
Legal & consultancy fees		24,275	28,702
Poker machine licenses and taxes		781	2,595
Other Expenses		398,198	505,225
Total Expenses		1,162,951	1,321,928
Earnings before amortization & depreciation		142,376	-9,719
Depreciation & amortization		67,450	68,561
Profit from ordinary activities before income tax		74,926	-78,280
Income tax expenses relating to ordinary activities		-	-
NET PROFIT		74,926	-78,280

The attached notes should be read in conjunction with these accounts.

BALANCE SHEET

FOR THE YEAR ENDED 30TH APRIL 2011

	Notes	2011 \$	2010 \$
Current Assets			
Cash Assets	3	114,679	56,672
Receivables	7	5,000	5,000
Inventories	4	27,002	24,803
Other	5	1,859	4,771
Total Current Assets		<u>148,540</u>	<u>91,246</u>
Non-Current Assets			
Plant, Property and Equipment	6	1,021,773	1,022,549
Intangibles		828	828
Total Non-Current Assets		<u>1,022,601</u>	<u>1,023,377</u>
Total Assets		<u>1,171,141</u>	<u>1,114,623</u>
Current Liabilities			
Payables	8	202,253	164,867
Provisions	9	28,282	59,586
Interest-bearing Liabilities	11	20,782	19,782
Other	10	-	11,500
		<u>251,317</u>	<u>255,735</u>
Total Current Liabilities			
Non-Current Liabilities			
Interest-bearing liabilities	13	-	13,990
Total Non-Current Liabilities			
Total Liabilities		<u>251,317</u>	<u>269,725</u>
Net Assets		<u>919,824</u>	<u>844,898</u>
Equity		<u>919,824</u>	<u>844,898</u>

The attached notes should be read in conjunction with these accounts.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH APRIL 2011

		2011	2010
		\$	\$
Opening Balance	30th April 2010	844,898	923,178
Profit (Loss) for the year		74,926	-78,280
Closing Balance	30th April 2011	<u>919,824</u>	<u>844,898</u>

The attached notes should be read in conjunction with these accounts.

STATEMENT OF CASH FLOWS **AS AT 30TH APRIL 2011**

	Notes	2011 \$	2010 \$
Cash Flow From Operating Activities			
Receipts from Member & Guests	23	1,247,113	1,261,018
Payments to Suppliers and Employees	23	-1,171,045	-1,180,290
Commissions - Tab, Keno	23	49,537	40,701
Membership Subscriptions	23	8,677	10,490
Net Cash Provided by (used in) Operating Activities	2	<u>134,282</u>	<u>131,919</u>
Cash Flow From Investing Activities			
Payment for Plant & Equipment		<u>-66,674</u>	<u>-107,997</u>
Net Cash provided by (used in) Investing Activities		<u>-66,674</u>	<u>-107,997</u>
Cash Flow from Financing Activities			
Reduction-Bank Loan Bus		<u>-13,402</u>	<u>-11,503</u>
Net Cash provided by (used in) Financing Activities		<u>-13,402</u>	<u>-11,503</u>
Net Increase (Decrease) in Cash Held		54,206	12,419
Cash at 30th April, 2010		<u>53,891</u>	<u>41,472</u>
Cash at 30th April, 2011	1	<u><u>108,097</u></u>	<u><u>53,891</u></u>

The attached notes should be read in conjunction with these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH APRIL 2011

Notes to the Statement of Cash Flow

Reconciliation of Cash

For the purposes of this statement of cash flows, cash includes:-

- (i) cash on hand and in "at call" deposits with banks or financial institutions
- (ii) investments in money market instruments maturing within less than two months

Cash at the end of the year is shown in the balance sheet as:

	2011	2010
	\$	\$
Cash at Bank	70,769	19,672
Cash on Hand	43,910	37,000
Bank Overdraft	-6,582	-2,781
	108,097	53,891
	108,097	53,891

Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax

Operating Profit (Loss) after Income Tax	74,926	-127,949
Bank Recovery	-	49,669
Non Cash Flows in Operating Profit		
Amortization	28,408	37,169
Depreciation Poker Machines	15,726	15,517
Depreciation Furniture & Fittings	17,662	9,847
Depreciation Motor Vehicle	5,023	6,028
Depreciation Equipment at Cost	631	-
Changes in Assets & Liabilities		
-Increase(Decrease) in Provisions	-31,304	36,515
-Increase(Decrease) in Accruals	-11,500	11,500
-Increase(Decrease) in Payables	37,386	84,426
-Increase(Decrease) in Prepayments	-	3,576
-Increase(Decrease) in Stock	-2,199	5,144
-Increase(Decrease) in Interest Bearing Liabilities	-477	477
Cash Flows from Operations	134,282	131,919
	134,282	131,919

The attached notes should be read in conjunction with these accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report was presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

a) Revenue Recognition

Sales Revenue

Sales Revenue comprises revenue earned from the provision of catering, beverage, and poker machine facilities to members and other patrons of the Club. Sales revenue is recognized when the goods and services are provided.

Asset Sales

The gross proceeds of asset sales are included as revenue of the entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

Interest Income

Interest income is recognized as it accrues.

b) Principal Activities

The company operates as a Licensed Club.

c) Property, Plant & Equipment

Property, plant and equipment are included at cost or at an independent valuation. All fixed assets, including buildings and capitalized leases, but excluding freehold land, are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership are transferred to the company, are classified as finance leases. Finance leases are capitalized recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e) Goods and Services Tax

Revenues, expenses and assets are recognized net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST.

The net amount of GST recoverable from or payable to, to the Australian Taxation Office is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the statement of cash flows on a gross basis.

f) Depreciation and Amortisation

Depreciation is provided on property, plant and equipment but excluding freehold land, Depreciation is calculated on a straight-line basis so as to write off the net cost of each asset over its expected useful life.

Leasehold improvements are amortised over the period left on the lease being 18 year period, using the straight line method.

The following rates of depreciation are used in calculation for depreciation:

Furniture & Fittings	15.00%
Motor Vehicle	16.67%
Plant & Equipment	20.00%
Poker Machines	37.5%

NOTES TO THE FINANCIAL STATEMENTS AS AT 30TH APRIL 2011

2 Operating Profit/(Loss)

a) Operating Revenue and expenses

Operating profit/(loss) has been arrived at after including:

	Notes	2011 \$	2010 \$
Operating Revenue			
Poker Machine Takings	22	340,114	361,609
Room Hire	22	3,118	9,248
Bar Sales	22	687,758	755,531
Members' Subscriptions	22	8,677	10,490
Commission - T.A.B.	22	9,428	11,388
Commission - Keno	22	40,109	29,313
Commission - Other	22	6,475	480
Donation	22	-	600
Function Income	22	-	5,931
Insurance Refund	22	15,375	6,153
Rent	22	227	24,000
Telephone	22	47	351
Vending Machines	22	1,164	1,067
Sundry Income	22	9,126	5,021
Operating Expenses			
Depreciation and Amortization		67,450	68,561
Interest Paid - ATO		-	477

3 Cash

Bank	70,769	19,672
Cash on Hand	43,910	37,000
	114,679	56,672
	114,679	56,672

4 Inventories

Inventories

Stock (at Cost)	27,002	24,803
	27,002	24,803

5 Other

Unexpired Term Charges (Bus Loan)	1,859	4,771
	1,859	4,771

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 Plant, property & equipment

	Cost	Accumulated Provision	2011 Written Down Value
30th April, 2011	\$	\$	\$
Leasehold Premises	1,467,666	803,680	663,986
Plant, Fittings & Equipment	601,406	326,472	274,934
Poker Machines	406,826	380,744	26,082
Crockery & Glassware	10,000	-	10,000
Courtesy Bus	37,603	12,493	25,110
Equipment at Costs	22,292	631	21,661
	<u>2,545,793</u>	<u>1,524,020</u>	<u>1,021,773</u>

	Cost	Accumulated Provision	2010 Written Down Value
30th April, 2010	\$	\$	\$
Leasehold Premises	1,431,925	775,272	656,653
Plant, Fittings & Equipment	591,406	308,810	282,596
Poker Machines	406,826	365,018	41,808
Crockery & Glassware	10,000	-	10,000
Courtesy Bus	37,603	7,470	30,133
Equipment at Costs	1,359	-	1,359
	<u>2,479,119</u>	<u>1,456,570</u>	<u>1,022,549</u>

Depreciation is not provided in the accounts in respect of the club's crockery, glassware and utensils. The cost of replacement of any of these items is charged against the income of the year in which replacement is made.

2011	2010
\$	\$

7 Receivables

TAB Deposit	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

8 Current Liabilities

Payables

Trade Creditors	202,253	164,867
	<u>202,253</u>	<u>164,867</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2011	2010
	\$	\$
9 Provisions		
Provision for PAYG Withholding	-	6,047
Provision for GST	-	8,217
Provisions for Super & Other Deduction	-	5,988
Provisions for Annual, and Long Service Leave	28,282	39,334
	<u>28,282</u>	<u>59,586</u>
10 Other		
Accountancy Fees	-	4,000
Auditor Fees	-	7,500
	<u>-</u>	<u>11,500</u>
11 Interest-bearing liabilities		
Loan - Bank - Bus	14,200	16,524
Bank Overdraft	6,582	2,781
Australian Taxation Office	-	477
	<u>20,782</u>	<u>19,782</u>
12 Income Tax		
<i>The Income Tax Assessment Act 1936 (as amended) provides under the concept of mutuality clubs are only assessed for income tax on that proportion of income derived from non-member and other external sources. In view of this special circumstance, it is neither appropriate to compare income tax payable with operating profit as disclosed in the Profit and Loss Account, nor adopt the principle of tax effect accounting as prescribed by Accounting Standards (AAS3).</i>		
13 Company Guarantee		
The Company is limited by Guarantee. In the event of the Company being wound up the liability of each member (both during the time he is a member and within one year afterwards) is Limited to twenty dollars.		
14 Future Capital Expenditure		
No Contracts for Future Capital Expenditure were entered into for the year ended 30th April 2011.		

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2011	2010
	\$	\$
15 Auditors remuneration		
Fees payable for Taxation Services	-	4,400
Fees payable for Audit of Accounts	-	13,500
Fees payable for Consulting Services	-	-
	<u>-</u>	<u>17,900</u>
	<u>-</u>	<u>17,900</u>

16 Directors' Emoluments

No emoluments were received by any Director of the Company.

17 Superannuation commitments

The Company sponsors the following Superannuation plans for employees: Club plus Superannuation Fund. Types of Benefits: Accumulation of contributions of employees providing lump sum or annuity benefits upon retirement, death or disability. Contributions: Employer – 9% of base salary of employee. The Company has a legal obligation to contribute to this Fund.

18 Segment reporting

The Company is engaged only in the conduct and promotion of a Registered Club for Members of the Company, and only at the premises at Yarra Bay, New South Wales, Australia. There has been no change in those activities.

19 Leasing commitments

Leases of non-current assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Company are classified as finance leases. Finance leases are capitalized, recording an asset and a liability equal to the present value of the minimum lease payments including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2011	2010
(a) Finance Bank Commitments Payable:-		
- Not longer than 1 year	14,200	16,524
- Longer than 1 year, but not longer than 2 years	13,990	
- Longer than 2 years, but not longer than 5 years	-	-
- Longer than 5 years	-	-
Minimum Payments	14,200	30,514
Less: Future Finance Charges	-1,859	-4,771
Total Lease Commitments	<u>12,341</u>	<u>25,743</u>

20 Contingent Assets

The follow off Balance Sheet Assets should be noted in that the Club holds 8 Poker Machine entitlements, of which current sales of licences in the industry netted approximately \$45,000 per license. It is therefore the view of the Directors that the value of the licences held by the club would be in the vicinity of \$327,273(Excl.GST).

21 Events Subsequent to Reporting Date

For reporting periods starting after 30th April 2005, the company must comply with International Financial Reporting Standards (IFRS) as adopted by the Australian Accounting Standards Board. At balance date, it was not possible to qualify the effects of the convergence to IFRS as key IASs and AASBs are currently under development.

Apart from the contingent liability mentioned in note 24, there has not arisen in the interval between the end of the financial year and the date of this report or any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors to affect the affairs of the company, in future financial years.

22 Accounting Records

The club implemented its own in-home accounts in January/February 2011, and then input data for the year ended 30 April 2011. For the nine months prior to this it was difficult to obtain all accounting records and accurately record all income and expenses.

23 Detailed Trading Accounts

As mentioned in the previous years report because of the accounting that was not in place, detailed trading accounts were not included for the Bar, Poker Machines, Tab and Keno nor were there detailed income and expense schedules prepared. For this reason comparative figures not available.

NOTES TO THE FINANCIAL STATEMENTS (continued)

24 Contingent Liability

A claim for damages has been filed against the Club and two former Directors by the previous Secretary Manager Avoulla Hendrickson. Subsequent to balance date a legal bill of \$144,575 has been received from the Clubs solicitor Maddocks in respect to their legal fees representing the Club at The Administrative Appeals Tribunal. The Club is insured under its indemnity for directors and officers. The insurer has paid to the extent of \$117,873 on behalf of the Club in respect to this account. This matter has not yet finalized. The cost and the amount of the recovery from the insurer is at present uncertain.

25 Financial Instruments

a) Credit Risk exposures

The credit risk on financial assets of the Company which have been recognized on the Balance Sheet is generally the carrying amount, net of any provision for doubtful debts.

b) Interest rate risk exposure

The company's exposure to interest rate and the effective average interest rate for class of financial assets and financial liabilities is set out below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Notes	Floating Interest Rates	Fixed Interest Maturing Within 1 year	Fixed Interest Maturing in more than 1 year	Non-interest bearing	Total
2011						
Financial Assets						
Cash	3	-	114,679	114,679	-	114,679
Weighted Average Interest Rate						
Financial Liabilities						
Trade Creditors	8	-	-	202,253	-	202,253
Bank Loan	13	-	20,782	-	-	20,782
		-	20,782	-	202,253	223,035
			13.60%	-	0.00%	4.23%
Net Financial Assets/Liabilities		-	20,782	-	-87,574	-108,356
			13.60%	13.60%	0.00%	4.23%

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Notes	Floating Interest Rates	Fixed Interest Maturing Within 1 year	Fixed Interest Maturing in more than 1 year	Non-interest bearing	Total
2010						
Financial Assets						
Cash	3	-	56,672	-	-	56,672
		-	-	56,672	-	56,672
Weighted Average Interest Rate						
Financial Liabilities						
Trade Creditors	8	-	-	-	164,867	164,867
ATO Creditor	11	-	477	-	-	477
Bank Loan	13	-	19,305	13,990	-	33,295
		-	19,782	13,990	164,867	198,639
			13.60%	13.60%	0.00%	4.23%
Net Financial Assets/Liabilities		-	19,782	13,990	-108,195	-141,967
			13.60%	13.60%	0.00%	4.23%

Reconciliation of Net Financial Assets to Net Assets

	2010	2010
	\$	\$
Net Financial Assets as above	-108,356	-141,967
Inventories	27,002	24,803
Receivables	5,000	5,000
Property, Plant & Equipment & Intangibles	1,022,601	1,023,377
Provisions	-28,282	-59,586
Other	1,859	-6,729
Net Assets per Financial Statement	<u>919,824</u>	<u>844,898</u>

26. Related Party Transactions

- (a) No transactions between related parties are on normal commercial terms and conditions:

27. Key Management Personnel Compensation**Key Management Personnel**

Names and positions held of key management personnel in office at any time during the financial year are:

Henry Morris	Director
Barry Wallace	Director
Lindsay Sadgrove	President
George Charlton	Director
Paul Krekelberg	Director
Bradley Owen	Director
Steve Longbottom	Director
Raymond Vine	Director
Troy Rugless	Director

Other Key Management Personnel

Claude Grande	CEO & Secretary
---------------	-----------------

DIRECTORS' DECLARATION

In the opinion of the Directors of Yarra Bay 16'Skiff Sailing Club Limited –

- (1) the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30th April 2011 and of the performance for the year ended on the date of the company;
- (2) in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

**Dated at Yarra Bay this 2nd Day of August 2011
in accordance with a resolution of the Directors**

LINDSAY SADGROVE-PRESIDENT

GEORGE CHARLTON-DIRECTOR

DISCLAIMER

The additional financial data presented on the following three pages consisting of the Detailed Statement of Financial Performance, Bar Trading Account and Poker Machine Revenue Account are in accordance with the books and records of the Yarra Bay 16' Skiff Sailing Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30th April 2011. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

DATED AT SYDNEY

THIS 2ND DAY OF AUGUST 2011

S M ROSEN & CO PTY LTD

Accountants and Registered Tax Agents

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YARRA BAY 16' SKIFF SAILING CLUB LIMITED

Scope

The Financial Report and Director's Responsibility

The financial report comprises the statement of financial position, statement of financial performance, accompanying notes to the financial statements, and the director's declaration for Yarra Bay 16' Skiff Sailing Club Limited (A Company Limited by Guarantee) (the company), for the year ended 30 April 2011.

The director of the company is responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion to the members of the company. My audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the director.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature of our procedures, my audit was designed to provide assurance on internal controls.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Qualifications

Audit opinion

In my opinion, the financial report of Yarra Bay 16' Skiff Sailing Club Limited (A Company Limited by Guarantee) is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 April 2011 and of its performance of the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements.

Name of Firm: Fitzpatrick & Associates
Certified Practising Accountants

Name of Partner: W.A. Fitzpatrick

Address: Suite 126/4 Hyde Parade
Campbelltown NSW 2560

Dated this 03 day of August 2011

Poker Machine Trading Account For the Year Ended 30th April 2011

	2011	2010
	\$	\$
Net Poker Machine Takings	<u>340,114</u>	<u>361,609</u>
Less: Direct Costs		
Analysis Gaming	1,700	2,700
Depreciation Analysis Gaming	21,380	21,545
Data Monitoring Services	10,447	10,514
Poker Machine Promotions	4,889	1,329
Repairs & Maintenance	8,752	9,560
Wages	-	72,317
	<u>47,168</u>	<u>117,965</u>
Net Profit (Loss)	<u><u>292,946</u></u>	<u><u>243,645</u></u>

Bar Trading Account

For the Year Ended 30th April 2011

	2011	2010
	\$	\$
Income		
Bar Sales	687,758	755,531
	<hr/>	<hr/>
Less: Cost of Goods Sold		
Opening Stock	24,803	29,947
Purchases	231,855	297,864
	<hr/>	<hr/>
	256,658	327,811
Less: Closing Stock	27,002	24,803
	<hr/>	<hr/>
	229,656	303,008
Gross Profit	458,102	452,523
	<hr/>	<hr/>
	66.61%	59.89%
Less: Direct Costs		
Depreciation	17,662	9,847
Bar Sundries	6,088	19,513
Kitchen Promotion	-	5,455
Repairs & Maintenance - Bar Sundries	5,179	11,128
Stocktaking Fees	4,200	4,360
Wages		220,762
	<hr/>	<hr/>
	33,129	271,065
Net Profit (Loss)	424,973	181,458
	<hr/> <hr/>	<hr/> <hr/>

Keno & TAB Trading Account For the Year Ended 30th April 2011

	Notes	2011 \$	2010 \$
Keno			
Keno Commissions		40,109	29,313
		<u>40,109</u>	<u>29,313</u>
Less: Keno Expenses			
Maintenance		2,732	2,699
Promotion		700	350
Stationary		332	452
Wages		-	41,041
		<u>3,764</u>	<u>44,542</u>
Net Profit (Loss)		<u>36,345</u>	<u>-15,229</u>
 TAB			
TAB Commissions		9,428	11,388
		<u>9,428</u>	<u>11,388</u>
Less: TAB Expenses			
Bank Fees		-	-
Maintenance		-	-
Stationary		-	-
Wages		-	41,041
		<u>-</u>	<u>41,041</u>
Net Profit (Loss)		<u>9,428</u>	<u>-29,653</u>

Detailed Profit and Loss Account For the Year Ended 30th April 2011

	Schedule	2011 \$	2010 \$
Income			
Net profit - bar trading		424,973	181,458
Net profit - poker machine trading		292,946	243,645
Net profit - Keno trading		36,345	-15,229
Net profit - TAB		9,428	-29,653
Other Income			
Bank Recovery		-	49,669
Cash Card / ATM Commission		6,475	480
Donations		-	600
Function Income		-	5,931
GST Rebate -OSR		17,180	17,180
Insurance Recoveries		152,351	-
Insurance Refund		15,375	6,153
Membership		8,677	10,490
Raffles		14,178	24,178
Rent Income		227	24,000
Room Hire		3,118	9,248
Sundry Income		10,290	6,088
Telephone		47	351
Total Income		991,610	534,589
Less Operating Expenses			
Amortization of Leasehold		28,408	37,169
Audit Fees		3,208	21,000
Accounting		8,259	11,870
Advertising		2,190	6,735
Amenities / Members Giveaway		5,929	3,805
Bank Charges		5,350	3,876
Consultancy		-	32,769
Computer Expenses		2,530	9,199
Courtesy Bus		16,815	13,063
Cleaner-contract		35,820	37,609
Cleaning Materials		8,455	8,937
Cleaning & Rubbish Removal		9,174	9,019
Directors Expenses		2,025	2,229
Balance carried forward		128,163	197,280

Detailed Profit and Loss Account For the Year Ended 30th April 2011

	2011	2010
	\$	\$
Balance Brought Forward	128,163	197,280
Entertainment & Members amenities	44,013	38,885
Electricity	47,711	46,201
Foxsports	18,098	17,576
Fine	-	1,100
Insurance	34,007	36,769
Interest Paid	2,912	4,746
Legal	24,275	28,702
Leasing/Rental Costs - Club	18,676	2,196
Licenses	781	2,595
Miscellaneous Expenses	4,934	3,578
Printing, Postage, Stationary	14,239	11,731
Raffle Expenses	22,997	27,277
Repairs & Maintenance	19,486	37,321
Rent, Water, Council	10,175	24,896
Refund	-	1,200
Security	10,017	5,062
Sky Channel	19,578	17,255
Subscriptions & Donations	5,004	3,949
Staff Amenities	1,196	2,145
Telephone	11,884	12,804
Union Fees	-	2,621
Wages	444,095	42,356
Superannuation	34,443	44,624
	916,684	612,869
Net Profit	74,926	-78,280

IMPORTANT INFORMATION FOR CLUB MEMBERS – 2011

This document is in the approved form of the Director of Liquor and Gaming and **MUST** be sent to members of the Club.

The report period for Yarra Bay 16Ft Skiff Sailing Club Limited is Serial No 231062 the year ended 30th April 2011.

IMPORTANT NOTES

The Registered Clubs Act 1976 defines a *TOP EXECUTIVE* as being one of the five highest paid employees of the Club at each separate premises of the Club.

DISCLOSURE OF INTEREST OF DIRECTORS IN CONTRACTS WITH THE CLUB-SECTION 41C

Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

The Registered Clubs Act 1976 requires *DIRECTORS* who have a material personal interest in matters that relate to the affairs of the Club to declare the interest at a board meeting **AND** the Club to display the declaration on the Club's notice board. A contract is any commercial arrangement whether written or not.

In the reporting period there were 0 occasions when *DIRECTORS* reported a material personal interest in a matter relating to the Club's affairs.

FINANCIAL INTERESTS IN HOTELS – SECTION 41D

Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

In the reporting period there were 0 occasions when *DIRECTORS* reported a financial interest in a hotel in NSW. In the reporting period there were 0 occasions when *TOP EXECUTIVES* reported a financial interest in a hotel in NSW.

GIFTS TO DIRECTORS AND STAFF – SECTION 41E & SECTION 41F

Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

An affiliated body of the Club includes subsidiary Clubs, and anybody which the Club made a grant to within the previous 12 months. A gift includes money, hospitality, or discounts. A gift valued at more than \$500 must be disclosed: gifts from *CONTRACTORS* must be disclosed if they total more than \$500 from an individual contractor in the reporting period.

Directors

In the reporting period there were 0 occasions when *DIRECTORS* of the Club reported receiving gifts from *AFFILIATED BODIES*. In the reporting period

there were 0 occasions when *DIRECTORS* of the Club reported receiving gifts from *CONTRACTORS*.

Top Executives and Employees

In the reporting period there were 0 occasions when *TOP EXECUTIVES* of the Club reported receiving gifts from *AFFILIATED BODIES*. In the reporting period there were 0 occasions when *DIRECTORS* of the Club reported receiving gifts from *CONTRACTORS*.

Value of Gifts

The total value of all gifts that *DIRECTORS* and *TOP EXECUTIVES* received from *AFFILIATED BODIES* in the reporting period is \$0. The total value of all gifts that *DIRECTORS* and *EMPLOYEES* received from *CONTRACTORS* in the reporting period is \$0.

TOP EXECUTIVES – S.41H (1)(b)

No *TOP EXECUTIVE* of the Club received a total remuneration package which was in excess of \$100,000.

OVERSEAS TRAVEL – S.41b (1)(c)

In the reporting period the Club incurred the following costs for the overseas travel of *DIRECTORS* and *EMPLOYEES*: \$0.

LOANS TO STAFF – S.41H (1)(d)

The Registered Clubs Act 1976 requires the Club to report loans to *EMPLOYEES* of \$1,000 or more. In the reporting period, the following loans were made to *EMPLOYEES*: \$0.

CONTRACTS APPROVED BY BOARD – S.41H(1)(e)

During the reporting period the Board approved 0 contracts relating to the remuneration of the Club's *TOP EXECUTIVES*.

The Registered Clubs Act 1976 defines a Controlled Contract as being a Club contract:

- In which a *DIRECTOR* or *TOP EXECUTIVE* has a pecuniary interest, or
- For provision of professional advice relating to the following:
 - (a) significant change to management structures or governance of the Club;
 - (b) significant change to the financial management of the Club;
 - (c) disposal of land; and
 - (d) the amalgamation of the Club.

During the reporting period 0 controlled contracts were approved by the Board and forwarded to the Director of Liquor and Gaming of which:

- 0 such contracts related to contracts in which a *DIRECTOR OR TOP EXECUTIVE* has a pecuniary interest.
- 0 such contracts related to the provision of professional advice. These contracts fall in the following advice categories:

YARRA BAY 16' SKIFF SAILING CLUB LIMITED

A.C.N. 000 583 693

(A Company Limited by Guarantee)

- 0 significant change to the management structure of governance of the Club.
- 0 significant change to the financial management of the Club
- 0 disposal of the Club land.
- 0 amalgamation of the Club.

EMPLOYEES RELATED TO DIRECTORS AND TOP EXECUTIVES

– S.41H(1)(f)

A *CLOSE RELATIVE* is defined in section 41B of the Registered Clubs Act 1976 and includes the immediate family.

In the reporting period, the Club employed the following persons who were a close relative of a *DIRECTOR* or a *TOP EXECUTIVE* of the Club:

Name of Close Relative	Related to	Total Remuneration paid to Close Relative
James Wallace	Barry Wallace	\$109.6
Blake Grande	Claude Grand	\$3,117.25

DETAILS OF SETTLEMENTS PAID BY THE CLUB – S.41H (1)(i)

In the reporting period the Club made 0 legal settlements with either a director or Club employee. Being 0 with a *DIRECTOR* of the Club and 0 with a Club *EMPLOYEE*. The total value of all legal settlements was \$0. The total legal costs paid by the Club for such settlements was \$0.

LEGAL FEES PAID BY THE CLUB – S.41H (1)(j)

In the reporting period, there were 0 instances when the Club paid legal fees for *DIRECTORS* and *EMPLOYEES*. This included 0 instances for *DIRECTORS* and 0 instances for *EMPLOYEES*. In the reporting period the Club paid a total \$0 being for legal fees paid for *DIRECTORS* and *EMPLOYEES*.

NET REVENUE FROM POKER MACHINE TAKINGS – S.41H (1)(k)

Net revenue from poker machine trading for the 12-month period ended 30th April 2011 amounted to \$340,114.

COMMUNITY DEVELOPMENT & SUPPORT – S.41H (1)(l)

Clubs earning in excess of \$1,000,000 per annum in gaming machine profit can apply part of such profit to community development and support. Total expenditure for the reporting period was \$0.

This document is in the approval form of the Director of Liquor and Gaming and MUST be sent to members of the Club.

NOTES



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