



BLAIRGOWRIE YACHT SQUADRON

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Financial Report

For the year ended 30th April 2019

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COMMITTEE'S REPORT

Your Committee Members submit the financial report of the Blairgowrie Yacht Squadron Inc. for the financial year ended 30 April 2019.

COMMITTEE MEMBERS

The names of Committee Members during the year are:

Alistar Singh
Adrian Mulcahy
Matthew McCarthy
Richard Backwell
John Lindholm
Martin Kudnig
Philip Beattie

Tracey DePoi
Dean Taylor
Andrew Little
Chris Coghlan
Greg Lewis
Amanda Jacobs
Ross Kilborn

Philip Beattie, Tracey DePoi and Ross Kilborn resigned during the year.

PRINCIPAL ACTIVITIES

The principal activities of the Blairgowrie Yacht Squadron Inc. during the financial year were to promote and encourage the sport of yachting generally, to do all things incidental to or not inconsistent with the endeavour, and to provide and maintain suitable club premises, the safe boat harbour and other facilities and equipment for members, guests and other visitors.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

The profit from operating activities amounted to \$102,189 (2018: Surplus of \$172,580). The overall surplus after non-operating and abnormal items amounted to \$163,834 (2018: Surplus of \$494,798).

Signed in accordance with a resolution of the Members of the Committee.



Alistar Singh
Commodore



John Lindholm
Honorary Treasurer

Dated this 23rd day of June 2019.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 \$	2018 \$
OPERATING INCOME			
Subscriptions		724,387	699,372
Joining Fees		78,924	116,438
Yard, Slipping, Hardstand & Other Fees		177,941	199,654
Safe Boat Harbour - Berth Licensee Service Charges	11	621,749	549,216
Sales - Marina Fittings and Labour		-	17,458
Berth Rentals – Administration Fees		34,233	28,839
Rentals – Net Club Berths		506,961	408,864
Berth transfers fees		31,909	44,182
Shop Trading Gross Margin	2	13,115	19,853
Management of moorings		26,313	27,938
Food & Beverage – Gross Margin	3	1,007,954	1,022,310
Sail Training Revenue		58,330	72,980
Sail Training Donation		-	50,000
Regatta Hosting		45,293	46,441
Sailability		6,709	12,500
Interest Received		5,989	737
Profit on Sale of Assets	4	1,818	-
Raffles & Art Show Net Proceeds		32,334	37,652
Sponsorship, Donations and Advertising		37,860	52,094
		3,411,819	3,406,528
OPERATING EXPENSES			
Audit Fees		10,800	10,800
Bank Charges		32,227	26,514
Cleaning & Laundry		59,115	54,733
Computer Expenses		68,646	80,312
Committee Expenses		3,461	4,536
Donations, Gifts & Honorariums		190	6,069
General Expenses		60,411	20,985
Legal Fees		30,472	-
Food & Beverage Other Expenses	3	117,887	122,615
Insurance		138,432	123,688
Interest Expense		24,342	25,229
Hire of Equipment		6,239	5,312
Electricity, Gas & Water		130,377	108,222
Loss on Sale of Assets	4	-	1,976
Marketing, Advertising & Website		11,353	20,294
Member Cards		3,288	3,220
Club Function Expenses		70,242	71,468
Postage		1,382	3,451
Printing & Stationery		23,215	15,991
Provision for Future Repairs & Maintenance – Safe Boat Harbour		63,107	126,914
Rent & Rates		120,897	121,096
Rubbish Removal		38,827	27,026
Sailing and Sail Training Activities excluding Wages		65,642	61,539
Sailability		9,066	8,860
Security patrols		20,055	18,886
Subscriptions		5,775	4,970
Telephone		16,103	13,919
Trophies		13,800	12,794
Yachting Victoria Levy		54,367	43,828
		1,199,718	1,145,247

**STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
Note	\$	\$
MAINTENANCE EXPENSE		
Repairs & Maintenance - Buildings & Grounds	75,625	31,826
Repairs & Maintenance - Equipment	55,324	64,483
Repairs & Maintenance – Safe Boat Harbour	32,233	10,285
Repairs, Maintenance & Operating Costs - Patrol Boats	33,823	48,480
Repairs & Maintenance - Yard, Slip, Crane and Slip wall panels	4,904	101,843
	201,909	256,917
PERSONNEL EXPENSE		
Contract Staff	50,519	41,177
Employee Reimbursements	2,253	2,761
Payroll Tax	57,759	59,896
Salaries – Full / Part Time	1,065,139	1,046,267
Salaries – Casual	525,595	486,305
Staff Hiring & Training	1,581	10,796
Staff Amenities & Uniforms	25,224	16,146
Superannuation	144,086	141,915
Workcover	35,847	26,521
	1,908,003	1,831,784
TOTAL OPERATING EXPENDITURE	3,309,630	3,233,948
OPERATING SURPLUS (DEFICIT)	102,189	172,580
NON-OPERATING ITEMS		
Berth Licence Income	1,482,450	1,332,144
Building levy	61,985	66,829
Depreciation	-1,082,056	-1,076,755
	462,379	322,218
OVERALL SURPLUS (DEFICIT) before Abnormal Items	564,568	494,798
Abnormal Item - Construction of Point Nepean Rd Pedestrian Crossing	-400,734	-
OVERALL SURPLUS (DEFICIT)	163,834	494,798
RETAINED SURPLUS AT BEGINNING OF FINANCIAL YEAR	1,159,099	664,301
RETAINED SURPLUS AT END OF FINANCIAL YEAR	1,322,933	1,159,099

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash	5	885,722	291,893
Receivables and Prepayments	6	1,730,661	1,317,098
Inventories		30,742	43,814
		<u>2,647,125</u>	<u>1,652,805</u>
TOTAL CURRENT ASSETS			
NON - CURRENT ASSETS			
Fixed Assets	7	23,942,941	24,987,904
		<u>23,942,941</u>	<u>24,987,904</u>
TOTAL NON - CURRENT ASSETS			
		<u>26,590,066</u>	<u>26,640,709</u>
TOTAL ASSETS			
CURRENT LIABILITIES			
Loans	8	320,955	109,528
Creditors and Accruals	9	1,589,887	1,454,819
Provisions	12	407,524	416,638
		<u>2,318,366</u>	<u>1,980,985</u>
TOTAL CURRENT LIABILITIES			
NON-CURRENT LIABILITIES			
Berth Licences	10	22,948,767	23,500,625
		<u>22,948,767</u>	<u>23,500,625</u>
TOTAL NON-CURRENT LIABILITIES			
		<u>25,267,133</u>	<u>25,481,610</u>
TOTAL LIABILITIES			
		<u>1,322,933</u>	<u>1,159,099</u>
NET ASSETS			
MEMBERS' FUNDS			
Retained Surplus		<u>1,322,933</u>	<u>1,159,099</u>
		<u>1,322,933</u>	<u>1,159,099</u>
TOTAL MEMBERS' FUNDS			

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members & customers	4,628,756	4,167,496
Sponsorship & donations received	11,182	56,319
Payment to suppliers & employees	-4,294,202	-3,411,898
Abnormal Expenditure	-440,807	-
Interest Paid	-24,342	-25,229
Interest received	5,989	737
	-113,424	787,425
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts for Berth Licence Extensions and New Licences	530,920	470,602
Loan obtained from National Australia Bank	440,000	-
Loan Repaid to National Australia Bank	-228,573	-790,472
	742,347	-319,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed assets disposed	2,000	-
Fixed assets purchased	-37,094	-511,465
	-35,094	-511,465
Net increase / (decrease) in cash held	593,829	-43,910
Cash at the beginning of the financial year	291,893	335,803
Cash at the end of the financial year	<u>885,722</u>	<u>291,893</u>

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2019**

	2019	2018
	\$	\$
Note		
a. Reconciliation of Cash		
Cash at bank	<u>885,722</u>	<u>291,893</u>
	5	
b. Reconciliation of net cash provided by operating activities to surplus from ordinary Activities, including extraordinary items		
Surplus / (deficit) from ordinary activities including extraordinary items	163,834	494,798
Non cash flows in surplus from ordinary activities:		
- Depreciation	1,082,056	1,076,755
- Provision for Employee Entitlements	-5,321	3,795
- SBH Provision for Future Repairs & Maintenance	-9,114	112,524
Changes in assets and liabilities:		
- Decrease / (increase) in receivables	-13,889	220,259
- Decrease / (increase) in stock	13,071	3,896
- Increase / (decrease) in creditors, accruals & grants in advance	<u>-1,344,061</u>	<u>-1,124,602</u>
Net cash provided / (used) by operating activities	<u>-113,424</u>	<u>787,425</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 in the State of Victoria, as permitted by section 223 of the Associations Incorporation Reform Act 2012 (Vic.) The committee has determined that the Blairgowrie Yacht Squadron Inc. is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1981 in the State of Victoria.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards and Urgent Issues Group Consensus Views:

AAS 4: Depreciation

AAS 5: Materiality

AAS 6: Accounting Policies

AAS 8: Events Occurring after Reporting Date

AAS 15: Revenue

AAS 17: Leases

AAS 28: Statement of Cash Flows

AAS 36: Statement of Financial Position

AASB 13: Fair value measurement

AASB 1018: Statement of Financial Performance

AASB 1041: Revaluation of Non Current Assets

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. Fixed Assets

Leasehold improvements, office equipment and purchased software licenses are carried at cost, less where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation periods of major club assets are as follows:

Clubhouse	35 years
Safe Boat Harbour	35 years

b. Major Repair Costs to Safe Boat Harbour

Costs associated with major repair or maintenance and costs re rectification of damage are applied against the Repairs and Maintenance Provision. Amounts are set aside against profit each year to credit this provision account.

c. Proceeds from Building Levy

A building levy on members was introduced in 2011 to assist in the funding of Scotts' Shed and Clubhouse refurbishment projects. Given the special purpose nature of the revenue, the amounts collected this year totalling \$61,985 (2018: \$66,829) are treated as non-operating income in the statement of financial performance. The general committee has determined that the building levy will be phased out with the 2019/20 season being the last year the levy will apply.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019**

d. Project Costs

Costs shown on the balance sheet for the clubhouse and safe boat harbour includes amounts paid to external contractors & suppliers for construction, project management costs, planning costs, the cost of BYS staff directly working on the projects, transition costs in moving to and from temporary premises during construction and finance costs on borrowings.

e. Income Recognition of Berth Licences

Amounts collected from the sale and extension of berth licences and leases are taken up as income in equal instalments over the life of the leases with the unrecognised revenue shown as a liability on the balance sheet. During the year the written down value of the balance of the original harbour and the unamortised balance of the associated berth license income was taken up as an asset and liability respectively on the balance sheet of BYS.

	2019	2018
	\$	\$
<u>Note 2 - Contribution from Trading</u>		
SHOP (Merchandise, Keys and Miscellaneous)		
Income		
Sales	27,094	40,134
Less Cost of Goods Sold	<u>13,979</u>	<u>20,281</u>
Contribution from Shop	<u>13,115</u>	<u>19,853</u>
<u>Note 3 – Contribution from Food & Beverage</u>		
FOOD & BEVERAGE		
Income		
Food	847,888	910,645
Beverage	685,175	669,849
Other	<u>92,947</u>	<u>70,232</u>
Total Income	<u>1,626,010</u>	<u>1,650,726</u>
Less Cost of Goods Sold		
Food	298,818	311,222
Beverage	255,218	248,886
Other	<u>64,020</u>	<u>68,308</u>
Total Cost of Goods Sold	<u>618,056</u>	<u>628,416</u>
Contribution from Food & Beverage	<u>1,007,954</u>	<u>1,022,310</u>
Less Other Expenses		
Payroll and On-Costs	827,534	786,421
Member Subsidies	46,350	35,379
Other Expenses	<u>117,887</u>	<u>122,615</u>
Total Other Expenses	<u>991,771</u>	<u>944,415</u>
Operating Profit / (Loss)	<u>16,183</u>	<u>77,895</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

	2019 \$	2018 \$
<u>Note 4 - Profit / (Loss) on Disposal of Assets</u>		
Elliot - Storm damaged	-	-1,976
Patrol seven	1,818	-
	<hr/>	<hr/>
Profit / (Loss) on Disposal of Assets	1,818	-1,976
	<hr/> <hr/>	<hr/> <hr/>

Note 5 – Cash

Cash at Bank	285,323	195,969
Term Deposits	502,726	-
Term Deposit (1)	82,469	80,000
Cash at Bank - Sailability	9,604	8,824
Cash Floats	5,600	7,100
	<hr/>	<hr/>
Total Cash	885,722	291,893
	<hr/> <hr/>	<hr/> <hr/>

Note 6 – Receivables and Prepayments

Trade Debtors	136,039	102,461
Berth Licence - Applicants	37,465	37,465
Berth Licence – Final Payments Receivable (2)	1,457,542	1,057,870
Prepayments	99,615	119,302
	<hr/>	<hr/>
Total Receivables and Prepayments	1,730,661	1,317,098
	<hr/> <hr/>	<hr/> <hr/>

(1) Term Deposit held by Nab as security over bank guarantees required by the contract for the completion of the Point Nepean Road crossing project.

(2) Contracted final payment receivable from variable term lease extensions on signing of the new head lease.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

	2019	2018
	\$	\$
<u>Note 7 - Fixed Assets</u>		
BYS OPERATIONS		
Clubhouse		
Construction, Installed Equipment, Planning, Transition & Project Management	5,616,771	5,616,771
Furniture & Fitout	393,764	393,764
Accumulated Depreciation	-1,119,435	-810,322
	<u>4,891,100</u>	<u>5,200,213</u>
Safe Boat Harbour Re-Configuration		
Construction, Planning, Project Management & Financing Costs	17,449,643	17,449,643
Original Harbour - balance acquired from BSBH Limited	1,998,712	1,998,712
Straddle Lift & Hardstand Crane	372,932	372,932
Accumulated Depreciation	-2,012,020	-1,388,188
	<u>17,809,267</u>	<u>18,433,099</u>
Equipment	99,355	120,576
Accumulated Depreciation	-44,250	-53,045
	<u>55,105</u>	<u>67,531</u>
Club House Improvements	168,214	168,215
Accumulated Depreciation	-28,547	-17,415
	<u>139,667</u>	<u>150,800</u>
Leasehold & Harbour Improvements	407,470	376,881
Accumulated Depreciation	-80,475	-39,313
	<u>326,995</u>	<u>337,568</u>
Patrol Boats & Motors	448,409	459,773
Accumulated Depreciation	-225,536	-284,534
	<u>222,873</u>	<u>175,239</u>
Sailing Boats & Equipment	250,473	248,792
Accumulated Depreciation	-145,701	-128,577
	<u>104,772</u>	<u>120,215</u>
Scotts' Shed (1)	460,040	460,040
Accumulated Depreciation	-92,766	-78,063
	<u>367,274</u>	<u>381,977</u>
IT Software & Hardware	204,322	182,382
Accumulated Depreciation	-178,434	-165,158
	<u>25,888</u>	<u>17,224</u>
Total BYS Operations	<u><u>23,942,941</u></u>	<u><u>24,883,867</u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

2019 **2018**
\$ **\$**

Note 7 - Fixed Assets – Continued

Capital Works in Progress	-	104,037
Total Fixed Assets at Written Down Value	23,942,941	24,987,904

(1) Scotts' Shed cost amount is net of \$156,577 contribution to project cost received from Southern Peninsula Rescue Service in 2013.

Note 8 – Loans

Nab Loan (1)	320,955	109,528
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(1) In October 2016 a Commercial Bill facility was taken out from the Nab. The cost of this facility is equivalent to 5.79% per annum at rates at the time of this report. The facility is secured by a guarantee and indemnity for \$2,000,000 given by Blairgowrie Safe Boat Harbour Ltd.

Note 9 - Creditors & Accruals

Accounts Payable	477,362	437,514
BYS Foundation	445,992	372,211
Accrued Expenses	257,534	215,130
Other Payroll Liabilities	25,762	58,171
Goods & Services Tax Payable	-5,922	20,430
Income in Advance	337,722	294,603
Employee Entitlements	51,439	56,760
	1,589,887	1,454,819

Note 10 – Berth Licences

Berth Licence – Proceeds from Berth Licence Sales & Extensions (1)	24,144,024	23,575,481
Original Harbour - balance transferred from BSBH Limited	1,998,712	1,998,712
Berth Licence Offer Extension	1,457,542	1,057,870
Berth Licence – Deposits	-	27,273
Berth Licence – Sale Expenses	-175,152	-164,803
Berth Licence – Total	27,425,126	26,494,533
Berth Licence – Amortisation (2)	-4,476,359	-2,993,908
	22,948,767	23,500,625

(1) Movement represents two 15 metre berth leases taken up, one upgrade from a 12 to 15 metre berth and a ten year extension.

(2) Amortisation of these license fees as described in Note 1 commenced with the opening of the harbour on the 1st January 2016.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

	2019 \$	2018 \$
<u>Note 11 - Summary of Revenue & Expenditure re Management of Safe Boat Harbour</u>		
Income		
Berth Licensee Service Charges		
Privately Owned Berths	508,351	434,066
BYS Owned Berths & Visitor berths	113,398	115,150
	<hr/>	<hr/>
Total Income	621,749	549,216

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The following expenses relating to the Safe Boat Harbour form part of amounts disclosed in the Statement of Financial Performance on pages 4 – 5.

Less Expenses		
Website	199	91
Audit Fees	2,700	2,700
Bank Charges	544	4,943
Cleaning	8,967	9,117
Computer Expenses	5,718	10,391
General Expenses	8,389	5,766
Hire of Equipment	-	-
Harbour Inspections and Monitoring	39,094	614
Insurance	84,713	56,755
Electricity & Water	27,727	20,067
Maintenance, Tools and Equipment	43,231	19,667
Payroll Tax	6,824	5,889
Permanent, Casual & Contract Wages	186,783	152,943
Printing & Stationery	1,924	46
Provision for Future Repairs & Maintenance	63,107	126,914
Rent & Rates	99,874	100,021
Rubbish & Waste Removal	7,055	7,878
Staff Amenities & Uniforms	3,140	307
Subscriptions	383	0
Superannuation	17,252	15,914
Telephone & Fax	7,943	6,549
Training	1,615	0
Workcover	4,500	2,564
	<hr/>	<hr/>
Total Expenses	621,682	549,136
	<hr/>	<hr/>
Contribution from Safe Boat Harbour – Management	67	80

Note 12 – Provisions

Safe Boat Harbour Provision for Future Repairs & Maintenance

Fund Opening Balance	416,639	304,113
Berth Holder Contributions via service charges	63,107	126,914
Interest Credited	8,972	7,139
less Expenditure		
- Seawall Ferrule Bolt Removal and associated works	-81,194	-
- Eastern Wave Screen Replacement	-	-21,528
	<hr/>	<hr/>
	407,524	416,638

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

Note 13 - Berth Fees

Berth Size	Quarterly Rate		Private	Club	Total Berths	Private \$	Club \$	Total \$
	incl GST	excl GST						
Full Berths								
8	\$47	\$43.0	22	1	23	30,274	1,376	31,651
10	\$47	\$43.0	112	10	122	192,655	17,201	209,857
12	\$47	\$43.0	60	12	72	123,850	24,770	148,620
15	\$47	\$43.0	36	7	43	92,887	18,061	110,949
18	\$47	\$43.0	13	0	13	40,251	-	40,251
20	\$47	\$43.0	3	3	6	10,321	10,321	20,642
25	\$47	\$43.0	7	0	7	30,102	-	30,102
			<hr/>					
			253	33	286	520,342	71,730	592,071
Visitor berths								
10		\$28.8		22	22		25,355	25,355
12		\$28.8		14	14		19,362	19,362
			<hr/>					
			-	36	36			
			<hr/>					
			253	69	322	520,342	116,446	636,788
Reversal of Prior year shortfall accrued						-16,435	-3,678	-20,113
Surcharge non-members						1,634		1,634
Current Year Shortfall accrued						2,811	629	3,440
						<hr/>		
Total Service charges						508,351	113,398	621,749

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019**

Blairgowrie Yacht Squadron Foundation

Blairgowrie Yacht Squadron Foundation is a trust with five trustees comprising the Commodore of the day and four members elected by the members of Blairgowrie Yacht Squadron Inc. To date, the foundation's sole income has been revenue generated by a 10% levy imposed on Blairgowrie Yacht Squadron membership income together with interest earned on these funds. The purpose of Blairgowrie Yacht Squadron Foundation is to build up funds for acquisition of capital assets and major projects to be undertaken by Blairgowrie Yacht Squadron Inc. From time to time, Blairgowrie Yacht Squadron Inc. will approach the Blairgowrie Yacht Squadron Foundation seeking a grant to assist with the funding of major capital assets or works such as rescue boat fleet or works associated with club buildings.

Blairgowrie Yacht Squadron Foundation

Statement of Financial Position 30th April 2019

	Note	2019 \$	2018 \$
Trust Funds			
Settlement Sum		1,000	1,000
Undistributed Surplus		445,262	371,281
Trust Funds		446,262	372,281
Current Assets			
Cash at Bank		270	70
Membership Levies Receivable	2	278,406	204,625
BYS Loan	2	167,586	167,586
Total Current Assets		446,262	372,281
NET ASSETS		446,262	372,281

Statement of Financial performance for the year ended 30 April 2019

Income

Membership Levies	73,081	79,017
Total Income	73,081	79,017

Expenses

Bank Charges	100	240
Total Expenses	100	240

Overall Surplus

Retained surplus at beginning of financial year	372,281	293,504
Retained surplus at end of financial year	445,262	372,281

Note 1 - Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the requirements of the foundation's deed to prepare a financial report. The trustees have determined that the foundation is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following applicable Australian Accounting Standards:

AAS 1: Profit and Loss or Other Operating Statements

AAS 5: Materiality

AAS 8: Events Occurring after Reporting Date

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

Note 2 Blairgowrie Yacht Squadron Inc.

Blairgowrie Yacht Squadron Foundation loaned funds to Blairgowrie Yacht Squadron Inc. during 2013 to assist in the funding of the Scotts' Shed project.
 During 2016 the loan was reduced by \$65,000 by way of a grant being made to BYS for landscaping works for the lawn and clubhouse surrounds.

The total amount owed by Blairgowrie Yacht Squadron Inc. at year end comprises:

	2019	2018
	\$	\$
Loans		
Scotts' Shed Loan - 2013	232,916	232,916
Clubhouse Landscaping Grant - 2016	-65,000	-65,000
Fees	-330	-330
BYS Loan	167,586	167,586
Membership Levies - Outstanding	278,406	204,625
	445,992	372,211

Blairgowrie Safe Boat Harbour Ltd

Blairgowrie Yacht Squadron Inc. is the 'A' member of this Company which was incorporated as a non-profit company limited by guarantee for the development of a Safe Boat Harbour at Blairgowrie. This Company is controlled by Blairgowrie Yacht Squadron, however there is no financial investment in the Company. The financial statements do not reflect the interest held by Blairgowrie Yacht Squadron Inc. and consolidated statements are not presented.

Transactions with Members of the General Committee

During the year, Blairgowrie Yacht Squadron paid amounts in good faith for services provided by the following members of the General Committee or entities controlled by them as follows:

Phil Beattie	28,658	21,712
For printing costs at a rate at or below normal commercial rates (excluding GST)		

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out on pages 4 – 17:

1. Presents fairly the financial position of Blairgowrie Yacht Squadron Inc. as at 30 April 2019 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Blairgowrie Yacht Squadron Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for an on behalf of the Committee by:



Alistar Singh
Commodore



John Lindholm
Honorary Treasurer

Dated this 23rd day of June 2019.

CONFIDENTIALITY STATEMENT

The Financial Report of Blairgowrie Yacht Squadron Inc. for the year ended 30 April 2019 (“Financial Report”) is prepared for the Members of Blairgowrie Yacht Squadron Inc. It may not be used or relied upon by any person in any capacity or for any purpose other than by a member of Blairgowrie Yacht Squadron Inc. acting in the interests of Blairgowrie Yacht Squadron Inc. (“Approved Purpose”).

A Member of Blairgowrie Yacht Squadron Inc. in receipt of the Financial Report agrees that he or she will:

- Maintain the confidential nature of the Financial Report;
- Not disclose the Financial Report to any other person; and
- Not use or disclose or reproduce the Financial Report for any purpose other than for the Approved Purpose or as required by law.

Blairgowrie Yacht Squadron Inc. makes no representation or warranty, express or implied, as to the accuracy, content, legality or completeness of the Financial Report if it is used, disclosed or reproduced for other than the Approved Purpose.

A Member acting in a manner contrary to this Confidentiality Statement may be censured, suspended or removed in accordance with the Rules of the Blairgowrie Yacht Squadron Inc.

To the members of Blairgowrie Yacht Squadron Inc.:

Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report of the Blairgowrie Yacht Squadron Inc. (the association), which comprises of the Balance Sheet as at 30 April 2019, the Income Statement, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee's Report.

Committee's Responsibility for the Financial Report

The Committee of the association are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012*. The Committee's responsibility also includes such internal control as the Committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

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Audit's Opinion

In our opinion the financial report of the association has been prepared in accordance with the *Associations Incorporation Reform Act 2012* including:

- (a) giving a true and fair view of the entity's financial position as at 30 April 2019 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards as referred to in Note 1 to the financial statements.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Blairgowrie Yacht Squadron Inc. to meet the requirements of the *Associations Incorporation Reform Act 2012*. As a result, the report may not be suitable for another purpose.

ROCG MORNINGTON



Ian E Davey FCA Principal
27th June 2019
Office 2, 26-28 Carbine Way, Mornington Vic 3931