



## ***SWAN YACHT CLUB***

**SPECIAL PURPOSE FINANCIAL REPORT**

**30 JUNE 2022 FULL YEAR**

## Special Purpose Financial Report

30 JUNE 2022 FULL YEAR

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## CLUB DIRECTORY

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### Management Committee

Mr I Harwood	Commodore
Mr S Browne	Vice Commodore
Mr M Maczkowiak	Rear Commodore
Mr M West	Rear Commodore Power & Angling
Mr J Turnbull	Treasurer
Mr G Dart	
Mr K Sorrell	
Mr J Riley	
Mr T Gray	
Mr P Davies	
Mr T Cawthan	

### Executive Positions

Mr D Gaspar	General Manager
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### Administration Office

Riverside Road  
East Fremantle  
WA 6158  
Telephone: +61 (0) 8 9339 3520  
Facsimile: +61 (0) 8 9339 5995

### Auditors

BDO Audit (WA) Pty Ltd  
Level 9, Mia Yellagonga Tower 2, 5 Spring Street  
Perth, WA 6000

### Web Site

[www.swanyachtclub.com.au](http://www.swanyachtclub.com.au)

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**General Manager Report**  
**For the year ended 30 June 2022**

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## COMMODORE'S REPORT

As many of you know it has been a year, not without its trials and tribulations, and a year unlike any other year at the club. For this Annual report I want to reflect on some of those challenges and successes over the past year.

The 2021/22 Club year started in the middle of the COVID pandemic which saw some restrictions to trading and a couple of short lockdowns. This obviously affected our ability to trade as per normal and had a knock-on effect to our turnover.

Last year in the annual report I informed that we had experienced some downtime in our slipway due to issues with the rails in the boat storage area. This was promptly repaired, and the slipway was again made operational. However, after managing to continue operation for the summer season, it was identified that we were beginning to experience significant corrosion issues on the supporting structure beneath the water line. This led to provision of an information session with the members and subsequently a vote on the future of the slipway. The members voted to retain the slipway but did not want a levy to pay for repairs. Thus, the repairs will need to be carried out when the club has the funds to do so. Noting that precedence will be given to the Jetty 5 replacement works.

For quite a while now, we have planned to replace Jetty 5, as the ageing infrastructure is beyond its serviceable life. This is a legacy of a time where the club didn't have the money to put into maintenance and upgrading the services our club has. We are in a fortunate position where over the past 10 years the Management Committee and Staff have worked hard to ensure that the club is positioned well to appropriately maintain our facilities and we are accruing money to be able to replace Jetty 5. This work should commence in the next 12 months. Our progress on this project has been slowed by the sign-off of the necessary authority permits required to commence the works.

We were fortunate this year to again be able to provide our usual Anzac Day services at the club after two years of not being able to hold a service due to COVID. The service was well attended and very well organised thanks to the Club Social Committee.

As you can see, a huge flurry of activity this year and a lot planned for the next 12 months also. I wish to thank the overwhelming support that the Management Committee and I have received from you, the members. It is always good to know that we are serving the members needs appropriately.

Many of you are already aware that my term as Commodore draws to an end in August 2022 at our AGM on the 24<sup>th</sup> August. At the AGM we will be swearing in current Vice Commodore Steve Browne as our new Commodore for the 2022/23 season and beyond. I wish the new Committee for 2022/23 and future Management Committees all the best. I am happy and confident that the club is in great hands with the new group. I also wish to thank the Staff and Management Committee for their support over the years that I have been Commodore and on the Management Committee.

Regards



Ian Harwood  
COMMODORE

08 August 2022

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**General Manager Report**  
**For the year ended 30 June 2022**

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## **GENERAL MANAGER REPORT**

*On behalf of the Commodore Ian Harwood, the Management Committee and all the team members I have great pleasure in presenting the Annual Report for 118<sup>th</sup> Club year ending 30 June 2022*

Although COVID-19 maintained its grip throughout the season and despite operational constraints, service capabilities remained robust.

I take this opportunity to thank our members, committee, staff, and volunteers who have supported our aims during a challenging season. The resilience they displayed was exemplary.

### **Highlights of 2021/2022**

The following is a summary of just some of the Club achievements over the past 12 months.

In September the club was the recipient of two prestigious Clubs WA awards:

1. Club of the Year (Large).
3. Club Development: Bar and River Deck development

We were all extremely proud of these achievement with both the main bar and river deck development being undertaken during a period of COVID uncertainty. Huge amount of planning went into ensuring that the projects improved the club amenity and general experience for our broader membership base.

The appointment of Meagan Popkiss to the role of Membership Liaison officer was a welcome addition aimed at providing an enhanced level of members services. Meagan joined the team after graduating from our food and beverage services to fulfill this newly developed role assisting members with their day-to-day inquiries and provide general direction and administrative support.

The Swan Yacht Club again hosted some major and new events that demonstrated our versatility.

Returning to the club calendar, the Club Opening Day attracted an encouraging number of full members who took to the water before joining in on the awards ceremony with Jon Riley taking home the main raffle prize.

November's Melbourne Cup continues to draw on our membership with hundreds of punters in attendance keen to indulge on what is a fun filled day enjoying the riverside lifestyle.

The introduction of the Order Away system meant members were able to make their food and beverage purchase from the comfort of their seat and avoiding the occasional queue.

Members Portal system allows members online access to their accounts. Benefits include quicker access to account details, improved payment options as well as minimised postage and handling for the administration team.

On the water \$272, 000 was spent on marina-based repairs throughout the financial year. Concrete jetty repairs, pile replacement program, finger jetty improvements and slipway rail works contributing to the bulk of expenditure.

Weights and chains replacement program commenced. The removal of weights and chains from the jetty side with the snubber system will aid members with a simpler method to secure their asset and minimise the impact on the environment overtime.

**General Manager Report****For the year ended 30 June 2022**

New Strategic Plan was drafted February 2022 and will be rolled out before the incoming Management Committee as they sit for their meetings in the first quarter.

Developing the club Master Plan is Matt Crawford Architects. This important document will outline the club vision for the next 25 years and will involve significant consultation with club key stakeholders.

You will read in the Treasurer's report after all expenses were paid a healthy surplus was recorded.

The club recorded surplus, appeared unlikely midway through the season when operations were significantly affected due to COVID. The club's ability to *steady the ship*, was a recognisable highlight.

In summary, 2021/2022 year was full of challenges. Everyone played their part complying with the COVID policies with an aim to ensure our long-term health and safety.

**Delivering our strategy**

Our purpose - *Helping members love life on the river.*

Vision: *Our members to feel like the luckiest in the world.*

Our offer: A riverside lifestyle, underpinned by quality marine infrastructure, brilliant service, and great food and entertainment in an unbeatable, family friendly setting, with a true Club vibe.

By focusing our effort on Member Centricity, delivering World-Class Amenities, Growing Sustainably and being a Contributing Club, the Swan Yacht Club is helping our members love life on the river.

Our vision is to do these things so well, that our members feel like the luckiest in the world.

Looking forward we will continue to execute our strategy in three key areas:

Facilities and Infrastructure, Financial sustainability, Safety and Environmental Initiatives

**Meetings of Management Committee**

During the period of August 2021 and August 2022 eleven management meetings were held. Attendance of each Committee member is as follows:

	Number attended	Number eligible to attend
Ian Harwood	10	11
Steve Browne	11	11
Mark Maczkowiak	7	11
Mark West	7	11
James Turnbull	8	11
Graham Dart	7	11
Tim Gray	8	11
Jon Riley	11	11
Paul Davies	8	11
Troy Cawthan	11	11
Kim Sorrell	11	11

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**General Manager Report**  
**For the year ended 30 June 2022**

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## **Mooring Committee**

The Mooring Committee has been active over the past 12 months. The Mooring Committee Chairman, Mark Maczkowiak was well supported by Steve Browne, Ian Harwood, Dennis Nankivell, Kim Sorrell, and Graham Dart.

The following are some of the key activities the Committee are responsible for and undertaken in the past 12 months.

### ***Governance in relation to Pens and Pen Compliance***

The Committee will continue to enforce all rules and regulations relating to the policing of the marina. Pen Compliance and Pen Licence Agreements are annually audited to ensure members meet the standard obligations.

### ***Maintenance Plan***

The Mooring Committee has worked through regular maintenance activities for the club in accordance with the assembled 10-year plan budget.

Pile replacement continue to dominate the ongoing maintenance with the increasing cost of steel a major concern moving forward with the goal to replace fifteen piles per season.

The pile caps install continued throughout the season and I thank the volunteers who assisted with these works.

Slipway rails were replaced along the eastern side during the first half of the financial year before an underwater survey discovered major structural issues within the underwater railing system forcing the club to cease use of the slips due to safety concerns. The subsequent, members survey confirming that the slipway will remain out of use until funds are available to undertake major improvements.

### ***The Pen allocations***

The Mooring Committee is responsible for the allocation of pens to members. The pen wait list is the Committee's number one tool when allocating pens at the Mooring Committee monthly meeting.

Members were advised midway through the season of the revised policy related to the Pen Transfer list.

The marina occupancy throughout the season improved with minimal pens available for allocations by June 30.

With a strong demand for boat storage across the state set to continue the Mooring Committee will be assessing the introduction of alternative boat storage options during the coming season.

### ***Jetty concrete repair***

Cracking along sections of jetties three, four and six was identified late last financial year with contractors undertaking the repairs earlier this year. A key improvement, further minor repairs are expected throughout the season designed at providing the Club and its members with an improved amenity.

### ***Jetty 5 redevelopment***

With the engineering phase underway. The Mooring Committee will be working towards design of Jetty 5 throughout the season. This major capital investment is set to dominate the season and will progress as we work with our key partners the Town of East Fremantle, Department of Transport, Traditional Landowners and the Department of Biodiversity, Conservation and Attractions.

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**General Manager Report**  
**For the year ended 30 June 2022**

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***Disability Hoist***

Plans to purchase a disability hoist were outlined early in the season and with the support of a community grant the purchase was eventually confirmed. The hoist is expected to be installed before Christmas once the appropriate engineering and approval process has been satisfied.

**House Committee**

The 2021/2022 year saw the club forced to revise a few major events because of the COVID restrictions. House Committee were led by Vice Commodore Steve Browne in company with Tim Gray, Troy Cawthan, Jon Riley, Paul Davies, Mark West, and Social Committee Chair Di Schoch.

***Functions and Events***

Among the events hosted were New Year's Eve event, Australia Day, Melbourne Cup, Open Day, and Christmas Day luncheon.

Our ladies social group efforts in assisting Commodore Ian Harwood with the Commodores Cocktail Party were well received by those attendees and we look forward to the upcoming Commodores Ball set for October which promises to be another outstanding event.

Separately, members were treated throughout the year with offers which included significantly discounted food and beverages, Open Mic Night, Mother's Day, Father's Day festivities, AFL Grand Final and lunch time specials offering affordable food and beverage offers

***Community partners and suppliers***

To the team at Maddington Toyota & Canning Vale Toyota your promotional role in making the partnership so effective is much appreciated. The crew at Maddington Toyota and Canning Vale Toyota do an incredible job supporting each one of our club initiatives.

Corporate Challenge sponsorship continued to promote members and supplier's businesses with an outstanding number of businesses supporting the initiative.

Worldwide Marine Spares the winning team, with Lincoln Grosse on hand for his acceptance speech taking home an advertising package valued at \$25,000. Thank you to all who participated.

They include-

Fleximarine  
Sweeney's Marine Service  
CVAC  
Mcfarland Plumbing  
Aqualuma  
Barons Beverage Services  
West Coast HI FI  
Character Living Building Company  
Perna Group  
Broadway Marine Constructions  
Transconsult  
Engineering Supplies (WA) Pty Ltd  
Worldwide Marine Spares  
Prestige Marine & General Engineering  
Oilfield Piping Systems



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**General Manager Report**  
**For the year ended 30 June 2022**

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Trident Insurance Group  
 Bluewater Marine Maintenance  
 Fresh Provisions  
 Institute of Building Technology WA  
 Jurovich Surveying Pty Ltd  
 Yard Property  
 Caporn Young  
 Precise Massage  
 Pleasure Marine  
 Soltoggio Bros  
 Indianic Group Pty Ltd  
 Wright Marine Management  
 SMP Engineering  
 DMI Signs  
 Xtreme Protective Coating  
 Lion Brewery  
 Brown Brothers Furniture  
 Casey Tours  
 Altona Plumbing  
 Gage Roads Brewery  
 Mira Marine  
 Matthew Crawford Architects  
 Global Civil & Mining

I encourage all members to get on board and support our growing community with the full list of Swan Yacht Club listed businesses displayed on our website.

Our Club Affiliates include:

Fremantle Outriggers Canoe Club  
 Training Ship Perth – Navy Cadets

Fremantle Swan Dragon Boat Club  
 Fremantle Rowing Club

In company with Club Affiliates our Angling Section is the Club's key Sub – Section.

Well done to Angling Captain, James Aps, and his team, on a successful Angling season James and his team have done an incredible job managing the interrupted season.

Our Social Events Group led by Di Schoch were responsible for a chain of successful events including the Commodores Ball, Ladies Luncheon, and Open Mic.

Don and Marian Byfield continue to amaze everyone with their strength and determination through their work organising the Cancer Council, Biggest Morning Tea which again raised more than \$11,000 for cancer research. An outstanding result.

The Management Committee review of the Five-Year Plan was undertaken.

The Five-Year Plan will continue to ensure clear direction and financial security of the Club.

*As reported our 2022-2027 Strategic Plan is in place and will be accompanied by the soon to be drafted Master Plan to ensure the club has the strategies to ensure we have sufficient financial reserves to finance the future capital and maintenance programs.*

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**General Manager Report**  
**For the year ended 30 June 2022**

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**Vale**

Over the past year we have seen the passing of some long-standing members of the Swan Yacht Club. We express our deepest condolences to their families and friends.

**Summary**

Our members are the cornerstone of our sustained successes. Through the support of our members, we continue to build on our brand within the wider community. Our thriving membership provides your Committee and Management with the confidence to pursue a range of innovations aimed at enhancing your overall membership experience. Thank you for the collective support you have offered.

To the administration and front-line managers Cindy, David, Natalie, Adele, JP, Edwin, and Meagan thank you for your commitment to the club's mission. All the planning and support behind the scenes is very much appreciated. Our staff have demonstrated an enormous level of resilience and commitment to tackle whatever challenge comes their way.

We say goodbye to Bosun Greg Roach as he enters a phase of retirement. Greg has offered outstanding support over numerous years, and we hope to see him around in a social sense moving forward.

Committee member Tim Gray also leaves us as a member of the Management Committee after providing support over an extended period.

I would like to welcome incoming committee members Graham Butler and Wayne Jones to the mix who at the time of print are yet to be officially sworn in as members of the 2022-2023 Management Committee.

In closing, the Management Committee and Sub Committees over the past 12 months have done an extraordinary job constantly challenged with the ongoing Covid threat. I thank the team for their collective efforts led by Commodore Ian Harwood his direction throughout his tenure on Committee and over the past two seasons as Commodore has ensured we have remained seaworthy.

I look forward to working alongside incoming Commodore, Steve Browne, Management Committee and Staff on a host of exciting initiatives both on land and on the water throughout the season with an aim to help members love life on the river!

**Damien Gaspar**



General Manager  
08 August 2022

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**General Manager Report**  
**For the year ended 30 June 2022**

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## **TREASURER'S REPORT**

### ***Financial Performance***

The Club commenced the 2022 financial year with the uncertainty of the impact of COVID and the 2022 tight budget model and cashflow represented the direction of the Management Committee and Finance Team erring on the side of caution. The approach taken was characterised by tighter cost controls and a change in some procedures to allow the club to reduce some costs and staff took on extra duties to reduce spending where possible. July 2021 saw the Club commence the new financial year in a lockdown delaying the member's return to the club until mid July. Understandably member's were hesitant to immediately return however in time, as the warmer weather returned and the COVID restrictions lifted, the club is proud to report a surplus of \$682,786. The club has seen a decline of membership numbers due to the effect of COVID, however it has experienced a growing number of functions and events. The total reported surplus for the year to 30 June 2022 was similar to that of the previous year after removing the Government cash injections to combat the issues associated with COVID.

Marina and membership income were higher than anticipated, reflecting a repeated year in demand for pens. Bar and galley sales produced positive results but were lower than expected as members were still trying to adjust to living with changing Government restrictions and avoid catching COVID. Functions and events income increased in sales by 9.6% and strong interest continues. Administrative costs were tightly managed throughout the year and as a result the overall costs were below budget.

With the club experiencing the nervousness of members and the ongoing impact of COVID, major capital works were held over during the year. Whilst the Management Committee and sub committees continued to plan for various capital works this year saw the works slowed due to approval processes and ongoing changes. Jetty 5 remains the club's next major capital work and will continue to fund the project without engaging any debt facility. During June 2022 a membership survey was taken to gain feedback on the future of the slipways after 17.5% of the marina repairs and maintenance budget was used to try to keep the slipways open during the last twelve months, combined with large amounts spent the previous year. Unfortunately it has now been ascertained that the slipway requires a minimum of \$400,000 of repairs to allow the slipway to operate safely again and is currently closed for use. The member's voted to keep the slipway closed until the club could raise the funds to complete the required repairs. At this time the club is unable to commit funds to this project given the increasing requirement to proceed with Jetty 5 and therefore the slipways will be closed indefinitely for the foreseeable future.

### ***Marina & Memberships***

Marina income exceeded expectation this year with larger than anticipated pen ingoings. Membership reached 2,891 during the height of summer, however, the uncertainty of COVID has seen the year end membership drop to 2,640 but these numbers are expected to raise again once the better weather returns.

In 2022, Marina income was slightly up on the previous year, consistent with the fee structure remaining the same as the previous two years. The slight increase was driven by higher ingoing fees with an increase of 25% from the previous year. Marina repairs and maintenance expenses increased this year to \$272,000, a rise of 66% on the previous year and included slipway repairs and a large number of pile replacements as well as ensuring the upkeep of the jetties for Full members.

Membership fees for Full members were not increased for the coming financial year and social members fees were only increased by \$1.00. Pen fees were increased slightly to provide assistance with the ongoing increasing cost of jetty and pen maintenance.

## Treasurer Report

For the year ended 30 June 2022

**Bar/Galley/Functions**

The bar experienced good sales of \$1.43m. Members and their guests were slow to return after the COVID restrictions which resulted in reduced sales, with the club reducing expenses commensurately. Interest in function room facilities remained positive and continues to be a strong revenue stream for the club.

A part of the ongoing recognition of Full members, the club held bi-monthly Full member's events in the "Boaties Bar" or upstairs before the Open Mic Nights to encourage Full member's and their guests to visit the club on a Friday night and catch up with friends. These were well attended and will continue in the new financial year.

Constantly changing COVID restrictions saw the restaurant areas facing ongoing amendments to the capacity attendance limits for most of the year. These constant changes resulted in galley sales experiencing a decline in sales of 8% and related expenses were also kept to a minimum to match the sales decline.

This financial year saw the implementation of the "direct from you table" online ordering food services from our new mobile phone application "OrderAway". Member's usage of the OrderAway service continued to grow over summer and we have now increased the service to include beverages. At the same time, the club was able to increase its services to Member's by activating the "Member's Portal" where access is gained through the Swan Yacht Club homepage. Once logged in a member is able to see live account information and has access to important information and documentation. Both services have been taken up strongly by the membership and we are pleased to have been able to offer this new technology to the club.

This summer was like no other faced by the Swan Yacht Club. Member's were keen to make the most of the facilities however the tight attendance restrictions saw the club full to reduced capacity on most days. In January, the club was forced into another lockdown and this then followed with COVID moving through Western Australia reaching record infection levels and causing great uncertainty for the remainder of the financial year. The club will continue to be proactive in offering the best in events whilst we continue to work our way through the epidemic and allow us as a club to continue to "bring life to the river".

**Administration**

A detailed breakdown of administration costs is outlined in note 4(a) of the financial statements. Costs associated with administration have had a heavy budget focus this year and resulted in the expenses being \$27,661 below a very tight budget.

The main areas of increase in administration expenses were in the Committee expenses, which directly related to the development of the new 5 Year Plan, and repairs and maintenance due to increases in maintenance service contracts.

The club was able to continue to support itself during the last twelve months and did not receive any Government funding. On 1 January 2022, Government restrictions saw the forced cancellation of a major event, Habitat. Subsequently, the State Government then made available a Small Business Grant for those like the club who lost revenue from a cancelled events due to the COVID restrictions. The grant was lodged in June and the club had not yet been informed of the outcome at the time of reporting.

**Non-cash and Non-recurring Items**

\$416,000 in other income relates to an accrual of revenue for the FC membership transaction. The club received \$3.5m as a result of the FC merger and in exchange provided lifetime memberships to FC members. In accordance with the matching principle of accounting, a liability is recognised which represents the club's obligation to provide the benefit of lifetime membership over several years, and each year a component of revenue is recognised which reduces the liability balance. Accordingly, both the FC Amalgamation Funds liability and the \$416,000 in other income are accrual accounting items and do not directly impact the club's cash position.

## Treasurer Report

For the year ended 30 June 2022

**Capital Expenditures**

The club has invested \$125,670 in capital expenditure during the year. The largest items included:

• Overflow Sliding Gate	\$31,715
• Club Sound System	\$25,100
• Anode Replacement	\$11,000
• Outdoor Furniture	\$10,822
• LED State Lights	\$7,137
• Boardroom Table	\$6,720
• Beach Shower	\$3,590

The new year's budget focusses all capital works funds to be targeted at the replacement of Jetty 5, with the exception of a few smaller items which have been held over from previous years.

**Financial Position**

The ever changing environment of the last twelve months has meant the Management Committee has taken a cautious approach to its financial position. During this time the club has continued to meet its planned savings budget for the marina jetty 5 upgrade which allows the club to proceed without a debt facility. As at 30 June the cash balance was \$3.89m, an increase of \$830,000 from the previous year, which represents a strong balance with adequate headroom to facilitate our future maintenance program.

**Outlook & Forward Looking Initiatives**

To continue to improve the financial contribution of the Bar & Galley, we will endeavour to provide enhanced services in our functions areas and offer our members new exciting products to provide membership value. It is expected that during the next twelve months we will progress towards the beginning of the Jetty 5 upgrade.

**Treasury & Funding**

A budget for the year ending 30 June 2023 is finalised and reflects a period of both consolidation to remain vigilant for the fast changing environment that is caused by COVID-19 whilst also commencing the planning and evaluations regarding the renovation of Jetty Five. Jetty Five renovation has been projected in the long term maintenance program for some time and preliminary works commenced during the 2021 financial year and will be fully funded by the Club's cash balance.

**Audit and Internal Controls**

Specific internal control processes and procedures continued to be implemented during the year and will continue to be monitored. The production of automated management reports through Micropower gives us access to valuable information quicker, to ensure management and the committee have a clear understanding of the club's performance on a timely basis.

The continuation of BDO as the club's auditors resulted in a thorough audit and we again welcome their suggestions and observations to improve our systems and processes. The club thanks BDO for the help and guidance they have provided since their appointment.



James Turnbull  
TREASURER

08 August 2022

## DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF SWAN YACHT CLUB INC

As lead auditor of Swan Yacht Club Inc for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Australian professional accounting bodies in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Neil Smith  
Partner

BDO Audit (WA) Pty Ltd  
Perth, 8 August 2022

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Note	2022 A\$	2021 A\$
<b>Income from continuing operations</b>			
Bar		1,431,492	1,588,742
Galley		886,616	964,264
Marina		942,224	865,786
Membership		790,977	801,791
Functions and events		823,077	750,656
		<u>4,874,386</u>	<u>4,971,239</u>
<b>Other income</b>			
Interest revenue		8,404	11,137
FC memberships	22	416,311	236,485
Other revenue and COVID-19 grants		16,117	145,532
		<u>440,832</u>	<u>393,154</u>
<b>Total income</b>		<u>5,315,218</u>	<u>5,364,393</u>
<b>Expenses</b>			
Cost of sales - bar	3(a)	985,479	1,022,857
Cost of sales - galley	3(b)	1,068,842	1,110,313
Cost of sales - functions and events		91,568	83,841
		<u>2,145,889</u>	<u>2,217,011</u>
<b>Other expenses from normal activities</b>			
Administration	4(a)	1,491,094	1,300,648
Marina	4(b)	414,222	188,910
Interest expense	4(c)	64,019	52,424
Depreciation and amortisation	4(d)	517,208	478,680
		<u>2,486,543</u>	<u>2,020,662</u>
<b>Total expenses</b>		<u>4,632,432</u>	<u>4,237,673</u>
<b>Surplus attributable to the Club</b>		<u>682,786</u>	<u>1,126,720</u>
<b>Total comprehensive income attributable to the Club</b>		<u>682,786</u>	<u>1,126,720</u>

The above statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 30 June 2022

	Note	2022 A\$	2021 A\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	3,819,789	2,989,096
Trade and other receivables	6	705,166	783,302
Inventory and spares	7	13,491	23,999
<b>Total current assets</b>		<b>4,538,446</b>	<b>3,796,397</b>
<b>Non-current assets</b>			
Restricted cash and cash equivalents	8	84,720	84,720
Property, plant and equipment	9	7,390,862	7,725,384
Right of use assets	10	1,036,721	849,560
<b>Total non-current assets</b>		<b>8,512,303</b>	<b>8,659,664</b>
<b>Total assets</b>		<b>13,050,749</b>	<b>12,456,061</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	468,669	542,242
Unearned membership income invoiced in advance	12	1,288,608	1,198,602
Nomination fees in advance	13	224,760	211,846
Provision for employee entitlements		70,356	72,374
Fremantle Club amalgamation funds	14	242,597	242,597
Lease liabilities	15	119,827	50,679
<b>Total current liabilities</b>		<b>2,414,817</b>	<b>2,318,340</b>
<b>Non-current liabilities</b>			
Members deposits		51,070	48,900
Nomination fees in advance	13	895,856	835,701
Fremantle Club amalgamation funds	14	681,970	1,098,281
Lease liabilities	15	981,969	812,558
<b>Total non-current liabilities</b>		<b>2,610,865</b>	<b>2,795,440</b>
<b>Total liabilities</b>		<b>5,025,682</b>	<b>5,113,780</b>
<b>Net assets</b>		<b>8,025,067</b>	<b>7,342,281</b>
<b>EQUITY</b>			
Retained earnings		7,342,281	6,215,561
Current year surplus		682,786	1,126,720
<b>Total equity</b>		<b>8,025,067</b>	<b>7,342,281</b>

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 2022**

	Retained Earnings A\$	Total Equity A\$
<b>Balance at 1 July 2020</b>	<b>6,215,561</b>	<b>6,215,561</b>
Surplus for the year	1,126,720	1,126,720
Total comprehensive income for the year	7,342,281	7,342,281
<b>Balance at 30 June 2021</b>	<b>7,342,281</b>	<b>7,342,281</b>
Surplus for the year	682,786	682,786
Total comprehensive income for the year	8,025,067	8,025,067
<b>Balance at 30 June 2022</b>	<b>8,025,067</b>	<b>8,025,067</b>

*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 2022**

	Note	2022 A\$	2021 A\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operating activities		5,158,871	5,154,477
Payments to suppliers and employees		(4,101,528)	(3,474,167)
Interest received		8,404	11,137
Net cash inflow from operating activities	<b>21</b>	1,065,747	1,691,447
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(121,187)	(635,237)
Net cash outflow from investing activities		(121,187)	(635,237)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease payments		(113,867)	(103,529)
Net cash outflow from financing activities		(113,867)	(103,529)
Net increase/(decrease) in cash and cash equivalents		830,693	952,681
Cash and cash equivalents at beginning of reporting period		2,989,096	2,036,415
<b>Cash and cash equivalents at end of reporting period</b>	<b>5</b>	<b>3,819,789</b>	<b>2,989,096</b>

*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 2022

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**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 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**

New or amended Accounting Standards and Interpretations adopted.

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**(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 and the Constitution. 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 &amp; Equipment</i>
AASB 9	<i>Financial Instruments</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.

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**Notes to the Financial Statements****For the year ended 30 June 2022**

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**1 Summary of significant accounting policies (continued)***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.

**(c) Revenue recognition**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Nomination fee income is recognised over the estimated membership life of a new member being the period during which the club member is expected to benefit from the payment of the fee. The estimated membership life has been determined as a period of 10 years for full memberships and 5 years for social memberships. This is a significant judgement and has been based on the average life of the two membership types.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

**(d) Income in advance**

The Club recognises fees and charges to its members on an accruals basis and where these invoices are for the delivery of future goods and services, the amounts are deferred onto the balance sheet and amortised over the period the goods and services are provided.

**(e) 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**

The leases recognised by the club under AASB 16 relate to the right to use land (Clubrooms and surrounding areas), photocopier and riverbed lease (jetty structures and mooring license).

When a contract is entered into, the club assesses whether the contract contains a lease. A lease arises when the club has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the asset throughout the period of use.

The club separates the lease and non-lease components of the contract and accounts for these separately. The club allocates the consideration in the contract to each component on the basis of their relative stand-alone prices.

## Notes to the Financial Statements

For the year ended 30 June 2022

**1 Summary of significant accounting policies (continued)****(e) Leases***Leases as a lessee*

Lease assets and lease liabilities are recognised at the lease commencement date, which is when the assets are available for use. The assets are initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred.

Lease assets are depreciated using the straight-line method over the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and impairment losses, assessed in accordance with the Entity's impairment policies.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments are fixed payments.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets, with any excess recognised in the consolidated profit or loss and other comprehensive income statement.

*Short-term leases and lease of low value assets*

Short-term leases (lease term of 12 months or less) and leases of low value assets are recognised as incurred as an expense in the consolidated profit or loss and other comprehensive income statement. Low value assets comprise plant and equipment.

**(f) Impairment of assets**

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.

**(h) Property, plant and equipment**

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.

## Notes to the Financial Statements

For the year ended 30 June 2022

**1 Summary of significant accounting policies (continued)****(h) Property, plant and equipment (continued)**

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 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.

Capital work in progress is projects of a capital nature which usually relates to the construction/installation of buildings, plant or equipment. Upon completion (when ready for use) capital work in progress is transferred to the relevant asset category. Capital work in progress is not depreciated.

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:

- Buildings	15 to 40 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.

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.

**(i) 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.

**(j) 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.

## Notes to the Financial Statements

For the year ended 30 June 2022

**1 Summary of significant accounting policies (continued)****(j) Provisions (continued)**

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.

**(k) 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) 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.

**(p) 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.

**(q) Government grants**

Government grants relating to costs are deferred and recognised in profit or loss over the prior period necessary to match them with the costs that they are intended to compensate. This includes Job Keeper income received due to COVID-19 during the year which has been net off with the associated salaries this year.

## Notes to the Financial Statements

For the year ended 30 June 2022

### 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(f). 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.

##### *iii. Expected credit losses of financial assets at amortised cost*

Loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The club uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the club's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs are disclosed in note 6.

##### *iv. Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

##### *v. Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain and staffing. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.



**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

**3 Cost of sales for the period**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
<b>(a) Bar expenses</b>		
Value of inventory used	506,287	639,913
Employee benefits expense	471,838	486,677
JobKeeper	-	(107,200)
Licenses	-	91
Repairs and maintenance	5,296	1,982
Other	2,058	1,394
<b>Total bar expenses</b>	<b>985,479</b>	<b>1,022,857</b>
<b>(b) Galley expenses</b>		
Value of inventory used	386,611	476,184
Employee benefits expense	667,329	729,233
JobKeeper	-	(101,700)
Minor consumables	303	192
Repairs and maintenance	14,599	6,404
<b>Total galley expenses</b>	<b>1,068,842</b>	<b>1,110,313</b>

**4 Other expenses from normal activities**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
<b>(a) Administration expenses</b>		
Advertising expenses	-	23,076
Bank charges	27,661	28,226
Cleaning	140,178	122,087
Committee expenses	35,512	8,319
Communication costs	8,515	8,740
Employee benefits expense	619,352	609,123
JobKeeper incentive (refer to accounting policy 1(q))	-	(74,700)
Insurance	135,102	104,241
IT expense	20,583	35,455
Legal costs	5,692	3,225
Members amenities	31,140	16,101
Payroll tax	50,752	11,830
Printing, postage & stationery	20,620	25,245
Rent and rates	131,697	131,890
Repairs & maintenance	37,879	29,146
Security	2,512	5,142
Staff amenities	1,725	1,678
Staff training	4,821	1,837

**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

Subscriptions	35,537	22,402
Utilities	108,929	96,942
Other	72,887	90,643
<b>Total administration expenses</b>	<b>1,491,094</b>	<b>1,300,648</b>
<b>(b) Marina expenses</b>		
Employee benefits expense	141,428	159,306
JobKeeper incentive (refer to accounting policy 1(q))	-	(63,500)
Repairs and maintenance	182,565	92,748
Riverbed and jetty lease	42,371	356
Slipway Expenses	47,858	-
<b>Total marina expenses</b>	<b>414,222</b>	<b>188,910</b>
<b>(c) Interest expenses</b>		
Interest expense relating to lease liability	64,019	52,424
<b>Total interest expenses</b>	<b>64,019</b>	<b>52,424</b>
<b>(d) Depreciation and amortisation expenses</b>		
Depreciation	438,397	413,900
Right of use asset amortisation	78,811	64,780
<b>Total depreciation and amortisation expenses</b>	<b>517,208</b>	<b>478,680</b>

## 5 Current assets – Cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Cash at bank and in hand	3,813,389	2,983,196
Cash floats, petty cash & ATM	6,400	5,900
<b>Total cash and cash equivalents</b>	<b>3,819,789</b>	<b>2,989,096</b>

## 6 Current assets – Trade and other receivables

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Trade receivables <sup>1</sup>	666,072	775,045
Less provision for impairment	(17,556)	(17,556)
	648,516	757,489
Other receivables & prepayments	56,650	25,813
<b>Total trade and other receivables</b>	<b>705,166</b>	<b>783,302</b>

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

<sup>1</sup>Trade receivables as at 30 June 2022 includes membership fees for the next financial year ending 30 June 2023. Management has assessed the expected credit loss for these receivables to be nil when taking into consideration historic and forward looking estimates. A provision has been made for trade receivables aged 3 months and over.

## Notes to the Financial Statements

For the year ended 30 June 2022

**7 Inventories and spares**

	2022	2021
	A\$	A\$
Bar	6,165	16,240
Galley	7,326	7,759
Marine spares	-	-
<b>Total inventories and spares</b>	<b>13,491</b>	<b>23,999</b>

**8 Restricted cash and cash equivalents**

	2022	2021
	A\$	A\$
Bankwest Bond Held	41,500	41,500
Swan River Trust Bond	43,220	43,220
<b>Total restricted cash and cash equivalents</b>	<b>84,720</b>	<b>84,720</b>

**9 Non-current assets – Property, plant and equipment**

	WIP A\$	Office Equipment A\$	Buildings A\$	Bar & Galley A\$	Marina A\$	Total A\$
<b>Year ended 30 June 2021</b>						
Opening book amount	52,241	38,691	5,167,069	458,700	1,847,707	7,564,408
Additions	90,174	77,926	-	389,289	17,487	574,876
Disposals	-	-	-	-	-	-
Depreciation charge	-	(37,285)	(156,236)	(119,163)	(101,216)	(413,900)
<b>Closing net book amount</b>	<b>142,415</b>	<b>79,332</b>	<b>5,010,833</b>	<b>728,826</b>	<b>1,763,978</b>	<b>7,725,384</b>
	WIP A\$	Office Equipment A\$	Buildings A\$	Bar & Galley A\$	Marina A\$	Total A\$
<b>As at 30 June 2021</b>						
Cost	142,415	513,375	6,295,824	1,591,872	4,108,324	12,651,810
Accumulated depreciation	-	(434,0430)	(1,284,991)	(863,046)	(2,344,346)	(4,926,426)
<b>Net book amount</b>	<b>142,415</b>	<b>79,332</b>	<b>5,010,833</b>	<b>728,826</b>	<b>1,763,978</b>	<b>7,725,384</b>

## Notes to the Financial Statements

For the year ended 30 June 2022

	WIP	Office Equipment A\$	Buildings A\$	Bar & Galley A\$	Marina A\$	Total A\$
<b>As at 30 June 2022</b>						
Opening book amount	142,415	79,332	5,010,833	728,826	1,763,978	<b>7,729,867</b>
Additions	-	69,712	-	21,397	30,077	<b>121,186</b>
Disposals	-	-	-	-	-	-
Write-downs	(21,794)	-	-	-	-	<b>(21,397)</b>
Depreciation charge	-	(40,889)	(156,236)	(115,960)	(125,312)	<b>(438,397)</b>
Closing net book amount	<b>120,621</b>	<b>108,155</b>	<b>4,859,080</b>	<b>634,264</b>	<b>1,668,743</b>	<b>7,390,862</b>

	WIP A\$	Office Equipment A\$	Buildings A\$	Bar & Galley A\$	Marina A\$	Total A\$
<b>As at 30 June 2022</b>						
Cost	120,621	583,087	6,300,306	1,613,269	4,138,401	12,755,684
Accumulated depreciation	-	(474,932)	(1,441,227)	(979,005)	(2,469,658)	(5,364,822)
<b>Net book amount</b>	<b>120,621</b>	<b>108,155</b>	<b>4,859,079</b>	<b>634,264</b>	<b>1,668,743</b>	<b>7,390,862</b>

**10 Right of use assets**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Right of use assets – opening balance	849,560	853,979
Additions	265,089	60,361
Amortisation	(77,928)	(64,780)
<b>Closing balance net of accumulated amortisation</b>	<b>1,036,721</b>	<b>849,560</b>

**11 Current liabilities – Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Trade payables	269,187	293,438
Accrued expenses	6,576	34,328
Function/event deposits	65,208	73,469
Goods and services tax payable (receivable)	127,698	141,007
<b>Total trade and other payables</b>	<b>468,669</b>	<b>542,242</b>

**12 Unearned membership income invoiced in advance**

**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Security fees	33,568	28,126
Dinghy fees	2,073	2,085
Ramp fees	21,769	22,527
Pen fees	683,412	588,375
Subs fees	544,150	546,671
Rate recovery fees	3,636	3,818
Corporate challenge fees	-	7,000
<b>Total unearned membership income invoiced in advance</b>	<b>1,288,608</b>	<b>1,198,602</b>

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

### 13 Nomination fees in advance

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Current	224,760	211,846
Non-current	895,856	835,701
<b>Total nomination fees in advance</b>	<b>1,120,616</b>	<b>1,047,547</b>

Full membership, social membership and pen ingoing fees received are recognised in the profit and loss over the expected life of the memberships.

### 14 Fremantle Club Amalgamation

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
<b>FC lifetime memberships deferred revenue:</b>		
Current	242,597	242,597
Non-current	681,970	1,098,281
<b>Total Fremantle Club amalgamation</b>	<b>924,567</b>	<b>1,340,878</b>

During FY15 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 2022 the Club has recognised a total liability of \$924,567 (30 June 2021: \$1,340,878) 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 Lease liabilities

**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Current	119,827	50,679
Non-current	981,969	812,558
Total lease liabilities	1,101,796	863,237

**16 Accumulated Funds**

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
Accumulated members' funds at the beginning of the financial year	7,342,281	6,215,561
Surplus/ (loss) attributable to the club	682,786	1,126,720
Accumulated members' funds at the end of the financial year	8,025,067	7,342,281

**17 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:

	<b>2022</b>	<b>2021</b>
	<b>A\$</b>	<b>A\$</b>
<b>(a) Audit and other assurance services</b>		
<b>BDO Audit (WA) Pty Ltd</b>		
Audit of financial statements	23,000	22,000
<b>Total remuneration for audit and other assurance services</b>	23,000	22,000
<b>(b) Non-audit and other assurance services</b>		
Professional services	5,000	5,000
<b>Total remuneration for non-audit and other assurance services</b>	5,000	5,000

**18 Contingent liabilities**

Other than bank guarantees in place at 30 June 2022 totalling \$84,720 relating to leases, the Club had no contingent liabilities as at 30 June 2022.

**19 Commitments**

The Club is provided with three vehicles from Maddington Toyota as part of a major sponsorship proposal where the Club will in turn provide Melville Holden and Melville Suzuki with various advertising, brand exposure, and social benefits. The Club holds two bank guarantee liabilities that will need to be paid. A Bankwest bank guarantee of \$43,220 will expire on the 05/10/2022 and a St George Bank bank guarantee of \$41,500 will expire on the 22/12/2022.

## Notes to the Financial Statements

For the year ended 30 June 2022

**20 Events occurring after the reporting date**

There are no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

Management is continually monitoring the global COVID-19 situation and its impact on the Club's financial condition, liquidity, operations, suppliers, industry, and workforce. Given daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Club is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the 2022 financial year.

Although the club cannot fully estimate the length or gravity of the COVID-19 effect, from its initial assessment, the impact over the next 12 months does not appear to be significant, indicating the entity will be able to continue as a going concern.

**21 Reconciliation of surplus/(loss) to net cash outflow from operating activities**

	2022	2021
	A\$	A\$
Surplus/(loss) for the period	682,786	1,126,720
Amortisation and depreciation	517,208	478,680
Decrease/(increase) in trade and other receivables	78,136	57,249
Decrease/(increase) in inventory	10,508	7,579
Increase/(decrease) in member deposits	2,170	16,300
Increase/(decrease) in income in advance	238,675	112,168
Increase/(decrease) in trade and other payables	(132,955)	104,788
Increase/(decrease) in employee provisions	(2,018)	22,239
Decrease/(increase) in prepayments	87,548	-
Increase/(decrease) in FC funds	(416,311)	(234,276)
<b>Net cash inflow used in operating activities</b>	<b>1,065,747</b>	<b>1,691,447</b>

**22 Individually significant items**

	2022	2021
	A\$	A\$
<b>Revenue</b>		
FC memberships (i)	416,311	236,485

- (i) FC membership income relates to the deferred revenue liability of \$3,502,272 received in FY15 as contribution for the "Lifetime Memberships" given to the Fremantle Club members upon amalgamation with SYC. The revenue recognised in 30 June 2022 of \$416,311 (2021: \$236,485) 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.

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## MANAGING COMMITTEE'S DECLARATION

The Managing Committee of the Club declares that:

1. The Club is not a reporting entity because there are no users dependant on general purpose financial statements. Accordingly, as described in note 1 to the financial statements.
2. The attached financial statements and notes thereto comply with the Accounting Standards as described in note 1 to the financial statements, and other mandatory professional reporting requirements.
3. The attached financial statements and notes thereto give a true and fair view of the Club's financial position as at 30 June 2022 and its performance for the financial period ended on that date.
4. In the Managing Committees' opinion, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Managing Committee and is signed for and on behalf of the Managing Committee members by:

Mr Ian Harwood  
Commodore  
08 August 2022



## INDEPENDENT AUDITOR'S REPORT

To the members of Swan Yacht Club Inc

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Swan Yacht Club Inc (the Entity), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and managements' assertion statement.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in Note 1.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Entity to meet the requirements of the constitution. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the constitution and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.