



SWAN YACHT CLUB

SPECIAL PURPOSE FINANCIAL REPORT

30 JUNE 2023 FULL YEAR

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CLUB DIRECTORY

Management Committee

Mr S Browne	Commodore
Mr M Maczkowiak	Vice Commodore
Mr Troy Cawthan	Rear Commodore
Mr M West	Rear Commodore Power & Angling
Mr J Turnbull	Treasurer
Mr G Dart	
Mr K Sorrell	
Mr J Riley	
Mr P Davies	
Mr G Butler	
Mr W Jones	

Executive Positions

Mr D Gaspar	General Manager
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Administration Office

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Auditors

Criterion Audit Pty Ltd
Suite 2, 642 Newcastle Street

LEEDERVILLE WA 6007

Web Site

www.swanyachtclub.com.au

COMMODORE'S REPORT

It is extremely pleasing to report continued support from our membership, numbers have remained very strong, considering the inflationary pressure on cost-of-living expenses in the community.

As most Members are aware, this first year, in my tenure as Commodore has been a turbulent year, negotiating with State and Local Government for approval to replace Jetty 5 has been difficult, to say the least. The protracted negotiations have come at a cost, in the form of increased committee workload, and additional burden on club finances. Expenditure on this preliminary phase of the works has exceeded budget due to unforeseen costs for consultancy services and for additional civil/landscaping works as mandated by Department of Biodiversity, Conservation and Attractions.

The club slipway remains out of service, and will be demolished, as part of the Jetty Five project. Once the budget for jetty 5 replacement is locked in, your committee will be able to forward plan the slipway replacement works more accurately. Members will be kept informed on progress for both projects via monthly updates.

I wish to thank the Management Committee, management team and staff for their dedication and hard work over the past year in delivering another budget surplus, while maintaining strong relationships with members.

Once our new committee is bedded in, we will commit to reset goals to achieve the best possible outcomes for our members' boating and social needs.

Kind Regards



Stephen Browne
COMMODORE

8th August 2023

GENERAL MANAGER REPORT

On behalf of the Commodore Stephen Browne, the Management Committee and all the team I have great pleasure in presenting the Annual Report for 119th Club year ending 30 June 2023.

I take this opportunity to thank our members, committee, staff, and volunteers who have supported our aims during a challenging yet rewarding season.

Highlights of 2022/2023

The following are some of the Club achievements over the past 12 months.

PART 5 – IMPLEMENTATION OF STAGE 1 OF THE SWAN YACHT CLUB'S MASTER PLAN, INCLUDING DEMOLITION OF EXISTING SLIPWAY, LANDSCAPING, JETTY 5 REPLACEMENT, NEW MAINTENANCE FACILITIES, BOAT RAMP WORKS, NEGATIVE FORK WHARF AND INSTALLATION OF DRY DOCKS –INCLUDES WORKS WITHIN LOT 300 ON DP47450, LOT 10015 ON PLAN 214976, LOT 10106 ON DP214976, LOT 8661 ON PLAN 21239, LOT 7771 ON PLAN 169877 - SWAN YACHT CLUB, RIVERSIDE ROAD AND RIVER RESERVE, EAST FREMANTLE.

Our Jetty 5 redevelopment program and Twenty-Year Master Plan, (Part 5) is now before the Department of Biodiversity Conservation and Attractions (DBCA) for assessment. In June, Greg Comiskey, Manager, Statutory Assessments Unit, Rivers, and Estuaries Branch summarized to members the key focus of the Department for future foreshore development.

The prompt for the master plan process was the imminent need to replace Jetty Five. As part of the replacement approvals a master plan was required to ensure all outcomes provide uplift and acceptable development outcomes not only directly for club members but also the greater public and for the ongoing safety and enjoyment of the Swan River.

I have highlighted the *PART 5* to draw attention to the process which commenced over two seasons ago. The *PART 5* development will be a key focus for the season.

The subsequent tender process for the Swan Yacht Club - *Removal of Jetty 5, Construction Floating Attenuation System & Floating Pontoon Extension to Jetty 6* is now live and underway.

Walkway upgrades near the entrance to Jetty 2 provided an immediate uplift to the shared public amenity mid-season. The commencement of the green space works is now pending. The overall green space and public walkways will see further re-alignment with an aim to enhance the overall area for both members and those using the general river foreshore area.

This season we were proud to have launched the disability hoist and in addition a specialized hearing solution for the Brian Turpin Boardroom that dynamically adjusts sound to improve the environment for all listeners with hearing impairment.

The club is committed to ensuring that our community is an accessible and inclusive community for people with disabilities, their families, and carers.

The additional amenities were officially unveiled by Club Patron Lisa O'Malley MLA. The club will be working with Lisa throughout the season as we navigate our way through the redevelopment program. Thank you to those members who volunteered their energy towards these two outstanding projects.

SFM and The Boat Business are onboard as our valued-On Water Partner. The benefits of the partnership include 20% discount on boat lifting, launch and hardstand. For the full list of benefits including discounted services from The Boat Business tell them you are from the Swan!

The appointment of Natalie Jones to the role of Marina Manager was a welcome addition aimed at providing an enhanced level of member services across all marina related matters.

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

The club Opening Day attracted an outstanding flotilla of full members who took to the water before joining in on the awards ceremony on deck with David and Karen Scrimgeour taking home the Mike and Anne Williams Perpetual Trophy.

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

On the water 19 mooring piles were replaced by the end of the financial year with a similar number set to be replaced next year contributing to the bulk of expenditure on the water.

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

The club recorded surplus, which appeared unlikely at times during the season with the gradual decommissioning of jetty 5 pens affecting our on water income generating capacity, compounded by the decision by the DBCA to have the club re-apply for use of the river deck for activities over Christmas which resulted in reduced members function and events income over our peak period.

The club's ability to *steady the ship*, was a recognisable highlight.

In summary, 2022/2023 year was full of challenges and reward. Challenging supply chain matters, rising cost of goods, staffing shortages and wage pressures. On the flip side, we have been able to report a list of outstanding achievements delivering on our strategy.

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 and 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 between September 2022 and August 2023 twelve management meetings were held, and one additional meeting being held in January, this year. Attendance of each committee member was as follows:

	Number attended	Number eligible to attend
Stephen Browne	10	12
Mark Maczkowiak	12	12
Troy Cawthan	11	12
Mark West	9	12
James Turnbull	7	12
Graham Dart	9	12
Jonathon Riley	7	12
Paul Davies	10	12
Wayne Jones	6	12
Graham Butler	6	12
Kim Sorrell	11	12
*Ian Harwood		

* Denotes Past Commodore.

Mooring Committee

The Mooring Committee has been active over the past 12 months. The Mooring Committee Chairman, Mark Maczkowiak was well supported by Stephen Browne, Ian Harwood, Kim Sorrell, Wayne Jones and Graham Butler.

The following are some of the key activities the Mooring Committee are responsible for and undertook 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 & Capital Improvements

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

As previously mentioned, a record number of mooring piles were replaced throughout the season with wooden piles replaced with HDPE steel piles introducing a consistent look to our marina.

Pen Allocations

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

Members are now familiar with the process of the pen transfer list.

Marina occupancy throughout the season was reduced due to the decommissioning of Jetty 5. By June 30, the marina was at 96% capacity with only 8 and 9 metre pens available for allocation.

River Wall Repair

River wall repairs at the entrance of Jetty 2 were undertaken midseason as a joint venture project with the Town of East Fremantle. A key improvement, further minor repairs are expected throughout the season designed at providing the club and its members with improved amenity.

Jetty 5 Redevelopment

With the tendering phase now underway. The Mooring Committee will be working towards the final construction with appointed Project Manager, George Sofoulis throughout the season. This major capital investment is set to dominate the season and will progress in consultation with the Town of East Fremantle, Department of Transport, Traditional Landowners and the DBCA.

House Committee

In 2022/2023, the club delivered on a host of outstanding events. House Committee were led by Rear Commodore Troy Cawthan in company with Stephen Browne, Jon Riley, Paul Davies, Mark West, Graham Dart, and Social Group Chair Di Schoch.

Functions and Events

Among the events hosted were New Year's Eve, Habitat Garden Party, Australia Day, Melbourne Cup, Christmas Day Luncheon, Opening Day, Open Day and Day with Our Sports Stars.

Our ladies social group did an incredible job working closely with Functions and Events Manager, Adele Robbins assisting Commodore Stephen Browne with the sold out Commodores Ball event. I encourage members to get behind this September's ball early to avoid the disappointment of missing out.

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, Wine Dinners, Quiz Nights, AFL Grand Final and lunch time specials offering affordable food and beverage offers.

Environmental

Your management has been actively participating in a set of workshops and seminars throughout the season hosted by the Town of East Fremantle, including the Water Sensitive Cities Workshop and the Coastal Hazard Risk Management Adaption Plan. The team will continue working with our key stakeholders towards best practice environmental initiatives.

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.

As previously mentioned, we welcome SFM and The Boat Business as our On Water Partner providing our members outstanding benefits across two locations, Rous Head and Henderson. Club members are eligible for 20% discounts on boat lifting services and related activities. Tell them you are from the Swan!

The Corporate Challenge sponsorship program again highlighted the support shown by members with a record number of members and supplier's businesses jumping onboard. The Corporate Challenge has now been running for seven seasons generating approximately \$200,000 which has been re-invested into various projects as we work towards delivering world-class amenities.

Grant Raynor, Rayco Plumbing, represented the winning team, taking home an advertising package valued at \$25,000. Thank you to all who participated.

FY23/24 Corporate Sponsors include-

Sweeny's Marine Service	Focus Demolition
Nexus Australia	Aqualuma
Barons Beverage Services	West Coast HI FI
Red Rock Oilfield Services	Perna Group
Broadway Marine Constructions	Butler Capital
Engineering Supplies (WA) Pty Ltd	Austart
Prestige Marine & General Engineering	Oilfield Piping Systems
Trident Insurance Group	Bluewater Marine Diesel
Fresh Provisions	Bayforce Solution Pty Ltd
Jurovich Surveying Pty Ltd	Yard Property
Caporn Young	Precise Massage
Pleisure Marine	Soltoggio Bros
Indianic Group Pty Ltd	Wright Marine Management
SMP Engineering	DMI Signs
Word of Mouth Agency	Lion Brewery
Brown Brothers Furniture	Clean Rite
Altona Plumbing	DAC Refrigeration Services
Collings Marine	Matthew Crawford Architects
Global Civil & Mining	Edison McGrath Real Estate
SkinBox Clinics	Fleximarine
Rayco Plumbing	

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	Fremantle Swan Dragon Boat Club
Training Ship Perth – Navy Cadets	Fremantle Rowing Club

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

Well done to Angling Captain, James Aps, and his team, on a successful angling season. I wish James the very best as he steps aside after an outstanding tenure, Owain Evans to fill the void as interim Captain until officially being sworn in at the AGM.

Christian Brothers College (CBC) Fremantle joined us on our journey, loving life on the river with students participating in a set of maritime activities from the club. As a contributing club we are proud of providing CBC Fremantle with the platform as boys learn how to become good men.

Our Social Group led by Di Schoch were responsible for a chain of successful events including the Commodores Ball, Ladies Luncheon, and Karaoke on the River. Di has actively participated in the House Meetings throughout the season providing great support to a combination of initiatives.

Don and Marian Byfield once again amazed everyone with their strength and determination. The Cancer Council, Biggest Morning Tea attracted incredible support from members and guests raising much needed funds in the fight against cancer.

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

Through the support of our members and staff we continue to build on our brand within the wider community. At the end of every season, valued contributors to our brand call an end to their time at the club and/or specific role.

Bar Manager, John Paul Vosloo (JP) enters the profession of horticulture. JP has offered outstanding support. We wish JP the very best and look forward to seeing him around in a social sense moving forward.

Three key contributors from the Management Committee are also leaving their posts. Past Commodore, Ian Harwood departs after fulfilling his duties as immediate Past Commodore. Treasurer James Turnbull steps down after overseeing our financial management over the past seven-year period and Kim Sorrell will be stepping down after eight years of service where he focused predominantly on moorings.

At the time of print, all Flag Officers were re-elected unopposed, and Andrew Siegert joins the team in the role of Treasurer. Andrew has been a trailer boat member since 2015. An East Fremantle local, Andrew is the Director of Loan Monster servicing the community finance needs. Throughout the season, Andrew provided input as part of the club's finance advisory group before nominating for the key Treasurer role.

Paul Davies and Jon Riley have renominated for their committee positions whilst Brad Jurovich, Michael Collins and Ray Hill have nominated for the first time which means that there will be an election! I wish all nominees the best of luck.

To the administration, front-line managers Cindy, David, Natalie, Adele, 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 again demonstrated an enormous level of resilience and commitment to tackle whatever challenge comes their way.

In closing, the Management Committee and Sub Committees over the past 12 months have done another extraordinary job dealing with the remnants of COVID before moving their focus to Jetty 5 redevelopment and 20 year master plan. I thank the team for their collective efforts and the support shown by the membership.

Damien Gaspar



General Manager
8th August 2023

TREASURER'S REPORT

Financial Performance

The 2023 financial year was characterised by inflationary pressures which impacted not just on disposable income for households but drove increasing cost pressures for the club. Accordingly the committee and management took a cautious approach throughout the financial year. The club continued its focus on tight cost controls and to improving members service provision in the most cost-effective way. At the end of the first quarter the club was hit with several cost of good increases due to increase in transport and production costs. Furthermore, the club had to contend with increasing wage costs and increasing essential service price hikes. However, despite these challenges the club is very pleased to announce a surplus of \$358,001. Memberships have remained constant, and functions and events continue to grow.

Marina and membership income were slightly lower than anticipated, which is partially attributable to less pens being available on Jetty 5 due to its ageing condition. Bar operations returned positive results but were lower than expected, albeit better than the previous year. The Galley faced many issues this year and cost controls remain a key performance indicator going into the new financial year. Functions and events income increased in sales by 14.6%, accelerating from a 9.6% increase in the previous twelve months. Administrative costs were tightly managed throughout the year and as a result the overall costs were below budget.

With Covid related uncertainty seemingly behind us, the club moved forward on its major capital works program which had been deferred during the Covid period. The Management Committee and sub committees were extremely busy progressing the commencement of various capital works this year with the biggest project being the replacement of Jetty 5. Other projects included the mobility lift, river wall repair and large number of replacement marina piles.

Marina & Memberships

Membership reached 2,778 during the height of summer, however, the uncertainty of the economic climate has seen the year end membership drop to 2,576 but these numbers are expected to raise again once the better weather returns.

During the year, the Management Committee took the decision to modestly increase membership fees for full members for the first time since 2020, and in doing so sought to balance consideration of the club's cost inflationary environment and other pressures on members finances. Social memberships were not increased this year in consideration of the relatively higher price increases for social members fees in recent years. House support for both full and social members was also modestly increased. Pen fees were increased by 5.7% due to the rising repairs costs of the ageing marina though SYC pen pricing remains one of the lowest on the river.

In 2023, marina income was slightly lower than the previous year and is largely attributed to the reduced numbers of available pens due to age and in preparation for the Jetty 5 capital work. The Management Committee amended the accounting policy regarding pile replacement. In previous years pile replacement was considered a maintenance item and was recorded as an expense in the Profit and Loss. This year Management Committee amended this practice and now treating pile replacement as a capital cost and recorded as an asset in the balance sheet (and will then be depreciated over their useful life). This accounting policy change has resulted in a reduction of repair and maintenance expenses of \$128,456 throughout the marina.

Bar/Galley/Functions

The bar experienced strong sales of \$1.6m and galley sales presented a 9% increase. Interest in function room facilities continued to increase and growth is expected to continue as a strong revenue stream for the club.

As part of the ongoing focus on full member amenity, the club held bi-monthly full member events in the "Boaties Bar" which then led into "Karaoke on the River" events upstairs to encourage all members 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.

The biggest challenge to face the galley this year was the constant increasing cost of goods and associated services. Management were mandated by the Management Committee to increase food quality during the year in line with a strategy of quality food supporting both member amenity and bar operations. However, this occurred in an environment of particularly high inflation in food. During a typical year the club would see cost increases once or twice a year however this year saw prices rising almost monthly on some items. The club tried to refrain from passing on all costs and that has seen the reduced surplus margins.

OrderAway table service was expanded this year to include bar table service and has been a welcomed improvement by members. OrderAway is an online application whereby members simply take a photo of the QR code located on all tables and the member is then directed to the menu for the day and time. Payment can be made through their account or online and the food and beverage is delivered to the member's table. The "Member's Portal" was also introduced last year, and members usage continue to increase. The portal allows members access to live account information and any payment made through the service is a live update allowing members to pay their house support before coming down or whilst sitting at the club and having it available to spend immediately. Member's use of the payment option through the Member's Portal rose by 59% on the previous year.

The year ahead for bar and galley presents a similar outlook to the year just completed. Management and staff remain committed to offer the best food and beverage service whilst remaining competitive. The valuable experience gained through the recently volatile environment puts the club in a good position to continue to be proactive in managing challenges and offering the best in events whilst we continue to "*Help member's love life on the river*".

Administration

A detailed breakdown of administration costs is outlined in note 4(a) of the financial statements. Costs associated with administration have been impacted by increases in charges from essential services such as staffing costs, insurance premiums and repairs and maintenance around the club. A reduction in staff costs has commenced in the 2024 financial year in response to these challenges.

This time last year the club lodged a Small Business Grant application with the State Government for club's who lost revenue from a cancelled events due to the Covid restrictions. Late July 2022, the club received a grant of \$50,000. In May 2023, the State Government then offered a top up of this grant of an additional \$12,500 which the club applied for and has since received in July 2023, which will therefore be recorded in the 23/24 financial year.

Non-cash and Non-recurring items

\$247,629 of other income relates to an accrual of revenue for the Fremantle Club (FC) membership transaction. The club received \$3.5m because 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 \$247,629 in other income are accrual accounting items and do not directly impact the club's cash position.

Capital Expenditures

The club invested \$194,425 in capital expenditure during the year including:

• Marina Pile Replacement	\$131,500
• River Wall	\$40,000
• Mobility Lift	\$18,325
• Marina Security Camera Upgrade	\$2,600
• Jetty Switchboard Upgrades	\$2,000

The new year's budget, similar to last year, focusses most capital works funds to the Jetty 5 project. Currently the club has invested \$215,800 into this project and \$15,000 in the work in progress for the additional floating pontoon system.

Financial Position

Over recent years the Management Committee has taken a cautious approach to its financial position. As at 30 June 2023 the cash balance was \$3.969m, a slight increase on the previous year. Of the current cash balance, the club currently has \$2.85m invested in term deposits. During the second half of the 2023 financial year a Finance Advisory Group was formed to provide direction and advice on cash and investment matters. The club currently has five term deposits maturing at different times over the financial year to match with major payments required for the Jetty 5 project. The Finance Advisory Group looked to determine the best rates on offer where maximum interest could be earned on the investment.

Treasury & Funding

A budget for the year ending 30 June 2024 is finalised and reflects a period of both consolidation and vigilance, in response to the economic environment whilst also embarking on our major capital works program. The Jetty 5 replacement project has been planned for some time and preliminary works commenced during the 2021 financial year and has taken a lot of time and resources to get it to its current stage, mostly regarding meeting government regulations and requirements, but also timed with consideration to the club's available financial resources.

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 exciting new products to provide membership value. It is expected that during the next twelve months members will start to see the Jetty 5 upgrade taking shape and it is expected to be completed early in start of the 2025 financial year.

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.

This year saw a change in the club's auditors to Criterion Audit Pty Ltd. Chris Watts, Director of Criterion Audit Pty Ltd, completed the thorough audit and the change has been a positive one. The club welcomes their suggestions and observations to improve our systems and processes, some of which have already been implemented. The club thanks Chris and Criterion Audit Pty Ltd for the help and guidance they have provided since their appointment.

Treasury Role

This is to be my final report as Treasurer of SYC, after 7 years its time for someone else to take it on and breathe new life into the role. I wish Andrew Siegert all the best in taking on the role. It has been an honour to serve such an extraordinary club through a period of such prosperity and change. Thank you to my fellow committee members, the management team and staff and of course the members for the opportunity.



James Turnbull
TREASURER

8th August 2023

Criterion Audit Pty Ltd

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Phone: 9466 9009

To The Management Committee

Auditor's Independence Declaration under Part 5, Division 5, Section 80 of the Associations Incorporation Act 2015

As lead audit director for the audit of the financial statements of Swan Yacht Club Inc. for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Associations Incorporation Act 2015* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 8th day of August 2023

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

		2023	2022
	Note	A\$	A\$
Income from continuing operations			
Bar		1,603,563	1,431,492
Galley		966,732	886,616
Marina		936,044	942,224
Membership		763,890	790,977
Functions and events		943,683	823,077
		<u>5,213,913</u>	<u>4,874,386</u>
Other income			
Interest revenue		43,852	8,404
FC memberships	22	247,629	416,311
Other revenue and Government grants		84,903	16,117
		<u>376,384</u>	<u>440,832</u>
Total income		<u>5,590,297</u>	<u>5,315,218</u>
Expenses			
Cost of sales - bar	3(a)	1,115,796	985,479
Cost of sales - galley	3(b)	1,618,366	1,068,842
Cost of sales - functions and events		96,284	91,568
		<u>2,830,446</u>	<u>2,145,889</u>
Other expenses from normal activities			
Administration	4(a)	1,621,997	1,491,094
Marina	4(b)	191,600	414,222
Interest expense	4(c)	(6,964)	64,019
Depreciation and amortisation	4(d)	595,217	517,208
		<u>2,401,850</u>	<u>2,486,543</u>
Total expenses		<u>5,232,296</u>	<u>4,632,432</u>
Surplus attributable to the Club		<u>358,001</u>	<u>682,786</u>
Total comprehensive income attributable to the Club		<u>358,001</u>	<u>682,786</u>

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

Statement of Financial Position
For the year ended 30 June 2023

		2023	2022
	Note	A\$	A\$
ASSETS			
Current assets			
Cash and cash equivalents	5	3,969,024	3,819,789
Trade and other receivables	6	777,102	705,166
Inventory and spares	7	45,458	13,491
Total current assets		4,791,583	4,538,446
Non-current assets			
Restricted cash and cash equivalents	8	84,720	84,720
Property, plant and equipment	9	7,317,061	7,390,862
Right of use assets	10	883,321	1,036,721
Total non-current assets		8,285,102	8,512,303
Total assets		13,076,685	13,050,749
LIABILITIES			
Current liabilities			
Trade and other payables	11	461,804	468,669
Unearned membership income invoiced in advance	12	1,308,765	1,288,608
Nomination fees in advance	13	216,931	224,760
Provision for employee entitlements		175,248	70,356
Fremantle Club amalgamation funds	14	202,536	242,597
Lease liabilities	15	83,391	119,827
Total current liabilities		2,448,676	2,414,817
Non-current liabilities			
Members deposits		43,800	51,070
Nomination fees in advance	13	825,338	895,856
Fremantle Club amalgamation funds	14	474,402	681,970
Lease liabilities	15	901,402	981,969
Total non-current liabilities		2,244,941	2,610,865
Total liabilities		4,693,617	5,025,682
Net assets		8,383,068	8,025,067
EQUITY			
Retained earnings		8,025,067	7,342,281
Current year surplus		358,001	682,786
Total equity		8,383,068	8,025,067

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes of Equity
For the year ended 30 June 2023

	Retained Earnings	Total Equity
	A\$	A\$
Balance at 1 July 2021	7,342,281	7,342,281
Surplus for the year	682,786	682,786
Total comprehensive income for the year	8,025,067	8,025,067
Balance at 30 June 2022	8,025,067	8,025,067
Surplus for the year	358,001	358,001
Total comprehensive income for the year	8,383,068	8,383,068
Balance at 30 June 2023	8,383,068	8,383,068

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 2023

	Note	2023 A\$	2022 A\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities		5,212,832	5,158,871
Payments to suppliers and employees		(4,621,088)	(4,101,528)
Interest received		43,852	8,404
Net cash inflow from operating activities	21	635,596	1,065,747
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(369,358)	(121,187)
Net cash outflow from/(used in) investing activities		(369,358)	(121,187)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments		(117,003)	(113,867)
Net cash outflow from/(used in) financing activities		(117,003)	(113,867)
Net increase/(decrease) in cash and cash equivalents		149,235	830,693
Cash and cash equivalents at beginning of reporting period		3,819,789	2,989,096
Cash and cash equivalents at end of reporting period	5	3,969,024	3,819,789

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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 & 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.

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.

1 Summary of significant accounting policies (continued)

(e) Leases

Leases as a lessee

Lease assets and 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 re-measured 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 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 Statement of Profit or Loss and Other Comprehensive Income. 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, term deposits held with financial institutions, other short-term, highly liquid investments with original maturities of 12 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 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.

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.

During the FY23/24 Management Committee updated the previous policy of recording marina pile replacement as an expense and amending the high cost item to a capitalised assets and the cost to be depreciated over its useful life.

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.

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, assets and liabilities 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.

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 ("FC") 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.

3 Cost of sales for the period

	2023 A\$	2022 A\$
(a) Bar expenses		
Value of inventory used	626,051	506,287
Employee benefits expense	472,119	471,838
Licenses	1,356	-
Repairs and maintenance	16,270	5,296
Other	-	2,058
Total bar expenses	1,115,796	985,479
(b) Galley expenses		
Value of inventory used	740,179	386,611
Employee benefits expense	860,104	667,329
Minor consumables	394	303
Repairs and maintenance	17,689	14,599
Total galley expenses	1,618,366	1,068,842

4 Other expenses from normal activities

	2023 A\$	2022 A\$
(a) Administration expenses		
Audit Expenses	15,000	24,160
Bank charges	29,093	27,661
Cleaning	143,411	140,178
Committee expenses	14,534	35,512
Employee benefits expense	658,172	624,173
Insurance	154,645	135,102
IT expense	11,616	20,583
Marketing	33,845	48,356
Members amenities	31,557	31,140
Music & Entertainment	18,364	16,475
Payroll tax	97,644	50,752
Printing, postage & stationery	20,161	20,620
Rent and rates	120,402	131,697
Repairs & maintenance	59,515	37,879
Subscriptions	50,146	35,537
Utilities	102,405	108,929
Other	61,487	2,340
Total administration expenses	1,621,997	1,491,094

Notes to the Financial Statements
For the year ended 30 June 2023

(b) Marina expenses

Employee benefits expense	137,491	141,428
Repairs and maintenance	54,109	182,565
Other	-	90,229
Total marina expenses	191,600	414,222

(c) Interest expenses

Interest expense relating to lease liability	(6,964)	64,019
Total interest expenses	(6,964)	64,019

(d) Depreciation and amortisation expenses

Depreciation	414,580	438,397
Disposal of Asset	27,237	-
Right of use asset amortisation	153,400	78,811
Total depreciation and amortisation expenses	595,217	517,208

5 Current assets – Cash and cash equivalents

	2023	2022
	A\$	A\$
Cash at bank and in hand	3,962,624	3,813,389
Cash floats & petty cash	6,400	6,400
Total cash and cash equivalents	3,969,024	3,819,789

6 Current assets – Trade and other receivables

	2023	2022
	A\$	A\$
Trade receivables ¹	683,747	666,072
Less provision for impairment	(14,707)	(17,556)
	669,040	648,516
Other receivables & prepayments	108,062	56,650
Total trade and other receivables	777,102	705,166

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

¹ Trade receivables as at 30 June 2023 includes membership fees for the next financial year ending 30 June 2024. 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 2023

7 Inventories and spares

	2023	2022
	A\$	A\$
Bar	34,049	6,165
Galley	11,408	7,326
Total inventories and spares	45,458	13,491

8 Restricted cash and cash equivalents

	2023	2022
	A\$	A\$
Bankwest Bond Held	41,500	41,500
Swan River Trust Bond	43,220	43,220
Total restricted cash and cash equivalents	84,720	84,720

9 Non-current assets – Property, plant and equipment

	WIP	Office Equipment	Buildings	Bar & Galley	Marina	Total
	A\$	A\$	A\$	A\$	A\$	A\$
Year ended 30 June 2022						
Opening book amount	142,415	79,332	5,010,833	728,826	1,763,978	7,725,384
Additions	-	69,712	-	21,397	30,077	121,186
Disposals	-	-	-	-	-	-
Write-downs	(21,794)	-	-	-	-	(21,794)
Depreciation charge	-	(40,889)	(151,754)	(115,959)	(125,312)	(433,914)
Closing net book amount	120,621	108,155	4,859,079	634,264	1,668,743	7,390,862

	WIP	Office Equipment	Buildings	Bar & Galley	Marina	Total
	A\$	A\$	A\$	A\$	A\$	A\$
As at 30 June 2022						
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)
Net book amount	120,621	108,155	4,859,079	634,264	1,668,743	7,390,862

Notes to the Financial Statements
For the year ended 30 June 2023

	WIP	Office Equipment	Buildings	Bar & Galley	Marina	Total
	A\$	A\$	A\$	A\$	A\$	A\$
As at 30 June 2023						
Opening book amount	120,621	108,155	4,859,079	634,264	1,668,743	7,390,862
Additions	157,003	-	-	23,505	191,514	372,022
Transfer from WIP	-	-	-	-	-	-
Disposals	-	-	(16,486)	(10,750)	-	(27,236)
Write-downs	-	-	-	-	-	-
Depreciation charge	-	(22,554)	(158,876)	(108,021)	(129,136)	(418,587)
Closing net book amount	277,624	85,601	4,683,717	538,998	1,731,121	7,317,061

	WIP	Office Equipment	Buildings	Bar & Galley	Marina	Total
	A\$	A\$	A\$	A\$	A\$	A\$
As at 30 June 2023						
Cost	277,624	601,569	6,174,539	1,158,461	4,329,914	12,542,107
Accumulated depreciation	-	(515,968)	(1,490,822)	(619,463)	(2,598,793)	(5,225,046)
Net book amount	277,624	85,601	4,683,717	538,998	1,731,121	7,317,061

10 Right of use assets

	2023 A\$	2022 A\$
Opening balance	1,152,290	1,114,649
Amortisation	(268,969)	(77,928)
Total Right of use assets	883,321	1,036,721

11 Current liabilities – Trade and other payables

	2023 A\$	2022 A\$
Trade payables	32,596	269,187
Accrued expenses	22,341	6,576
Function/event deposits	71,980	65,208
Other payables	32,080	-
GST	302,808	127,698
Total trade and other payables	461,804	468,669

Notes to the Financial Statements
For the year ended 30 June 2023

12 Unearned membership income invoiced in advance

	2023	2022
	A\$	A\$
Security fees	28,643	33,568
Dinghy fees	1,808	2,073
Ramp fees	22,820	21,769
Pen fees	677,999	683,412
Subs fees	523,174	544,150
Rate recovery fees	3,636	3,636
Hardstand fees	6,000	-
Search Sea Rescue	5,485	-
Corporate Challenge fees	39,200	-
Total unearned membership income invoiced in advance	1,308,765	1,288,608

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

13 Nomination fees in advance

	2023	2022
	A\$	A\$
Current	216,931	224,760
Non-current	825,338	895,856
Total nomination fees in advance	1,042,270	1,120,616

Nomination fees received are recognised in the profit and loss over the expected life of the memberships.

14 Fremantle Club Amalgamation

	2023	2022
	A\$	A\$
FC lifetime memberships deferred revenue:		
Current	202,536	242,597
Non-current	474,402	681,970
Total Fremantle Club amalgamation	676,938	924,567

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 2023 the Club has recognised a total liability of \$676,938 (30 June 2022: \$924,567) 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.

Notes to the Financial Statements
For the year ended 30 June 2023

15 Lease liabilities

	2023	2022
	A\$	A\$
Current	83,391	119,827
Non-current	901,402	981,969
Total lease liabilities	984,793	1,101,796

16 Accumulated Funds

	2023	2022
	A\$	A\$
Accumulated members' funds at the beginning of the financial year	8,025,067	7,342,281
Surplus/ (loss) attributable to the club	358,001	682,786
Accumulated members' funds at the end of the financial year	8,383,068	8,025,067

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:

	2023	2022
	A\$	A\$
(a) Audit and other assurance services		
Audit of financial statements – Criterion Audit Pty Ltd	15,000	-
Audit of financial statements – BDO Audit (WA) Pty Ltd	-	23,000
Total remuneration for audit and other assurance services	15,000	23,000
(b) Non-audit and other assurance services		
Professional services – BDO Audit (WA) Pty Ltd	-	5,000
Total remuneration for non-audit and other assurance services	-	5,000

18 Contingent Liabilities

Other than bank guarantees in place at 30 June 2023 totalling \$84,720 (2022: \$84,720) relating to leases, the club has no contingent liabilities as at 30 June 2023.

19 Commitments

The club is provided with three vehicles from Maddington & Canning Vale Toyota as part of a major sponsorship proposal where the club will in turn provide Maddington & Cannington Toyota with various advertising, brand exposure, and social benefits.

20 Events occurring after the reporting data

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 in subsequent financial years.

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

	2023	2022
	A\$	A\$
Surplus/(loss) for the period	358,001	682,786
Amortisation and depreciation	595,217	517,208
Loss on disposal of assets	16,486	-
Decrease/(increase) in trade and other receivables	(20,524)	78,136
Decrease/(increase) in inventory	(31,967)	10,508
Decrease/(increase) in prepayments	(51,412)	87,548
Increase/(decrease) in member deposits	(7,270)	2,170
Increase/(decrease) in income in advance	(58,190)	238,675
Increase/(decrease) in trade and other payables	(22,008)	(132,955)
Increase/(decrease) in employee provisions	104,892	(2,018)
Increase/(decrease) in FC funds	(247,629)	(416,311)
Net cash inflow used in operating activities	635,596	1,065,747

22 Individually significant items

	2023	2022
	A\$	A\$
Revenue		
FC memberships (i)	247,629	416,311

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 2023 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

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.
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 2023 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 Stephen Browne
Commodore
08 August 2023

Criterion Audit Pty Ltd

ABN 85 165 181 822

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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, being a special purpose financial report, of Swan Yacht Club Inc. ("the Club"), which comprises the statement of financial position as at 30 June 2023, 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, notes to the financial statements, including a summary of significant accounting policies, and the management committee's declaration.

In our opinion, the accompanying financial report of Swan Yacht Club Inc. is in accordance with the *Associations Incorporation Act 2015*, including:

- a) giving a true and fair view of the Club's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent 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 Club in accordance with the auditor independence requirements of the *Associations Incorporation Act 2015* and the 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 confirm that the independence declaration required by the *Associations Incorporation Act 2015*, which has been given to the management committee of the Club, would be in the same terms if given to the management committee as at the time of this auditor's report.

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 for the purpose of fulfilling the Club's financial reporting responsibilities under the *Associations Incorporation Act 2015*. 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 the Management Committee for the Financial Report

The management committee of the Club is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act 2015* and is appropriate to meet the needs of the members. The management committees responsibility also includes such internal control as the management committee determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the management committee is responsible for assessing the ability of the Club to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management committee either intend to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- Conclude on the appropriateness of the management committees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards.

Criterion Audit

CRITERION AUDIT PTY LTD

Watts

CHRIS WATTS CA
Director

DATED at PERTH this 8th day of August 2023