



SWAN YACHT CLUB

SPECIAL PURPOSE FINANCIAL REPORT

30 JUNE 2015 FULL YEAR

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2015

	Note	2015 A\$	2014 A\$
Income from continuing operations			
Bar		987,992	1,045,637
Galley		1,003,210	1,053,589
Marina		863,444	728,673
Membership		618,662	591,709
Functions and Events	21	77,046	126,070
		<u>3,550,354</u>	<u>3,545,678</u>
Other income			
Interest revenue		47,514	89,289
FC Memberships	21	384,556	-
Other revenue		42,713	79,215
		<u>474,783</u>	<u>168,504</u>
Total Income		<u>4,025,137</u>	<u>3,714,182</u>
Expenses			
Cost of sales - Bar	3(a)	664,162	686,052
Cost of sales - Galley	3(b)	959,668	936,864
Cost of sales – Functions and Events		48,127	158,682
		<u>1,671,957</u>	<u>1,781,598</u>
Other expenses from normal activities			
Administration	4(a)	1,174,858	1,341,421
Marina	4(b)	196,157	261,691
Depreciation and Amortisation	10	240,136	213,512
Write down of capitalised building plans		-	-
		<u>1,611,151</u>	<u>1,816,624</u>
Surplus/(deficit) before income tax		<u>742,029</u>	<u>115,960</u>
Income tax expense/(benefit)	5	-	-
Surplus/(Deficit) attributable to the Club		<u>742,029</u>	<u>115,960</u>
Total Comprehensive Income /(Loss) attributable to the club		<u>742,029</u>	<u>115,960</u>

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2015

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Statement of Financial Position

As at 30 June 2015

	Note	2015 A\$	2014 A\$
ASSETS			
Current assets			
Cash and cash equivalents	6	2,211,533	2,217,421
Trade and other receivables	7	768,420	855,817
Inventory & spares	8	36,958	52,398
Total current assets		3,016,911	3,125,636
Non-current assets			
Other Receivables	9	3,441,500	3,542,500
Property, plant and equipment	10	1,684,677	1,069,652
Total non-current assets		5,126,177	4,612,152
Total assets		8,143,088	7,737,788
LIABILITIES			
Current liabilities			
Trade and other payables	11	362,547	312,095
Unearned membership income invoiced in advance	12	1,077,115	1,082,024
Provision for employee entitlements	13	61,927	74,043
Fremantle Club Amalgamation Funds	15	249,275	249,275
Total current liabilities		1,750,864	1,717,437
Non-current liabilities			
Members deposits		46,200	31,800
Fremantle Club Amalgamation Funds	14	2,868,441	3,252,997
Total non-current liabilities		2,914,641	3,284,797
Total liabilities		4,665,505	5,002,234
Net assets		3,477,583	2,735,554
EQUITY			
Retained earnings		3,477,583	2,735,554
Total equity		3,477,583	2,735,554

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

Statement of Changes in Equity
For the Year ended 30 June 2015

	Retained Earnings A\$	Total Equity A\$
Balance at 1 July 2013	2,619,594	2,619,594
Profit for the period	115,960	115,960
Total comprehensive income for the period	115,960	115,960
Balance at 30 June 2014	2,735,554	2,735,554
Profit for the period	742,029	742,029
Total comprehensive income for the period	742,029	742,029
Balance at 30 June 2015	3,477,583	3,477,583

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

Statement of Cash Flows
For the Year ended 30 June 2015

	Notes	2015 A\$	2014 A\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities		4,089,951	3,751,743
Payments to suppliers and employees		(3,288,192)	(3,344,955)
Interest received		47,514	86,256
Net cash inflow/(outflow) from operating activities	21	849,273	493,044
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	10	(855,161)	(196,912)
Sale of assets		-	-
Proceeds/(Investment) on long-term deposit		-	1,503,033
Net cash inflow/(outflow) from investing activities		(855,161)	1,306,121
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings (overdraft and members)		-	-
Net cash inflow/(outflow) from financing activities		-	-
Net increase/(decrease) in cash held		(5,888)	1,799,165
Cash and cash equivalents at beginning of reporting period		2,217,421	418,256
Cash and cash equivalents at end of reporting period	6	2,211,533	2,217,421

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

Notes to the Financial Statements

For the Year ended 30 June 2015

NOTES TO THE FINANCIAL STATEMENTS
1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements represent the Club's accounts of the Swan Yacht Club.

The accounting policies adopted are consistent with those of the previous financial year.

(a) New, revised or amended Accounting Standards and Interpretations adopted

The Club has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory have not been early adopted. Any significant impact on the accounting policies of the Club from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Club.

(b) Basis of preparation

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Club's members. The Managing Committee has determined that the Club is not a reporting entity.

The report has been prepared in accordance with the requirements of the Management Committee and the following Australian Accounting Standards:

AASB 101	<i>Presentation of Financial Statements</i>
AASB 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
AASB 107	<i>Statement of Cash Flows</i>
AASB 110	<i>Events after the End of the Reporting Period</i>
AASB 116	<i>Property, Plant & Equipment</i>
AASB 1031	<i>Materiality</i>
AASB 1048	<i>Interpretation and Application of Standards</i>

No other Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Historical cost convention

These financial statements have been prepared under the historical cost convention as modified by the revaluation of selected non-current assets, and financial assets and liabilities for which the fair value basis of accounting has been applied.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Club's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The concept of accruals accounting has been adopted in preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Notes to the Financial Statements
For the Year ended 30 June 2015

1 Summary of significant accounting policies (continued)

(c) Revenue recognition

Revenue is recognised at the fair value of consideration received or receivable, in the period in which it is earned.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(d) Income tax

The Club is exempt from income tax by virtue of section 50-45 of the Income Tax Assessment Act 1997 (as amended).

(e) Leases

Leases of property, plant and equipment where the Club, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Club as lessee are classified as operating leases (note 20). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements**For the Year ended 30 June 2015**

1 Summary of significant accounting policies (continued)**(h) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Club will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the profit and loss.

(i) Investments and other financial assets***Classification***

The Club classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting period.

j) Investments and other financial assets***i. Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in the statement of financial position (note 7).

ii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Club's management has the positive intention and ability to hold to maturity. If the Club were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

iii. Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Notes to the Financial Statements
For the Year ended 30 June 2015

1 Summary of significant accounting policies (continued)
j) Investments and other financial assets (continued)
Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Club commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss, are initially recognised at fair value and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Club has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

Measurement

At initial recognition, the Club measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Club's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

Impairment

The Club assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired.

A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Notes to the Financial Statements

For the Year ended 30 June 2015

1 Summary of significant accounting policies (continued)**j) Investments and other financial assets (continued)***i. Assets carried at amortised cost*

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Club may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

k) Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Club and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited, net of tax, to other reserves in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is transferred from the property, plant and equipment revaluation reserve to retained earnings.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- Land	not depreciated
- Buildings	15 to 100 years
- Administration assets	3 to 20 years
- Bar & Galley assets	3 to 30 years
- Marina assets	3 to 40 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(j)).

Notes to the Financial Statements

For the Year ended 30 June 2015

1 Summary of significant accounting policies (continued)

k) Property, plant and equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Club policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Club prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless a payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Club has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

n) Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of the employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee entitlements. All other short-term employee benefit obligations are presented as payables.

ii. Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Club recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

(o) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Notes to the Financial Statements

For the Year ended 30 June 2015

1 Summary of significant accounting policies (continued)

(o) Contributed equity (continued)

If the entity reacquires its own equity instruments, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(q) Rounding of amounts

The Club is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest dollar.

2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Club makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Impairment

The Club tests annually whether any assets have suffered any impairment, in accordance with the accounting policy stated in note 1(j). Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

ii. Deferred revenue

The club has recognised a liability in relation to the funds received in advance for contribution toward the 'Lifetime Memberships' provided to the Fremantle Club members in the 2014 financial year. In recognising revenue related to the Lifetime Memberships, the club uses estimates and assumptions to calculate the current year's membership fees incurred / "earned". The estimates are based upon historical data of the FC Memberships and are updated each year based on actual movement in membership numbers. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Notes to the Financial Statements

For the Year ended 30 June 2015

3 Cost of sales for the period

	2015	2014
	A\$	A\$
(a) Bar expenses		
Value of inventory used	327,490	363,941
Employee benefits expense	285,970	279,619
Cleaning	-	-
Licenses	3,396	3,445
Minor consumables	4,599	7,089
Music & entertainment	29,609	25,916
Repairs & maintenance	3,049	4,886
Utilities	-	-
Other	10,050	1,156
Total bar expenses	664,162	686,052
	2015	2014
	A\$	A\$
(b) Galley expenses		
Value of inventory used	481,176	533,724
Employee benefits expense	445,536	378,742
Cleaning	4,157	2,711
Licenses	-	103
Minor consumables	15,329	7,272
Repairs & maintenance	9,594	13,406
Utilities	-	-
Other	3,876	906
Total galley expenses	959,668	936,864

Notes to the Financial Statements

For the Year ended 30 June 2015

4 Other expenses from normal activities

	2015	2014
	A\$	A\$
(a) Administration		
Advertising expenses	10,367	3,996
Audit fees	21,283	13,275
Bank charges	13,686	11,320
Cleaning	62,464	71,547
Committee expenses	22,188	13,839
Communication costs	21,323	22,209
Consultant & Contractor	49,863	173,160
Doubtful debts expense ¹	3,024	(2,455)
Employee benefits expense	428,226	394,697
Fremantle Club Amalgamation expenses	-	16,853
Insurance	58,376	49,819
Interest expense	-	1,906
Lease expense	21,889	13,140
Legal costs	92	23,902
Members amenities	20,216	33,400
Payroll tax ²	26,874	(6,100)
Printing, postage & stationery	30,155	33,670
Rent & Rates	124,232	115,752
Repairs & maintenance	23,242	19,996
Security	30,778	142,771
Staff amenities	14,070	8,042
Staff Training	7,176	863
Subscriptions	31,423	36,064
Utilities	118,909	123,696
Other	35,002	26,059
Total corporate and administration expenses	1,174,857	1,341,421

¹In the prior year doubtful debts included a reduction from the provision for doubtful debts, relating to debts recovered which had previously been written off.

²In the prior year payroll tax included a rebate of \$27,991.

Notes to the Financial Statements

For the Year ended 30 June 2015

	2015	2014
	A\$	A\$
(b) Marina		
Cleaning	14,759	318
Consultant & Contractor	300	99,290
Employee benefits expense	69,580	81,508
Repairs & maintenance	70,959	34,525
Riverbed & jetty lease	32,907	31,269
Spare parts used	3,817	10,188
Utilities	-	-
Other	3,835	4593
Total marina expenses	196,157	261,691

5 Income tax and deferred tax

As at 30 June management has assessed the Club as a Sporting Club for taxation purposes and is therefore exempt for the purposes of income tax.

6 Current assets – Cash and cash equivalents

	2015	2014
	A\$	A\$
Cash at bank and in hand	792,693	697,248
Cash floats, petty cash & ATM	18,840	17,140
Deposits at call	1,400,000	1,503,033
	2,211,533	2,217,421

7 Current assets – Trade and other receivables

	2015	2014
	A\$	A\$
Trade receivables ¹	765,220	857,015
Less provision for impairment	(17,556)	(17,556)
	747,664	839,459
Prepaid expenses	8,978	8,674
Other receivables	11,778	7,684
	768,420	855,817

The Club does not hold any collateral in relation to these receivables.

¹Trade receivables as at 30 June 2015 include membership fees for the next financial year, ending 30 June 2016

Notes to the Financial Statements

For the Year ended 30 June 2015

8 Inventories & spares

	2015	2014
	A\$	A\$
Bar	23,936	33,359
Galley	8,097	10,298
Marine spares	4,924	8,741
	36,958	52,398

9 Restricted cash and cash equivalents

	2015	2014
	A\$	A\$
Fremantle Club Amalgamation Fund ¹	3,400,000	3,501,000
Swan River Trust Bond	41,500	41,500
	3,441,500	3,542,500

¹During the prior year Club received \$3,507,772 from the Fremantle Club Inc. (FC) as contribution for the amalgamation with the SYC. Under the terms of the agreement, the funds received from FC are to be applied by SYC towards refurbishment of the SYC premises. The funds are held over 3 term deposits with a maturity of 12 months. The club spent approximately \$111,515 in the current year on various consulting and architect expenses relating to the new building plans (\$5,500 spent in 2014). Refer to note 16 for further details of the agreement.

10 Non-current assets – Property, plant and equipment

	Office Equipment A\$	Land & Buildings A\$	Bar & Galley A\$	Marine A\$	Total A\$
Year ended 30 June 2014					
Opening book amount	34,848	252,358	47,223	751,823	1,086,252
Adjustments/Write downs	-	-	-	-	-
Additions	6,177	46,501	108,608	35,626	196,912
Disposals	-	-	-	-	-
Depreciation charge	(12,584)	(38,025)	(15,811)	(147,092)	(213,512)
Closing net book amount	28,441	260,834	140,020	640,357	1,069,652
As at 30 June 2014					
Cost	218,578	1,002,734	576,239	2,232,682	4,030,233
Accumulated depreciation	(190,137)	(741,900)	(436,219)	(1,592,325)	(2,960,581)
Net book amount	28,441	260,834	140,020	640,357	1,069,652

Notes to the Financial Statements
For the Year ended 30 June 2015

Year ended 30 June 2015					
Opening book amount	28,441	260,834	140,020	640,357	1,069,652
Adjustments/Write downs					
Additions	12,3063	24,311	1,850	703,187	852,411
Disposals	-	-	-	-	-
Depreciation charge	(22,920)	(40,105)	(19,001)	(158,110)	(240,136)
Closing net book amount	128,584	245,040	122,869	1,185,434	1,681,927

As at 30 June 2015					
Cost	341,641	1,027,045	578,089	2,935,868	4,882,644
Accumulated depreciation	(213,057)	(782,005)	(455,220)	(1,750,435)	(3,200,717)
Net book amount	128,584	245,041	122,869	1,185,433	1,681,927

11 Current liabilities – Trade and other payables

	2015	2014
	A\$	A\$
Trade payables	165,196	102,220
Accrued expenses	72,899	75,584
Function/Event Deposits	21,906	13,386
Goods & services tax payable	102,544	120,905
	362,546	312,095

12 Current liabilities – Unearned membership income invoiced in advance

	2015	2014
	A\$	A\$
Security fees	38,598	58,904
Dinghy fees	-	3,341
Ramp fees	20,938	21,056
Pen fees	559,479	529,059
Subs fees	452,818	367,361
Rate recovery fees	5,282	93,183
SSR fees	-	9,120
	1,077,115	1,082,024

Membership income is recognised in the profit and loss on a proportional basis over the period fees are earned.

Notes to the Financial Statements

For the Year ended 30 June 2015

13 Current liabilities – Provisions

	2015	2014
	A\$	A\$
Accrued annual leave	61,927	74,043

Annual leave accrued is presented as current, since the Club does not have an unconditional right to defer settlement. However, based on past experience, the Club does not expect all employees to take the full amount of accrued leave within the next 12 months.

14 Fremantle Club Amalgamation

	2015	2014
	A\$	A\$
FC Lifetime Memberships Deferred revenue:		
Current Liability	249,275	249,275
Non-Current Liability	2,868,441	3,252,997
	3,117,716	3,502,272

During the prior period the club entered into a Heads of Agreement to amalgamate with the Fremantle Club Inc (FC). The FC, upon voluntary winding up, transferred its surplus assets of \$3,507,272 (amalgamation funds) to SYC. The final sum was transferred on 9 May 2015. In consideration for the amalgamation funds received, all members of the FC were given a 'Members for Life' membership with SYC, in which FC members are not required to pay levies and are entitled to use SYC boating facilities. As per the agreement, the amalgamation funds are to be applied by SYC towards funding the cost of refurbishing the SYC premises within 2 years from date of transfer.

At year end 30 June 2015 the club has recognised a total liability of \$3,117,716 relating to unearned membership fees based on the fair value attributed to the "Members for Life" memberships given to FC members as consideration upon amalgamation.

15 Accumulated Funds

	2015	2014
	A\$	A\$
Accumulated members' funds at the beginning of the of the financial year	2,735,554	2,619,594
Surplus/ (Loss) attributable to the club	742,029	115,960
Accumulated members' funds at the end of the financial year	3,477,583	2,735,554

16 Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditor(s) of the Club, its related practices and non-related audit firms:

	2015	2014
	A\$	A\$
(a) Audit and other assurance services		
BDO Audit (WA) Pty Ltd		
Audit of financial statements	18,500	15,275

Notes to the Financial Statements

For the Year ended 30 June 2015

Total remuneration for audit and other assurance services	18,500	15,275
(b) Non audit and other assurance services		
Professional Services	-	4,701
Total remuneration for non-audit and other assurance services	-	4,701

17 Contingent liabilities

Management disclosed a contingent liability due to financial discrepancies arising in prior years and has engaged professional advice to determine the nature and extent of any possible financial liability. Investigative work was completed during the prior year however, as at the date of this report a reliable estimate of the amount of liability cannot be made as the amount is contingent on determination from the ATO. The club has sought specialist taxation advice and have been advised that the club may not be liable for fines and penalties from the ATO as a result of voluntary disclosure. From initial discussion with the tax specialist it was noted the club may be liable to pay an estimated \$20,000 to the ATO for PAYG tax and GST shortfalls from prior years.

The Club had no contingent assets at either 30 June 2015 or 30 June 2014.

18 Commitments**Leasing commitments**

The Club leases its club house and river bed rights under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2015	2014
	A\$	A\$
Within one year	81,648	72,625
Later than one year but not later than five years	326,593	328,665
	408,241	401,290

The Club leases office equipment under cancellable operating leases. The Club is required to give three months' notice for termination of these leases.

The Club is provided with two vehicles from Melville Holden as part of a major sponsorship proposal where the Club will in turn provide Melville Holden with various advertising, brand exposure, and social benefits. During our review of the agreement, we considered the arrangement to contain the necessary elements to be considered an operating lease and each party should exchange a monthly invoice equivalent to the arm's length value of the vehicles operating lease. At the date of signing this report, Melville Holden did not respond to our requests for the equivalent value; therefore, offsetting transactions do not occur in the income statement.

19 Events occurring after the reporting date

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operation of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

20 Reconciliation of (loss)/profit after income tax to net cash outflow from operating activities

Notes to the Financial Statements

For the Year ended 30 June 2015

	2015	2014
	A\$	A\$
Gain/(Loss) for the period	742,029	115,960
Amortisation and depreciation	240,136	213,512
(Gain)/Loss on disposal of assets		-
Write down & adjustments of property plant & equipment		-
Decrease/(increase) in trade and other receivables	(200,987)	83,846
Decrease/(increase) in inventory	15,440	30,883
Decrease/(increase) in prepayments	4,828	4,828
Increase/(decrease) in member deposits	14,400	(48,600)
Increase/(decrease) in income in advance	(4,908)	40,745
Increase/(decrease) in trade and other payables	50,452	31,584
Increase/(decrease) in employee provisions	(12,116)	20,286
Net cash inflow used in operating activities	849,274	493,044

21 Individually significant items

		2015	2014
		A\$	A\$
Revenue			
Functions and Events	(i)	77,046	126,070
FC Memberships	(ii)	384,556	-

- (i) Functions and events income excludes bar and galley sales at the relevant events. For financial reporting purposes, these have been classified in bar and galley in the statement of profit or loss and other comprehensive income.
- (ii) FC Membership income relates to the deferred revenue liability of \$3,502,272 received in the prior year as contribution for the Lifetime Memberships given to the Fremantle Club members upon amalgamation with SYC. The revenue recognised at 30 June 2015 of \$384,556 relates to the revenue derived from Lifetime Memberships provided during the current year and has been calculated based on the number of memberships given and the average number of years attributed to each membership.

