

ROYAL PRINCE EDWARD YACHT CLUB

ABN: 12 000 900 069

Financial Report For The Year Ended
30 June 2021



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Financial Report For The Year Ended 30 June 2021

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Your Committee is pleased to make the following report in relation to the past year's activities and the present position of the Club.

MEMBERSHIP ROLL	JUNE 2021	JUNE 2020
General	418	388
Associate	3	28
Country (General)	22	15
Country (Associate)	0	6
Intermediate (General - 18 to under 30 years)	11	6
Intermediate (Associate - 18 to under 30 years)	0	1
Junior (General) (12 - 18 years of age)	0	1
Junior (Associate) (12 - 18 years of age)	0	0
Long Service (General)	64	60
Long Service (Associate)	1	2
Long Service (General) (1996)	6	6
Long Service (Associate) (1996)	0	0
Long Service (Country-General)	6	6
Long Service (Country-Associate)	1	1
Long Service (Country-General)(1996)	2	1
Long Service (Country-Associate) (1996)	0	1
Life	2	2
SUBTOTAL: Members	<u>536</u>	<u>524</u>
Overseas (General)	20	18
Overseas (Associate)	2	3
Overseas (Junior)	1	1
Interstate (General)	6	7
Interstate (Associate)	0	2
Long Service (Interstate-General)	4	4
Long Service (Interstate-Associate)	0	0
Long Service (Overseas-General)	3	3
Long Service (Overseas-Associate)	0	0
SUBTOTAL: Other	<u>36</u>	<u>38</u>
TOTAL: All Categories	<u><u>572</u></u>	<u><u>562</u></u>

OBITUARIES

It is with deep regret that we record the passing of Dorian Wild, David Leckie and Robert Pratten. Our sympathies are extended to their families.

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GENERAL COMMITTEE MEETINGS

The attendances for the thirteen Committee meetings were:

	Eligible to attend	Attendances	Apologies	Leave of Absence
Adrian Broadbent	13	13		
Caroline Crane	13	13		
Max Sheaffe	13	13		
Tony Booth	13	13		
Brendan Lyons	13	11	2	
David Chrystal	13	13		
Ashley Wawn	13	12	1	
Michael Paull	13	12	1	
Mark Steglick	13	11	2	

FLAG OFFICERS AND GENERAL COMMITTEE REPORT 2020-21

The Flag Officers and General Committee of your Club have the pleasure in submitting this ninety-eighth Annual Report for the consideration of Members.

COMMODORE'S REPORT - ADRIAN BROADBENT

Our AGM last year was held as a hybrid meeting as NSW slowly came out of COVID restrictions and we got the Club back to full trading by December 2020. Unfortunately, our hopes that we could maintain that freedom were dashed when we went into lockdown again in June. As I write this report it is still uncertain when we will be open again and sailing.

In this my second year as Commodore, the challenges continued and I sincerely thank all our Board and Committee members for the huge amount work they have put in to get us to where we are today.

Financial Position

As you will see from the financial statements published in this Annual Report, the Club has again completed the year with a positive operating result. We continue to maintain confidence in the Club's overall financial position. Thank you to our Honorary Treasurer, Max Sheaffe for his diligent management of "the books".

Governance

During the year we have updated our Strategic Business Plan to guide future development of the Club and this will be presented to members at a future time.

The regular Club Commodores meetings of all the Sydney Yacht Clubs and Australian Sailing have continued and provide a useful forum for sharing ideas and ensuring a consistent approach, particularly for COVID-Safe sailing and other safety matters.

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Sailing Activities

Despite the COVID lockdowns we completed our summer season of racing, but only half of the winter series. We continue to work closely with the other clubs on the harbour in the Combined Clubs Inshore Summer Series and the Saturday Winter Series. This coming season we will also be part of the new Combined Clubs Women's Keelboat Series.

Our Wednesday Series remains as popular as ever, attracting fleets of more than 50 boats each week, the Sunday Series provided a great opportunity for family sailing but our Women On Water event had to be abandoned due to 40 knot westerly winds.

The Rear Commodore's Report below provides further detail on our sailing activities.

Club Facilities

We were pleased to be successful with our appeal to the Land and Environment Court for our new pontoon. We are now finalising the detail design and will then move on to tendering for a builder and hope to commence construction after the summer sailing season.

House Activities

The reopening of the Club last October from the renovation project generated very high usage of the Club dining options and our staff performed well to meet the increased workload.

The Vice Commodore's report below provides greater detail on the House activities.

Communications

Member communications have continued to be a focus of the Committee throughout the year through regular monthly e-newsletters and special notices, particularly regarding the quickly changing COVID requirements. Fortunately we were able to hold our post-season Sailing Forum in person in April, but our pre-season Skipper's Briefing in early September had to be a Zoom video conference.

Centenary

2022 marks the Club's centenary year from the first meeting of the Club on 4th August 1922 and the first race on 19th November 1922. We will be celebrating both these events with special festivities and further details will be provided soon.

Closing

I wish to thank not only the members of the Board for their support and work during this particularly unusual year, but also the membership for their patience during the closure of the Club.

I would also like to thank Sue Barker, our Club Secretary for all her help and assistance and our past Commodores who have provided me with guidance and advice when needed.

Finally, a special thank you to Brendan Lyons who is retiring as a Board member this year. His contribution to manage the renovation project to complete ahead of time and on budget was greatly appreciated by all of us.

Adrian Broadbent
Commodore

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VICE COMMODORE'S REPORT - CAROLINE CRANE

In October 2020, we opened the Club after extensive remediation and renovations which coincided with the lifting of government restrictions resulting from the Covid 19 pandemic. This year it looks as though we will be opening up in October again after the 2021 lockdown.

What a year it has been. With the excitement of the new Club's renovations last year and the inability to travel abroad, the members took full advantage of the club. Member participation in events, lunches and club activities was at an all time high. The summer was a time of celebrations, sailing, eating and drinking with families and friends at the Club. The dining room was booked out for lunch nearly every Friday, Saturday and Sunday, so much so that we opened up for Thursday lunches which was well received and well patronised. The newly renovated Boathouse was greatly admired and favoured by many members for group bookings. As always, the lawn was packed, as seen by the worn out new lawn. Most members were very respectful to other members and staff and made a big effort to look after the new facilities. The new wine committee was formed at the end of last year and as a result, the club has increased the variety and quality of wines available to members while still maintaining reasonable prices.

As summer ended, the Club introduced monthly dinners to attract members. The themed evenings of Seafood and Italian, were booked out. Unfortunately with lockdown, the French, Hawaiian and 'Christmas in July' evenings were cancelled. Please check the monthly email newsletters for future events.

The Club has now been shut from normal operations since June 29th and will most likely continue to be closed until mid October depending on the Government's directive. I hope you have enjoyed the 'weekly wellness videos' made for your distraction during lockdown. They are on the Club website under the heading of 'videos'.

Unfortunately, our catering manager, Michael Bruce decided to take a different career path and left us in July after 3 years of excellent service to our Club. Chiara Cognetti accepted the position and members have enjoyed her happy demeanour and diligent work ethic. Chef Marina has been the club's chef since January. Since the restrictions have been introduced, she has been providing a service to members through takeaway meals. Marina's new summer menu will be available late October.

I would like to thank our Commodore, Adrian Broadbent for successfully leading us through two years of ever changing Covid regulations and a few legal battles. Thank you also to our Club secretary, Sue Barker, who is a great support to us all. I thank board member David Chrystal for his help with club merchandising. Finally, it is with regret that we farewell Brendan Lyons from the Board after 5 years of positive contribution to all club matters and in particular to the remediation and renovation project.

On Thursday 4 August 2022 we will all be celebrating the Club's Centenary. This exciting milestone needs to be in your diaries and many more details will come through the email newsletters. We look forward to your enthusiasm and participation. The Club's Centenary sailing regatta will be held on Sunday 20 November 2022, so please encourage all your sailing friends from all other clubs to save the date.

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The club is required to have QR code check in as a government regulation so please help us meet our obligations by ensuring you and your guests check in every time you enter the Club grounds. We are expecting significant demands on the Club's facilities once we reopen, so please book online for any lunch reservations to avoid disappointment.

I wish you and your families a safe and happy summer and look forward to seeing you all enjoying our wonderful club.

Yours faithfully,

Caroline Crane
Vice Commodore

REAR COMMODORE'S REPORT - ANTHONY BOOTH

Once again, the Rear Commodore had responsibility for Sailing Activities and chaired the Sailing Committee. Although the Summer Season began and ran well, the shadow of Covid 19 fell upon us in June 2021 leading to interruptions to the Winter series.

Many thanks to the Sailing Committee comprising the Commodore, Michael Paull, Terry Matthews, Andrew Strange, Evan Lewis. Together with myself as Chairman we did our utmost to provide Sailing Activities to members. The Edwards for a club of this size certainly punches above its weight.

The RPEYC provided the race team for numerous races in the RSYSV Summer Series. The Combined Clubs Winter Series commenced in April and the Edwards played a major part in participating and organising Race Support. Unfortunately, the reappearance of the pandemic cut the Series Short

The Club organised the Sailors forum in April which was well attended and resulted in a number of good ideas. We also held the Prizegiving for 2020 and 2021 at the Club. We hope as restrictions begin to ease to have more functions and meetings at the Club

For their service to our club we thank the race management team of volunteers led by Terry Matthews, who ran the RPEYC races for the Saturday series, our own Sunday Series, Women on Water and the Thistle Cup for Cota Boats. The Wednesday afternoon race team led by Andrew Strange, and Cheryl Yarrow ran the summer series which is one of the most popular series on the Harbour

We hope next year to take advantage of our new extended pontoon which will provide a much safer and usable platform for sailing activities

Finally, a special thank you to all our race management and Sunday BBQ Volunteers, facility maintenance team and members of the Sailing Committee. Without them, we would not be able to continue to further our objectives in the promotion and conduct of sailing on Sydney Harbour

Let's hope that we emerge from this lockdown and never have to go back again.

Anthony H Booth
Rear Commodore

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REPORT BY THE DIRECTORS OF THE CLUB

In accordance with a resolution of the Directors, the following report is made with respect of the results of the Club for the financial year ended 30 June 2021 and the state of the Club's affairs as at that date.

Directors

The names of each person who has been a director during the year and to the date of this report are:

A BROADBENT appointed (26/11/2012)
 C CRANE appointed (20/10/2014)
 A BOOTH appointed (20/10/2014)
 M SHEAFFE appointed (26/11/2012)
 B LYONS appointed (17/10/2016)
 M PAULL appointed (21/10/2019)
 M STEGLICK appointed (21/10/2019)
 D CHRYSTAL appointed (23/11/2020)
 A WAWN appointed (23/11/2020)
 J KIRTON resigned (23/11/2020)
 G WAWN resigned (23/11/2020)

Directors have been in office since the start of the financial year to the date of this report unless otherwise

Principal Activities

The principal activities of the Club are those of encouraging yachting activities and there was no significant change in the nature of those activities during the financial year.

Trading results

The total comprehensive loss of the Club for the financial year was \$313,301 (2020: Surplus \$744,310). No provision for income tax was required.

Dividends

There will not be any dividend declared or paid to the members. Any surplus of the Club shall be applied solely towards the promotion of the objects of the Club.

Review of operations	2021	2020
Operating revenue for the year	\$306,661	\$249,119
Total comprehensive (loss) income	(\$313,301)	\$744,310
Revenue from trading areas	\$779,515	\$649,203
Future Development Fund Donations	\$256,198	\$495,191
Members subscriptions	\$513,813	\$496,008
Development levy	\$85,020	\$82,630
Members' entrance fees	\$83,001	\$76,076
Other income	\$46,667	\$79,373
Bar trading - profit	\$149,268	\$83,436
Catering - (loss)	(\$189,659)	(\$200,098)
Sailing - profit	\$16,351	\$13,086
Administration expenses	\$354,764	\$353,336

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Events subsequent to balance date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions, vaccination and any economic stimulus that may be provided.

Otherwise, at the date of this report, there was no other matter of circumstance which had arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (i) the operations of the Club;
- (ii) the results of those operations; or
- (iii) the state of affairs of the Club, in financial years subsequent to 30 June 2021.

Likely development in the operation of the club

There are no likely developments which would affect the operations of the Club subsequent to the end of the financial year.

Directors' benefits

Since the end of the previous financial year no Director of the Club has received or has become entitled to receive a benefit other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts, or the fixed salary as a full time employee of the Club or of a related corporation or normal professional fees received by a corporation of which a Director has an interest by reason of a contract made by the Club or related corporation with the Director or with a firm of which they are a member, or with a company in which they have substantial financial interest other than in the normal course of business.

Information on Directors

A BROADBENT	—	Commodore
Qualifications	—	Naval Architect
C CRANE	—	Vice Commodore
Qualifications	—	Professional Photographer & Event Manager
A BOOTH	—	Rear Commodore
Qualifications	—	Solicitor
M SHEAFFE	—	Honorary Treasurer
Qualifications	—	Chartered Accountant
B LYONS	—	Director
Qualifications	—	Corporate Advisor
M PAULL	—	Director
Qualifications	—	Company Director
M STEGLICK	—	Director
Qualifications	—	Company Director

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Information on Directors (Cont'd)

D CRYSTAL	—	Director
Qualifications	—	Company Director
A WAWN	—	Director
Qualifications	—	Creative Project Director

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 9 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director: A BROADBENT
Commodore

Director: M SHEAFFE
Honorary Treasurer

Dated this 22nd day of September 2021

ROYAL PRINCE EDWARD YACHT CLUB
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AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
ROYAL PRINCE EDWARD YACHT CLUB

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Moyes Yong & Co Partnership
Chartered Accountants

Partner: William M Moyes

Suite 1301, Level 13
115 Pitt Street
Sydney NSW 2000

23 September 2021

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STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Operating revenue	2	1,508,016	1,383,290
Bar trading expenses		(222,149)	(208,825)
Catering expenses		(528,142)	(474,473)
Sailing expenses		(53,264)	(69,481)
Administration expenses		(354,764)	(353,336)
Depreciation		(43,036)	(28,056)
Total expenditure		<u>(1,201,355)</u>	<u>(1,134,171)</u>
Total operating profit for the year		<u>306,661</u>	<u>249,119</u>
Other comprehensive income for the year			
Future Development Fund donations	2	256,198	495,191
Buildings renovations		(876,160)	-
Total other comprehensive (loss) / income for the year		<u>(619,962)</u>	<u>495,191</u>
Total comprehensive (loss) income attributable to members of the entity		<u>(313,301)</u>	<u>744,310</u>
General fund at the beginning of the financial year		1,833,525	1,694,406
Revaluation reserve		8,284,708	-
Transfers to Reserve		(8,284,708)	-
Transfers from (to) development fund		177,280	(110,000)
Transfers from (to) future development fund		1,142,739	(495,191)
General fund at the end of the financial year		<u>2,840,243</u>	<u>1,833,525</u>

The accompanying notes form part of these financial statements.

STATEMENT OF TRADING PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Bar & Catering trading			
Revenue	2	709,900	566,636
Cost of goods sold		(342,260)	(312,649)
Gross profit		<u>367,640</u>	<u>253,987</u>
Gross margin		52%	45%
Expenses			
Labour costs		(360,923)	(324,458)
General expenses		(47,108)	(46,191)
		<u>(408,031)</u>	<u>(370,649)</u>
Bar & Catering trading loss		<u>(40,391)</u>	<u>(116,662)</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021	2020
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	246,939	2,104,561
Accounts receivable and other debtors	4	53,399	45,551
Inventories on hand	5	44,691	10,137
Other current assets	6	75,322	62,864
TOTAL CURRENT ASSETS		420,351	2,223,113
NON-CURRENT ASSETS			
Property, plant and equipment	8	29,942,480	20,390,498
TOTAL NON-CURRENT ASSETS		29,942,480	20,390,498
TOTAL ASSETS		30,362,831	22,613,611
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	197,856	424,805
Employee provisions	10	24,700	19,938
TOTAL CURRENT LIABILITIES		222,556	444,743
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		222,556	444,743
NET ASSETS		30,140,275	22,168,868
EQUITY			
Development fund		85,020	262,300
Future development fund		2,090	1,144,829
Revaluation reserve		27,212,922	18,928,214
General fund		2,840,243	1,833,525
TOTAL EQUITY		30,140,275	22,168,868

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Development fund	Future development fund	Revaluation reserve	General fund	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	152,300	649,638	18,928,214	1,694,406	21,424,558
Comprehensive income					
Surplus for the year attributable to members of the entity					-
Operating revenue				249,119	249,119
Total comprehensive income attributable to members of the entity	-	-	-	249,119	249,119
Other comprehensive income	-			495,191	495,191
Other transfers					
Development funds	110,000	495,191		(605,191)	-
Total other transfers	110,000	495,191	-	(605,191)	-
Balance at 30 June 2020	262,300	1,144,829	18,928,214	1,833,525	22,168,868
Balance at 1 July 2020	262,300	1,144,829	18,928,214	1,833,525	22,168,868
Comprehensive income					
Surplus for the year attributable to members of the entity					
Operating revenue	-	-	-	306,661	306,661
Total operating income attributable to members of the entity	-	-	-	306,661	306,661
Other comprehensive income	-	-	-	256,198	256,198
Building renovations				(876,160)	(876,160)
Total comprehensive income attributable to members of the entity				(313,301)	(313,301)
Other transfers					
Revaluation of property			8,284,708		8,284,708
Development funds	(177,280)	(1,142,739)		1,320,019	-
Total other transfers	(177,280)	(1,142,739)	8,284,708	1,320,019	8,284,708
Balance at 30 June 2021	85,020	2,090	27,212,922	2,840,243	30,140,275

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from subscriptions, SA and development levy		595,887	538,511
Receipts from trading		771,134	726,563
Entrance fees		83,001	76,076
Sundry income		25,783	38,370
Future development fund donations		255,813	483,159
Payments and benefits to employees		(75,191)	(66,241)
Payment to suppliers		<u>(2,205,052)</u>	<u>(778,364)</u>
Net cash (used) in / generated from operating activities	13	<u>(548,625)</u>	<u>1,018,074</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(1,310,311)	(612,442)
Interest received		<u>1,314</u>	<u>28,717</u>
Net cash used in investing activities		<u>(1,308,997)</u>	<u>(583,725)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net (decreased) / increase in cash held		(1,857,622)	434,349
Cash on hand at beginning of the financial year		<u>2,104,561</u>	<u>1,670,212</u>
Cash on hand at end of the financial year	3	<u>246,939</u>	<u>2,104,561</u>

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Club as a result of the change in the basis of preparation.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 22 September 2021 by the directors of the company.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Royal Prince Edward Yacht Club receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position with a corresponding amount of income recognised in profit or loss.

Membership subscriptions are run from 1 July to 30 June.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

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(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

ROYAL PRINCE EDWARD YACHT CLUB
ABN: 12 000 900 069
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	5-10%
Plant and equipment	5-20%
Furniture and fittings	10-20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

The company has adopted AASB 16 'Leases' from 1 July 2019. AASB 16 Leases ('AASB 16') removes the current operating and finance lease distinction for lessees and requires entities to recognise all material leases on the statement of financial position. AASB 16 requires the recognition of a right-of-use asset and a corresponding lease liability at the commencement of all leases, except for short term leases and leases of low value assets.

When a contract is entered into, the company assesses whether the contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company separates the lease and non-lease components of the contract and accounts for these separately. The company allocates the consideration in the contract to each component on the basis of their relative stand-alone prices. Leases as a lessee: right-of-use assets and lease liabilities are recognised at commencement date of the lease when the asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses, assessed in accordance with the company's impairment policies.

Lease liabilities are initially measured at the present value of future lease payments, discounted using an incremental borrowing rate if the rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease payments are fixed payments or index-based variable payments incorporating company's expectations of extension options and do not include non-lease components of a contract. The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the right-of-use assets, with any excess recognised in the income statement. Short term leases (lease term of 12 month or less) and leases of low value assets are recognised as incurred as an expense in the income statement.

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(e) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- financial assets at amortised cost
- financial assets at fair value through profit or loss (FVPL)
- debt instruments at fair value through other comprehensive income (FVOCI)
- equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Impairment of financial assets

AASB 9's new impairment model use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

Trade and other receivables and contract assets

The entity makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

All financial assets, except for those at fair value through profit or loss (FVPL) and equity investments at fair value through other comprehensive income (equity FVOCI), are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(f) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates approximating the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefit expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, in which case the obligations are presented as current liabilities.

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Retirement benefit obligations

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of six months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(k) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(l) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(m) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Valuation of freehold land and buildings

At 30 June 2021 the directors performed a directors' valuation on freehold land and building. The valuation was based on the fair value less cost to sell and supported by a suitable qualified external party, utilising market data including the location and demand for similar properties in the area in 2021.

Key Judgments

Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12 month period that follows (despite an informal company policy that requires annual leave to be used within 18 months), the Directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(o) New Accounting Standards for Application in Current Period & Future Accounting Standards

Royal Prince Edward Yacht Club has elected to early adopt the *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*. This standard did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Tier 2 is a reporting entity that does not have public accountability as defined in AASB 1053 and is not otherwise deemed to be a Tier 1 entity by AASB 1053.

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 2 Revenue and Other Income

	2021	2020
Operating activities of the entity	\$	\$
— Bar trading sales	371,417	292,261
— Development levy	85,020	82,630
— Members subscriptions	513,813	496,008
— Entrance fees	83,001	76,076
— Sailing activities	69,615	82,567
— Catering	338,483	274,375
— Investment income	929	16,685
— Government subsidies (Covid 19 related) and grants	17,500	20,000
— Other income	28,238	42,688
Total operating revenue	<u>1,508,016</u>	<u>1,383,290</u>
Other comprehensive income		
— Future development fund	255,813	483,159
— Future development fund - investment income	385	12,032
Total other comprehensive income	<u>256,198</u>	<u>495,191</u>
Total operating and other income	<u>1,764,214</u>	<u>1,878,481</u>
Transfers (to) development fund	(85,020)	(110,000)
Transfers (to) future development fund	<u>(256,198)</u>	<u>(495,191)</u>
Total operating and other income less transfers to development funds	<u>1,422,996</u>	<u>1,273,290</u>

Note 3 Cash on Hand

	2021	2020
	\$	\$
CURRENT		
Cash at bank - unrestricted	246,467	989,928
Cash float	472	158
Deposit funds - working capital	-	1,114,475
Total cash and cash equivalents	<u>246,939</u>	<u>2,104,561</u>

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 4 Accounts Receivable and Other Debtors

	2021	2020
	\$	\$
CURRENT		
Accounts receivable	53,399	45,551
Total current accounts receivable and other debtors	<u>53,399</u>	<u>45,551</u>

Note 5 Inventories on Hand

	2021	2020
	\$	\$
CURRENT		
At cost		
Inventory	28,408	2,713
Miscellaneous merchandise	16,283	7,424
	<u>44,691</u>	<u>10,137</u>

Note 6 Other Current Assets

	2021	2020
	\$	\$
Accrued Income	-	3,961
Prepayments	75,322	58,903
	<u>75,322</u>	<u>62,864</u>

Note 7 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The total of each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to this financial report, are as follows:

	Note	2021	2020
		\$	\$
FINANCIAL ASSETS			
Cash on hand	3	246,939	2,104,561
Accounts receivable	4	53,399	45,551
Total financial assets		<u>300,338</u>	<u>2,150,112</u>
FINANCIAL LIABILITIES			
Financial liabilities as trade and other payables	9	197,856	424,019
Total financial liabilities		<u>197,856</u>	<u>424,019</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 8 Property, Plant and Equipment

	2021 \$	2020 \$
LAND AND BUILDINGS		
Land and Buildings at Fair Value:		
— Directors valuation 2021	29,400,000	-
— Directors valuation 2020	-	20,081,112
Total land	29,400,000	20,081,112
Total land and buildings	29,400,000	20,081,112
PLANT AND EQUIPMENT		
Plant and equipment (at cost)	156,816	230,996
Capitalised jetty enhancement (at cost)	360,045	163,688
Less accumulated depreciation	(208,280)	(254,647)
Total plant and equipment	308,581	140,037
FURNITURE AND FITTINGS		
Furniture and fittings (at cost)	536,834	517,389
Less accumulated depreciation	(302,935)	(348,040)
Total furniture and fittings	233,899	169,349
Total plant and equipment	542,480	309,386
Total property, plant and equipment	29,942,480	20,390,498

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Plant and Equipment \$	Furniture and Equipment \$	Total \$
2020				
Balance at the beginning of the year	19,649,990	103,791	52,331	19,806,112
Additions at cost	431,122	48,894	132,426	612,442
Depreciation expense		(12,648)	(15,408)	(28,056)
Carrying amount at end of year	20,081,112	140,037	169,349	20,390,498
2021				
Balance at the beginning of the year	20,081,112	140,037	169,349	20,390,498
Additions at cost	1,034,180	180,792	95,338	1,310,310
Revaluations	8,284,708		-	8,284,708
Depreciation expense		(12,248)	(30,788)	(43,036)
Carrying amount at end of year	29,400,000	308,581	233,899	29,942,480

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Asset revaluations

At 30 June 2021 the directors have performed a directors' valuation on freehold land and building. The directors reviewed advice provided by a suitably qualified external party and determined that the fair value of the land and building after allowing for cost to sell was around \$29,400,000.

Note 9 Accounts Payable and Other Payables

	Note	2021 \$	2020 \$
CURRENT			
Accounts payable		197,856	424,019
Deferred income		-	786
	9(a)	197,856	424,805
		2021 \$	2020 \$
(a) Financial liabilities at amortised cost classified as trade and other payables			
Accounts payable and other payables			
— Total current		197,856	424,805
— Total non-current		-	-
		197,856	424,805
Less deferred income (members subscriptions in advance)		-	(786)
Financial liabilities as trade and other payables		197,856	424,019

The average credit period on accounts payable and other payables (excluding GST payable) is 30 days. No interest is payable on outstanding payables during this period.

Note 10 Employee Provisions

CURRENT			
Short-term Employee Benefits		2021 \$	2020 \$
Balance at the beginning of the year		19,938	19,271
Additional provisions raised during year		5,492	951
Amounts used		(730)	(284)
Carrying amount at end of year		24,700	19,938
		2021 \$	2020 \$
Analysis of Employee Provisions			
Current		24,700	19,938
Non-current		-	-
		24,700	19,938

ROYAL PRINCE EDWARD YACHT CLUB
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 11 Capital Commitments

The following capital expenditure requirements have not been provided for in the accounts:

	2021	2020
Payable	\$	\$
— not later than 12 months	-	2,500,000
— later than 12 months but not later than 5 years	-	-
	<u>-</u>	<u>2,500,000</u>

Note 12 Auditor's Remuneration

	2021	2020
	\$	\$
Audit of financial statements	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

Note 13 Cash Flow Information

Reconciliation of Cash flow from Operating Activities with Current Year Surplus

	2021	2020
	\$	\$
Total comprehensive (loss) income attributable to members of the entity	(313,301)	744,310
Investment revenue	(1,314)	(28,717)
Non cash flows		
Depreciation and amortisation expense	43,036	28,056
Changes in assets and liabilities		
Decrease/(increase) in accounts receivable and other debtors	(4,254)	24,084
Increase/(decrease) in accounts payable and other payables	(226,584)	231,821
Increase in provisions for employee benefits	4,765	667
Decrease in inventories on hand	(34,554)	19,946
(Increase) in prepayments	(16,419)	(2,093)
Net cash (used) in / generated from operating activities	<u>(548,625)</u>	<u>1,018,074</u>

ROYAL PRINCE EDWARD YACHT CLUB
ABN: 12 000 900 069
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 14 Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee domiciled in Australia. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company.

At 30 June 2021, the total amount that members of the Club are liable to contribute if the company wound up is \$11,440 (2020: \$11,240).

Note 15 Entity Details

The registered office of the entity is:

ROYAL PRINCE EDWARD YACHT CLUB
160 Wolseley Rd
Point Piper NSW 2027

The principal place of business is:

ROYAL PRINCE EDWARD YACHT CLUB
160 Wolseley Rd
Point Piper NSW 2027

ROYAL PRINCE EDWARD YACHT CLUB
ABN: 12 000 900 069
DIRECTORS' DECLARATION

- 1 In the opinion of the directors of ROYAL PRINCE EDWARD YACHT CLUB ("the company");
 - (a) the Company is not publicly accountable;
 - (b) the financial statements and notes, as set out on pages 10 to 26, are in accordance with the Corporations Act 2001, and:
 - (i) comply with Australian Accounting Standards - Simplified Disclosure Requirements and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position of the company as at 30 June 2021 and its performance for the year ended on that date; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director: A BROADBENT
Commodore

Director: M SHEAFFE
Honorary Treasurer

Dated this 22nd day of September 2021

ROYAL PRINCE EDWARD YACHT CLUB
ABN: 12 000 900 069
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ROYAL PRINCE EDWARD YACHT CLUB

Opinion

We have audited the accompanying financial report of ROYAL PRINCE EDWARD YACHT CLUB, which comprises the statement of financial position as at 30 June 2021, statement of profit and loss and other comprehensive income, 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 directors' declaration.

In our opinion, the accompanying financial report of Royal Prince Edward Yacht Club is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

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 company in accordance with the auditor independence requirements of the Corporations Act 2001 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 Corporations Act 2001, which has been given to the directors of Royal Prince Edward Yacht Club, would be in the same terms if given to the directors 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.

Other information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of Royal Prince Edward Yacht Club are 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 Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 directors are responsible for assessing the ability of Royal Prince Edward Yacht Club to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at:

www.auasb.gov.au/auditors_files/ar2.pdf . This description forms part of our audit report.

Moyes Yong & Co Partnership

Chartered Accountants

Partner William M Moyes

Suite 1301, Level 13
115 Pitt Street
Sydney NSW 2000

23 September 2021

ROYAL PRINCE EDWARD YACHT CLUB

ABN 12 000 900 069

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	Bar Trading		Catering		Sailing		Administration		Total Operation	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<u>Income</u>										
Members Subscriptions							513,813	479,350	513,813	479,350
Sailing Australia Membership							-	16,658	-	16,658
Development Levy							85,020	82,630	85,020	82,630
Entrance Fees							83,001	76,076	83,001	76,076
Investment Income							929	16,685	929	16,685
Club Function Income							19,955	24,318	19,955	24,318
Sundry Income							8,283	18,370	8,283	18,370
Government Subsidies & Grants							17,500	20,000	17,500	20,000
Bar Sales	371,417	292,261							371,417	292,261
Catering Income			338,483	274,375					338,483	274,375
Racing Fees					19,696	19,777			19,696	19,777
Couta Race									-	-
Regatta Management					-	10,000			-	10,000
Other Sailing C'ships									-	-
Mooring & Boatshed Fees					49,919	52,790			49,919	52,790
Total Income	371,417	292,261	338,483	274,375	69,615	82,567	728,501	734,087	1,508,016	1,383,290
<u>Expenditure</u>										
Cost of Goods Sold	158,262	140,491	183,998	172,158					342,260	312,649
Audit & Accounting Fees							33,112	33,986	33,112	33,986
Bank & Merchant Charges							2,898	3,424	2,898	3,424
Bar Expenses	11,939	16,880							11,939	16,880
Cleaning & Laundry							29,116	24,554	29,116	24,554
Donations							-	-	-	-
Garden Maintenance							13,441	9,249	13,441	9,249
General Expenses			906	3,431			11,712	18,559	12,618	21,990
Insurance							47,040	43,578	47,040	43,578
Kitchen Maintenance			16,263	7,752					16,263	7,752
Legal & Consulting Fees							300	23,682	300	23,682
Power, Gas & Waste							15,201	25,326	15,201	25,326
Committee & Function Costs							31,235	30,872	31,235	30,872
Merchandise Cost of Sales							5,196	3,322	5,196	3,322
Mooring Fees & Repairs					13,037	13,846			13,037	13,846
Jetty Maintenance					-	3,502			-	3,502
Jetty Rent					4,016	3,919			4,016	3,919
Club Boat Maintenance					15,647	18,446			15,647	18,446
Printing & Stationery							2,661	9,246	2,661	9,246
Prizes after Fund					900	5,816			900	5,816
Provision for Long Service							949	949	949	949
Provision for Doubtful Debts							-	-	-	-
Rates & Taxes							29,818	30,161	29,818	30,161
Repairs & Replacements							32,870	11,621	32,870	11,621
Security & Fire Protection							6,625	5,539	6,625	5,539
Starters Costs					19,664	23,952			19,664	23,952
Superannuation							6,843	5,650	6,843	5,650
Subscriptions							1,050	1,079	1,050	1,079
Telephone & Internet Cost							14,106	12,037	14,106	12,037
Training							-	400	-	400
Wages & Salaries	42,948	42,454	317,975	282,004			75,980	60,025	436,903	384,483
Workers Compensation							1,506	1,419	1,506	1,419
Sailing Australia Membership							11,105	16,658	11,105	16,658
Administration charge	9,000	9,000	9,000	9,128			-	18,000	-	128
Total Expenditure	222,149	208,825	528,142	474,473	53,264	69,481	354,764	353,336	1,158,319	1,106,115
Operating Cash Surplus	149,268	83,436	- 189,659	- 200,098	16,351	13,086	373,737	380,751	349,697	277,175
Future Development Fund Donations									256,198	495,191
Building Repairs									- 876,160	
Depreciation									- 43,036	- 28,056
Net Operating Profit									- 313,301	744,310