



The Darwin Sailing Club Inc.

ANNUAL GENERAL MEETING 2022

**29 November 2022
Information for
Members**

| | |
|---|----------|
| AGENDA - DSC AGM 2022 | 2 |
| 1. 2022 AGM Minutes | 4 |
| 2. Club Reports..... | 7 |
| 2.1 Commodore's Report | 7 |
| 2.2 Rear Commodore Sailing's Report | 9 |
| 2.3 Rear Commodore Training's Report..... | 12 |
| 2.4 Treasurers Report..... | 18 |
| 2.5 Auditor's Report..... | 17 |

AGENDA

THE DARWIN SAILING CLUB INC

ANNUAL GENERAL MEETING

29 November 2022

AGENDA

Opening of the Meeting:

Present:

Apologies:

1. Acceptance of the minutes of the previous AGM

2. Board Reports

2.1. Commodore

2.2. Rear Commodore Sailing

2.3. Rear Commodore Training

2.4. Treasurers Report

2.4.1. Motion: ***The financial statements for the year ended the 30th June 2022 be accepted.***

2.5. Auditors Report

2.5.1. Motion: ***The Auditors Report for the financial year ended 30th June 2022 be accepted.***

2.6. Appointment of an auditor

2.6.1. Motion: ***The appointment of the auditor as recommended by the Board for the financial year ended 30th June 2023 be accepted.***

3. Ratification of membership fees for calendar year 2023

3.1. Motion: ***That annual Club joining fees and membership fees be increased for the calendar year 2023 in accordance with the increase in the Consumer Price Index All Groups***

4. Election of Board members of the Club

4.1. Commodore

4.2. Ordinary Board Member (declaration pursuant to clause 31 of the Constitution)

5. Election of Rear Commodores

5.1. Rear Commodore Sailing

5.2. Rear Commodore Training

6. Other Business

Close

1. 2021 AGM Minutes

THE DARWIN SAILING CLUB INC ANNUAL GENERAL MEETING 29 NOVEMBER 2021 AT 1930 HRS

MINUTES OF MEETING

Opening of the Meeting: Commodore Lucille Panting's welcome and opening remarks

Apologies: Danny McManus, Fiona McManus, Bob Coleman, Sharon Coleman, Peter Siebert, Peter Bracken, Robyn Bracken, Sarah Lewis, John Punch

Present: Rob Azzopardi, Lyn Barlow, Fred Barlow, Chris Batenburg, Michelle Batenburg, Nancy Batenburg, Colin Blair, Paul Bosanquet, Peter Byrnes, Brenda Carew, Roger Collins, Greg Cousins, Paul Cumming, Brendon Dally, Neil Diverall, Merrilyn Diverall, Jessica Dix, Matthew Dix, Robyn Dix, Gregory Dix, Patrick Doran, Dianne Elson, Alanna Field, Kevin Flynn, Keoh Goodall, Jim Grierson, Claire Hall, Brian Hallett, John Hardy, Greg Hollis, Marcus Ilton, Wesley James, Vincent Kinsella, Robin Knox, Douglas Lesh, Korin Lesh, Peter Lockett, Avenal Lockett, Tom Marron, Gary Martin, Jessica McGrath, Nicholas McGrath, Fergal McGrath, Debra Negus, Bruce Panting, Lucille Panting, Kai Pedersen, Jeff Pinkerton, Ian Pollock, Nathan Powell, Verity Powell, Andrea Rice, Craig Robbins, Tracy Robinson, Graeme Sergeant, Baden Sharp, John Simondson, Jenny Simondson, Michael Skinner, Greg Smith, Janice Stach, Bob Stroud, Ed Vincent, Carolyn Walter, Robert Walter, Amanda West, Bo Wharton, Lindsey Wharton, Morgan Williams, Richard Wiltshire, Winspear, Sharon Woon.

1. Acceptance of the minutes of the previous AGM. Proposed: Sharon Woon, Seconded: Jeff Pinkerton

2. Reports

- 2.1. Commodore Lucille Panting read her report. She highlighted the need for ongoing prudent and conservative expenditure decisions by the Club.

Acceptance of the report. Proposed by Robert Walter Seconded Roger Collins.

Carried unanimously.

- 2.2. Rear Commodore Sailing Deb Negus summarised her report. Report proposed by Fred Barlow Seconded Sharon Woon. Carried.

- 2.3. Rear Commodore Training Ben Schmidt – His report proposed by Sharon Woon. Seconded by Marcus Ilton. Carried.

- 2.4. Treasurer Keoh Goodall spoke to his report. Highlighted losses of 2020 from COVID-19 disruption had been recovered. Expressed his thanks to General Manager Lee Harris and new Finance Officer Wesley James whose accountancy skills have been of great benefit to the club. The club has more cash reserves than pre-COVID but

faces more uncertainty and it is hard to predict the future. Cash assets gave the club 6 months of trading. Treasurer's report proposed by Roger Collins. Seconded by Lyn Barlow. Carried

3. Motion put by Keoh Goodall:

The financial statements for the year ended 30 June 2021 be accepted.

Accepted unanimously

4. Motion put by Keoh Goodall:

The Auditors Report for the financial year ended 30 June 2021 be accepted.

Accepted unanimously

5. Appointment of an auditor

Treasurer Keoh Goodall outlined benefit of a new auditor after 6 years. Fresh perspective. Auditing more complex because of COVID stimulus payments. Two quotes obtained from 3 enquiries. Quotes similar. Treasurer on behalf of the Board recommended BDO Darwin as new auditor.

Motion:

The appointment of the auditor as recommended by the Board for the financial year ended 30th June 2022 be accepted.

Proposed Keoh Goodall Seconded Jeff Pinkerton. Carried unanimously

6. Ratification of membership fees for calendar year 2022

Treasurer Keoh Goodall proposed that there be an increase in accordance with CPI. Members were informed of resulting increase in membership fee for each class of membership if CPI increase of 2.5% was applied.

Proposed Keoh Goodall Seconded Fred Barlow. Carried unanimously

7. Election of Board members of the Club

7.1. Commodore Lucille Panting confirmed there were no outstanding matters and informed the meeting of the voting process for the election of the Vice Commodore

and two Board positions. Jeff Pinkerton: Returning Officer, Bob Stroud and John Simondson: Scrutineers.

7.2. Polls taken and the following persons were elected in consecutive ballots.

Vice Commodore. Michelle Batenburg

Board Member 1. Graeme Sergeant

Board Member 2. Steve Winspear

8. Election of Life Member

Commodore Lucille Panting informed the membership that Bo Wharton was proposed by the Board after the life membership committee had considered his eligibility and made its recommendation. The Commodore outlined the achievements of Bo Wharton who was elected unanimously. Bo Wharton then spoke of his history, how he came to Darwin and his sailing experiences. He urged members in a position to contribute financially to the club to do so.

9. Other Business

Commodore Lucille Panting informed the members of the Club's 60th Anniversary in early 2023 and that the Board, in recognition of the significance of this milestone, intended to form a committee to interview members and compile a history of the club. The Board was seeking volunteers to be involved in this committee.

Meeting close: 20:45 HRS

Carolyn Walter

Secretary

The Darwin Sailing Club Inc.

2. Club Reports

2.1 Commodore's Report

Welcome to the AGM for 2022

As you will see from the Treasurers report, we are proceeding well financially, due to high attendance at the Club, many generous sponsors donations, various grants and careful financial management.

I have been Commodore for the last four years and many Board members have been with us for the same period.

The Board's role is to ensure continuous improvement and Club efficiency, and the role of Commodore is to provide leadership and guidance to the Board. I consider we achieved this for the Club.

I want to present the expansive list of achievements we have approved since 2018, not necessarily in date order

- New front entrance
- New sailor's amenities
- Complete refurbishment of careening piles
- Upgrade of children's playground and junior room
- New front entrance and garden area
- Relocation of smoking area
- Creation of Member's Only area
- New AV systems in committee and training rooms
- Asbestos removal and upgrade of undercroft
- Complete revision of club's irrigation system
- Replacement of purlins and flashing in Old Yacht Shop seaward wall
- Construction of new website
- Inner and outer boat park repairs including boat ramp and RHIB shed lighting, outer boat park and green shed lighting upgrade
- Installation of ambient lighting throughout the Club
- Building a new point of contact for front office staff
- Creation of Operations Manager's position

MOTION FOR DECISION

At tonight's meeting the only motion for decision or consideration is the annual increase in membership fees in line with CPI.

ELECTIONS

The following Board positions are vacant

COMMODORE

GENERAL BOARD MEMBER

The following Flag Officer positions are vacant

VICE COMMODORE SAILING

VICE COMMODORE TRAINING

The position of Commodore will require an election as there are two applicants, the other positions have only one applicant each. The Flag Officers will therefore be elected by a show of hands from the floor.

The position of Secretary is also vacant, but as this is a Board appointed position, expressions of interest should be sent to the Commodore.

SPONSORS

We thank the considerable contribution from this year's Sponsors, as they have added so much value to our Club. This year we ensured that our Sponsors were recognized at social get togethers.

THANK YOU

I would like to thank the Board for all their hard work over this year and previous years.

Our former Treasurer, Keoh Goodall left last month after 4 years on the Board, we wish him the best for the future.

Our Secretary, Carolyn Walter will be leaving after 5 years on the Board. Her input into Board issues was invaluable.

Our General Manager, Lee Harris is also leaving after 3 years as Manager. Lee worked very hard to assist the Board in the many "curve balls" we threw him.

Finally thank you members and staff for supporting me in my role as Commodore.

It has been my pleasure to be Commodore at the Darwin Sailing Club.

Lucille Panting

Commodore

2.2 Rear Commodore Sailing's Report

The 59th sailing season at the Darwin Sailing Club was a success. 2022 has seen more than 85 boats on the water, including over 60 off the beach boats, for over 85 races in conditions ranging from drifters to fresh and frightening, providing close racing throughout our fleets.

Our Classic saw 38 boats and over 132 sailors and volunteers on the water, we had 32 boats sailing in our Airpower DSC Regatta. We introduced the exciting NT Shade Sprint Series with 56 off the beach boats, which worked really well to compliment the NT Surgery Club Series I & II which saw 62 off the beach and a handful of big boats. We have 187 registered Active Sailors.

The return of the NTWR was another success 54 women on the water, including 5 from Gove and 20 interstate sailors, 6 Elliot teams battled it out round Robin style and our small but competitive open mixed fleet raced around Fanny Bay and into the harbour. We celebrated the return of international sailing with the Darwin to Saumlaki Rally, which was real highlight in our calendar and promise of great things to come next year.

DSC Club Regatta thanks to our sponsor Airpower, was a weekend event, starting on Friday with briefing night, tropical sailing all day Saturday and Sunday afternoon with a party in-between, dress-up included, and presentation. With 48 Sailors on the water, a team of volunteers, with a generous three-year sponsorship from Airpower this is something we can build on, with confidence, for future years.

The hosting of major sailing regattas like the Australian Minnow Nationals, the Oceania Laser Masters Championships is reflected with our off the beach boats numbers with a surge in our laser fleet building up to the event and it is fabulous to see the blue minnow sails back with a strong minnow fleet.

The training program provided a great program, which has supported the junior and youth development and unfortunately weather intervened and prevented the Cadet Fleet joining the racecourse toward the end of the season. The future is looking bright with such a strong, well supported Junior and Youth program.

Unfortunately, the Sailing Officers position was only filled for 5 of the last 12 months and it's thanks to the amazing effort by the volunteers and the operations staff, that there was minimal impact on this year's sailing program.

We learnt some lessons throughout the season, which the Sailing Committee will look at focusing on the future, including

Attracting more major regattas to our wonderful club to keep reinvigorating our fleets, and supporting our sailors to travel interstate to attend major events and nationals.

Our Signing on process still needs improvement, while the sailsys sign on helped Skippers register it didn't give a fair representation on who was going on the water.

To welcome new sailors to the club we need to work more closely with the training program to provide a simple pathway into sailing, hopefully more social sailing events will help facilitate this. We need to be able to connect new sailors to the club to the associations, skippers and other sailors. This should be a combined effort from the sailing and training committees and officers, which we'll have more time to focus on next year.

Feedback from the Sailors is critical to providing a sailing program that suits us. This needs to be timely and sometimes specific, from surveys, emails, and strong, fair representation on the sailing committee.

The Sailing Committee this year, out of need, was heavily involved in the delivery of the sailing program, which impacted focusing on some of the committee goals, we did introduce the Member of the Month, tweaked the presentation format with series trophies happening on the Sunday and with the support of the staff had great sponsorship dedicated directly to sailing, all of these sponsors are returning next year.

We also are proud to have been able to publish the 2023 Sailing Calendar, with photos from the Photo Competition, which was available at our presentation night and is available here tonight as well. In our 60th year of sailing we are excited to introduce a Sunset Social Series, on Wednesday evening, with more details to come.

We had a robust conversation on the sailing schedule, including the duration of the season and sailing on Saturday or Sunday, or both. The 2023 Sailing program has the majority of club racing on Sundays, which came down to the demand on volunteers for sailing on both days. I think it is vital for the future of sailing at the Darwin Sailing Club that these conversations continue to ensure the sailing reflects our active sailors, evolving sport culture & sailing fleets while staying true to our club.

Personally, I would like to thank the staff, in particular Jacqui and Alanna, the outgoing Commodore Lucille, the Board, YNT & Australian Sailing for your support. A huge thank you to the Sailing Committee, Race Committee and the other volunteers that consistently put so much effort to deliver sailing. To Lee the sailing committee wishes you all the best your future endeavours and look forward to seeing you on our side of the bar.

To you, the Sailors, and the families that support us, thank you for your support for the sailing program, investing in the club, coming down each week, you make all the effort worthwhile.

See you all next year for our 60th year, let's make it a cracker.

Yours in sailing,

Deb Negus

DSC Rear Commodore Sailing

2.3 Rear Commodore Training's Report



2022 has been a very successful year for the Training Academy. The focus for 2022 was to improve relationships with schools and community groups to increase the exposure of our club and sport to the wider community, build on the success of our Tackers programs and develop better asset management.

The Training Committee is pleased to report that all our goals were met with success, as we now move towards our 2023 goals to continue to build and strengthen our programs for the future. The resurgence of the Minnow fleet in 2022 was the direct result of this hard work. Alongside this the ongoing development of the Cadet fleet has progressed beyond expectations and we look forward to welcoming them into club racing in 2023. This is absolutely on the back of the hard work of both Alanna Field and Claire Hall, and I hope the board and members recognise the significant growth that will benefit both the club and the sport through members and new sailors.

The standout success of 2022 was again the JuniorSail Regatta. In its second year the event was so popular that some kids missed out! This two-day event is by far the most popular program/event on the calendar with many kids coming back just to compete. This is a major step in our transition pathway. Some of the outcomes of the 2022 event were 6 x Optis sailing in the NT Champs, 3 new sailors travelling interstate for the Minnow Nationals, 4 x new Minnow sailors and 2 x parents building Minnows for 2023. The event has now caught the eye of other club's interstate as they try to replicate the formula for their own pathways.

Looking forward into 2023 the focus will be on instructor development to ensure we can offer the best opportunities to junior sailors, diversification of programs to address the changing landscape of sailing around the world and continuing to grow junior retention to bridge the gap between training and sailing as we adopt our new pathways.

Finally, the success of the Training Academy could not have been achieved without the hard work of dedicated Training Academy staff and our talented volunteers, without them we wouldn't be able to realise the success of this year and continue to grow our sport. I would also like to thank the board for their continued support and to the Sailing Committee for the great collaboration this year. For more details about our achievements this season check out the following pages.

Ben Schmidt
Rear Commodore Training

2022 GOALS



01 — Increased Participation & Transition

Our main goal of 2022 was to increase participation in the Training Academy. We wanted to get our name out there as a sport for the whole family to enjoy in the Top End. We believe we meet this goal with an increase of 81% in our overall participation. A few key areas that we saw large increases was our Minnow & Cadet Squad and JuniorSail Regatta.



02 — Group Programs

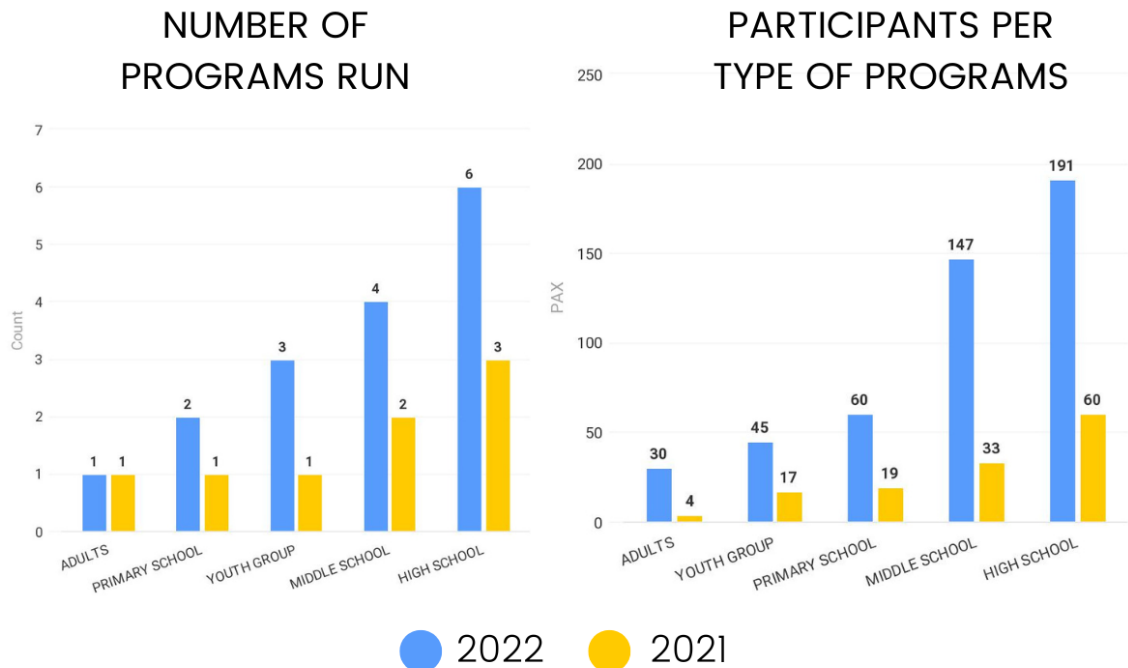
Over the past season we aimed to increase the Schools and Groups that we work with to conduct Training Programs and experiences. We specialised in Youth and Junior programs working with over 15 different schools and companies. This was an increase from 8 the previous season. We are now already in discussions with groups for next season and have had positive feedback on their experiences.



03 — Asset Management

An area that has not necessarily been a priority in the past, became one of our main goals of 2022. We have worked really hard to introduce weekly maintenance checks, create an easier way for both Instructors and volunteers to report breakages and to not only fix these breakages, but look into what it is that's causing them and if we need to change procedures/products used in order to reduce these maintenance issues. We can now continue to improve on this each season comparing our records and pre-empt problem areas, as we now record usage of every asset through both training and sailing.

GROUP PROGRAMS



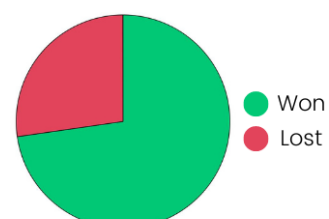
We have already begun speaking with Schools and Youth Groups to complete more programs with us in 2023. Offering a range of programs from weekly classes, Camps to Taster Sessions. We work directly with each group to find the best option for them. We are hoping to be able to increase our relationships with Youth Groups in 2023.

255% increase in participant numbers for our Group Programs from 2021 to 2022 alone.



The Training Academy now has Programs designed for all different year levels with information that directly relates to the Curriculum. We have found these very useful in helping to show schools & teachers all the great benefits of Sailing and what it can do for their students.

In 2022 we had 22 different groups and schools reach out to us about doing a sailing program. We were able to complete 16 of those programs in the Dry season, with many already reaching out now to organise a 2023 program.



MORE FACTS



ACCREDITED PROGRAMS

195 TOTAL PARTICIPANTS
29 DIFFERENT PROGRAMS
(OutThere Sailing, Tackers 1, 2, 3, Start Crewing & Helming, Start Sailing)



COACHING PROGRAMS

45 TOTAL PARTICIPANTS
5 DIFFERENT PROGRAMS
(Dinghy Training, Cadet & Minnow Squad, Race Coaching, Opti Training)



PRIVATE LESSONS

22 TOTAL PARTICIPANTS
18 DIFFERENT LESSONS
(Dinghy Lessons & Keelboat Lessons)



JUNIORSAIL REGATTA

32 TOTAL SAILORS
2 DIVISIONS (MINNOWS & OPTIS)
8 RACES



INSTRUCTORS

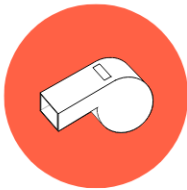
21 TOTAL INSTRUCTORS
9 FULL INSTRUCTORS
11 ASSISTANT INSTRUCTORS
(Ranging in ages of 11 to 31 years old)

2023 GOALS



01 — Junior Retention

We have spent this past year creating a new pathway for our junior training programs. We want to aim at creating Sailors for life rather than participants that complete a Tackers program and then move onto the next sport. To do this we have changed how our programs will be run by making them go for the length of the season rather than 6 weeks. This will allow us to move juniors around based on their individual skill levels and have them learn skills at their own pace. We have now got a succession plan of programs that allow a junior to be fostered through sailing over multiple years, without feeling the need to buy a boat too early or jump off the deep end so to speak. This will hopefully allow better retention and continue to lead to higher rates of Junior Sailors in the club for many years to come.



02 — Instructor Development

We have worked really hard with all our Instructors over the last few years to increase their skills and give them as many opportunities as possible. In 2023 our aim is to offer more development programs such as Stinger specific First Aid sessions, workshops with highly experienced instructors about their techniques they use across different programs and participant types, wing training and Darwin Port Tours.



03 — Expanding Programs Offered

We have been lucky enough to increase our Assets for 2023. We have 2 small RHIBs coming into the fleet to be used for Junior Programs. This will allow us to be able to run programs for a lower cost with reduced fuel costs and less need for the tractor to be able to launch and retrieve. We have gone with these smaller RHIBs to be used specifically with our junior classes, making programs more sustainable, reduce conflicts with club sailing and have better safety for our younger instructors to use the RHIBs.

We have 6 x wings and 6 x SUP that will be used to deliver the Learn to Wing Program. The SUP will also be utilised in our Junior & Youth programs as a back-up plan, school groups and intro & intermediate SUP classes throughout 2023.

CHALLENGES IN 2023

INSTRUCTORS

As usual it is always a challenge to get seasonal instructors each year, with a big commitment from them to move to Darwin for 6 months. We have already begun advertising and have had some interest. This is something we will continue to work on, making a package deal that is very attractive for interstate instructors to want to come and work in the Top End during the Dry Season.

BOATS VS INCREASED PARTICIPATION

With such big increases this year, we have found a challenge to be not enough boats to conduct training for our larger groups. We are currently looking into replacement vessels that can hold more people per boat and also are more attractive to be hired out after the completing of a training course, to be used for casual racing. We are looking into boats that can meet the needs of beginners through to experienced sailors.

NEW IN 2023

Over the past season we have worked really hard to be able to introduce some new Programs and Equipment to the Training Academy.



2 X SMALL RHIBS

Main Purpose: To be used as safety vessels in Junior Training and Coaching Programs. Will also be safer for our younger Assistant Instructors who have Powerboating qualifications.



6 X REPLACEMENT STAND UP PADDLEBOARDS

Main Purpose: Solid SUPs as the inflatable ones can't withstand the Darwin heat. To be used in Group and Youth Programs along with the Learn to Wing Program



6 X WINGS

Main Purpose: Introduce an up and coming water sport, especially to attract Youth to the sport and to become apart of the club with an exciting new program.

Australian Sailing assisted us by contributing 50% of the cost of the new SUPs and Wings.

2.4 Treasurers Report

2021-2022 FINANCIAL YEAR

The reporting period commenced with COVID-19 closures and many of the operating conditions experienced during the previous 12 months. As we moved into early 2022, we witnessed a steady increase in revenue and by the beginning of the dry season the financials were back closer to pre COVID-19 trading conditions.

The 2021 -22 financial year resulted in a small loss of \$22,163. This was due to an increase in staff wages and the ending of COVID-19 federal government support totalling \$198,000 in 2021.

The club has continued to strengthen its financial position with total current assets (cash or can be converted to cash) increasing from \$932,650 to \$978,487 although current liabilities also increased over this period.

The fine-tuning of the operational budget continued over the reporting period and ongoing analysis of the club's departmental expense allocations. This work is ongoing and with revenue now returning closer to historical data it can be strengthened in the coming years.

The key drivers for the club continue to be the club's ability to generate revenue through the bar, while managing the club's variable expenses. The greater this balance is performed, the greater the club's ability to deliver its mission; to encourage a wider range of sailing and training to the Darwin community.

After 4 years on the board and 3 as Treasurer it is now time for me to move on. I would like to take this opportunity to thank my fellow board members for their contribution over this period and pass on my appreciation to all the wonderful staff and volunteers at the club.

Keoh Goodall
DSC Treasurer

Statement of Financial Position as at 30 June 2022

| | 2022 | 2021 | \$ | Differen | % |
|--------------------------|--------------|--------------|-------------|----------|------|
| Assets | | | | | |
| Current Assets | 978 | 933 | 46 | | 5% |
| Fixed Assets | 2,513 | 2,552 | (38) | | -1% |
| Total Assets | 3,492 | 3,484 | 8 | | 0% |
| Liabilities | | | | | |
| Current Liabilities | 136 | 287 | (151) | | -52% |
| GST Liabilities | 32 | 1 | 32 | | NA |
| Payroll Liabilities | 35 | 10 | 25 | | 259% |
| Provisions & Accruals | 115 | 37 | 77 | | 206% |
| Revenue In Advance | 75 | 29 | 46 | | 162% |
| Total Liabilities | 393 | 363 | 30 | | 8% |
| Net Assets | 3,099 | 3,121 | (22) | | -1% |
| Equity | | | | | |
| Asset Revaluation Reser | 1,954 | 1,954 | - | | NA |
| Retained Surplus | 1,145 | 1,167 | (22) | | -2% |
| Total Equity | 3,099 | 3,121 | (22) | | -1% |

Statement of Financial Position

• Current Assets • Fixed Assets • Total Assets • Total Liabilities • Total Equity



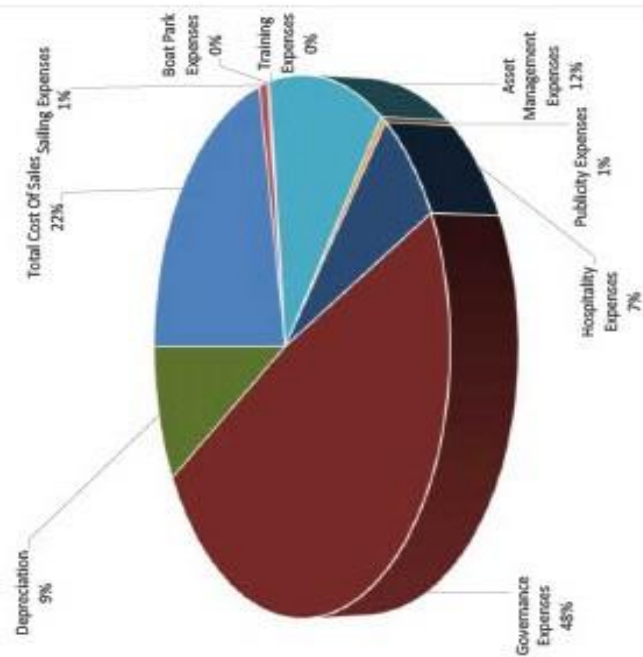
Profit and Loss for the Financial Year Ended 30 June 2022

| | 2022 | 2021 | \$ | Differenc | % |
|--------------------------|-------------|-------------|-------------|-----------|-------|
| Income | | | | | |
| Operating Income | 3207 | 2721 | 486 | | 18% |
| Other Income | 0 | 198 | -198 | | NA |
| Total Income | 3208 | 2919 | 289 | | 10% |
| Expenses | | | | | |
| Cost Of Sales | 714 | 881 | 54 | | 8% |
| Operating Expenses | 2228 | 1802 | 425 | | 24% |
| Other Expenses | 298 | 295 | -7 | | -2% |
| Total Expenses | 3230 | 2758 | 472 | | 17% |
| Net Profit/(Loss) | -22 | 161 | -183 | | -114% |

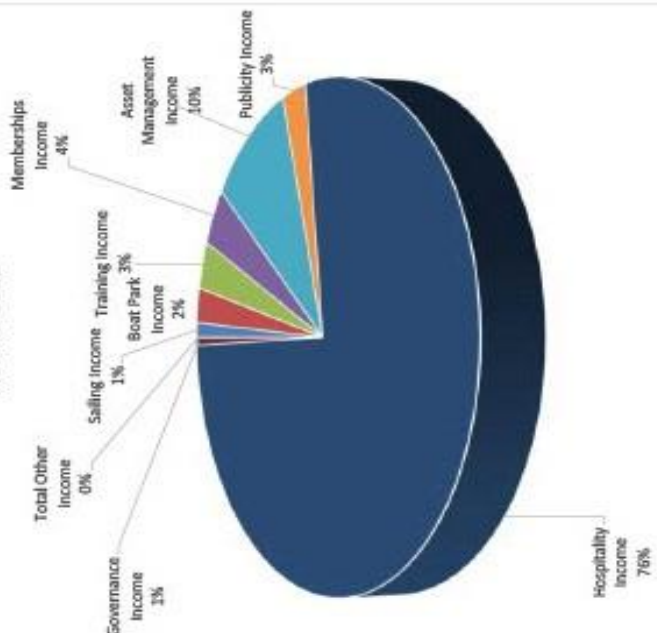
Chart Title



Expenses 2022



Income 2022



2.5 Auditors Report

The Darwin Sailing Club Inc.

ABN 66426984213

Annual Report - 30 June 2022

The Darwin Sailing Club Inc
Contents
30 June 2022

| | |
|---|----|
| Boards' report | 2 |
| Boards' declaration | 3 |
| Statement of profit or loss and other comprehensive income | 4 |
| Statement of financial position | 5 |
| Statement of changes in equity | 6 |
| Statement of cash flows | 7 |
| Notes to the financial statements | 8 |
| 1. General information | 8 |
| 2. Significant accounting policies | 8 |
| 3. Critical accounting judgements, estimates and assumptions | 12 |
| 4. Cost of sales | 13 |
| 5. Other revenue | 13 |
| 6. Governance, administration and other expenses | 14 |
| 7. Cash and cash equivalents | 14 |
| 8. Trade and other receivables | 14 |
| 9. Inventories | 14 |
| 10. Prepayments | 15 |
| 11. Property, plant and equipment | 15 |
| 12. Trade and other payables | 16 |
| 13. Provisions | 16 |
| 14. Events after the reporting period | 16 |
| 15. Reconciliation of (deficit)/surplus to net cash from operating activities | 17 |
| Independent auditor's report to the members of The Darwin Sailing Club Inc | 18 |

The Darwin Sailing Club Inc
Boards' report
30 June 2022

The Board presents their report, together with the financial statements, on the Club for the year ended 30 June 2022.

Board Members

The following persons were Board Members of the Club during the whole of the financial year and up to the date of this report, unless otherwise stated:

Board Members:

| | |
|--------------------|---|
| Lucille Panting | Commodore |
| Matthew Dix | Vice Commodore (ceased 29 November 2021) |
| Michelle Batenburg | Vice Commodore (appointed 29 November 2021) |
| Carolyn Walter | Secretary |
| Keoh Goodall | Treasurer |
| Marcus Ilton | Board Member |
| Graeme Sergeant | Board Member (appointed 29 November 2021) |
| Steve Winspear | Board Member (appointed 29 November 2021) |
| Jim Grierson | Board Member (ceased 29 November 2021) |

Club Officers:

| | |
|---------------|-------------------------|
| Deb Negus | Rear Commodore Sailing |
| Ben Schmidt | Rear Commodore Training |
| Peter Bracken | Governance Officer |

Principal activities

During the financial year the principal continuing activities of the Club consisted of:

- to promote and encourage participation in the sailing and racing of all types of sailing craft on Darwin Harbour, surrounding waters and elsewhere;
- to provide training and education in the use and operation of marine vessels and related activities, to foster marine safety and the preservation of the marine environment;
- to participate in community activities relevant to the Club's purposes; and
- to provide and maintain Club premises and facilities for the members of the Club.

Significant Changes

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

Operating Result

The net deficit of the Club for the financial year ended 30 June 2022 is \$22,163 (2021: net surplus of \$161,226).

| | 2022 | 2021 |
|---|----------------|----------------|
| | \$ | \$ |
| (Deficit)/surplus for the year | (22,163) | 161,226 |
| Depreciation | 288,008 | 278,512 |
| (Deficit)/surplus for the year before depreciation | <u>265,845</u> | <u>439,738</u> |
| Covid stimulus payments | - | (71,998) |
| Job keeper payments | - | (126,000) |
| Job keeper top up expenses | - | 13,377 |
| Capital sailing grants | (175,840) | - |
| Capital house grants | (26,998) | (106,546) |
| Loss of vessel - insurance proceeds received in FY23 | 45,309 | - |
| Salaries and wages accrual - first recognised in FY22 | - | (29,738) |
| | <u>108,316</u> | <u>118,833</u> |

The Darwin Sailing Club Inc
Boards' declaration
30 June 2022

In the Board's opinion:

- the Club is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 2 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Northern Territory legislation, the Associations Act 2003 and associated regulations;
- the attached financial statements and notes comply with the Accounting Standards as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Club's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board.



Lucille Panting
Commodore

20 October 2022



Keoh Goodall
Treasurer

The Darwin Sailing Club Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|---|-------------|--------------------------|--------------------------|
| Revenue | | | |
| Bar and merchandise sales | | 2,203,172 | 1,953,948 |
| Cost of sales | 4 | (1,601,763) | (1,392,769) |
| | | 601,409 | 561,179 |
| Other revenue | 5 | 1,051,766 | 965,306 |
| Total revenue | | 1,653,175 | 1,526,485 |
| Expenses | | | |
| Governance, administration and other expenses | 6 | (126,516) | (132,528) |
| Accounting fees | | (5,859) | (7,155) |
| Audit fees | | (9,850) | (8,400) |
| Depreciation expenses | | (288,008) | (278,512) |
| Employment expenses - other than bar | | (443,350) | (324,460) |
| Sailing, boat park and training expenses | | (37,037) | (31,055) |
| Asset management expenses | | (393,779) | (279,486) |
| Publicity expenses | | (16,583) | (35,366) |
| Hospitality expenses | | (216,008) | (152,450) |
| Interest and bank charges | | (32,368) | (30,356) |
| Insurance expense | | (105,980) | (85,491) |
| Total expenses | | (1,675,338) | (1,365,259) |
| (Deficit)/surplus for the year | | (22,163) | 161,226 |
| Other comprehensive income for the year | | - | - |
| Total comprehensive (loss)/income for the year | | (22,163) | 161,226 |

The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Darwin Sailing Club Inc
Statement of financial position
As at 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|-------------------------------|-------------|--------------------------|--------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 7 | 774,161 | 752,767 |
| Trade and other receivables | 8 | 20,279 | 14,652 |
| Inventories | 9 | 69,591 | 51,471 |
| Prepayments | 10 | 114,456 | 113,760 |
| Total current assets | | <u>978,487</u> | <u>932,650</u> |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 2,513,410 | 2,551,649 |
| Total non-current assets | | <u>2,513,410</u> | <u>2,551,649</u> |
| Total assets | | <u>3,491,897</u> | <u>3,484,299</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 12 | 333,212 | 333,798 |
| Provisions | 13 | 59,685 | 29,338 |
| Total current liabilities | | <u>392,897</u> | <u>363,136</u> |
| Total liabilities | | <u>392,897</u> | <u>363,136</u> |
| Net assets | | <u>3,099,000</u> | <u>3,121,163</u> |
| Members' Funds | | | |
| Asset Revaluation Reserves | | 1,954,328 | 1,954,328 |
| Accumulated surpluses | | <u>1,144,672</u> | <u>1,166,835</u> |
| Total members' funds | | <u>3,099,000</u> | <u>3,121,163</u> |

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

The Darwin Sailing Club Inc
Statement of changes in equity
For the year ended 30 June 2022

| | Asset Revaluation Reserves \$ | Accumulated Surpluses \$ | Total members' funds \$ |
|---|--|---|--|
| Balance at 1 July 2020 | 1,954,328 | 1,005,609 | 2,959,937 |
| Surplus for the year | - | 161,226 | 161,226 |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | - | 161,226 | 161,226 |
| Balance at 30 June 2021 | <u>1,954,328</u> | <u>1,166,835</u> | <u>3,121,163</u> |
| | Asset Revaluation Reserves \$ | Accumulated Surpluses \$ | Total members' funds \$ |
| Balance at 1 July 2021 | 1,954,328 | 1,166,835 | 3,121,163 |
| Deficit for the year | - | (22,163) | (22,163) |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive loss for the year | - | (22,163) | (22,163) |
| Balance at 30 June 2022 | <u>1,954,328</u> | <u>1,144,672</u> | <u>3,099,000</u> |

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

The Darwin Sailing Club Inc
Statement of cash flows
For the year ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|--|-------------|--------------------------|--------------------------|
| Cash flows from operating activities | | | |
| Receipts from customers (inclusive of GST) | | 2,968,739 | 2,593,080 |
| Payments to suppliers and employees (inclusive of GST) | | (2,787,255) | (2,457,474) |
| Grants received | | 98,476 | 266,574 |
| ATO COVID19 Stimulus | | - | 162,000 |
| Interest received | | 719 | 591 |
| Insurance recoveries | | 20,207 | - |
| Net cash from operating activities | 15 | <u>300,886</u> | <u>564,771</u> |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | 11 | (299,106) | (161,832) |
| Grants received to acquire property, plant and equipment | | 18,250 | - |
| Proceeds from disposal of property, plant and equipment | | 1,364 | 45 |
| Net cash used in investing activities | | <u>(279,492)</u> | <u>(161,787)</u> |
| Net increase in cash and cash equivalents | | 21,394 | 402,984 |
| Cash and cash equivalents at the beginning of the financial year | | <u>752,767</u> | <u>349,783</u> |
| Cash and cash equivalents at the end of the financial year | 7 | <u><u>774,161</u></u> | <u><u>752,767</u></u> |

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

The Darwin Sailing Club Inc
Notes to the financial statements
30 June 2022

1. General information

The financial statements cover The Darwin Sailing Club Inc as an individual entity. The financial statements are presented in Australian dollars, which is The Darwin Sailing Club Inc's functional and presentation currency.

The Darwin Sailing Club Inc is a not-for-profit Club, incorporated and domiciled in Australia.

A description of the nature of the Club's operations and its principal activities are included in the Boards' report, which is not part of the financial statements.

The financial statements were authorised for issue on 20 October 2022.

2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

In the Board's opinion, the Club is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Northern Territory legislation the Associations Act 2003 and associated regulations. The Board has determined that the accounting policies adopted are appropriate to meet the needs of the Board of The Darwin Sailing Club Inc.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Club's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

2. Significant accounting policies (continued)

Revenue recognition

The Club recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Club is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Club: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Grants

Grant revenue is recognised in profit and loss when the Club satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the Grant which must be satisfied before the Club is eligible to retain the contribution, the Grant will be recognised in the statement of financial position as a liability until those condition are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the Club is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the Statement of financial position based on current and non-current classification.

2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Club's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Club's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

The Club has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

| | |
|------------------------------------|--------------|
| Buildings | 1-39 years |
| Capital improvements | 3-10 years |
| Plant and equipment | 2.5-20 years |
| Furniture and fittings | 5-10 years |
| Motor vehicles and tractors | 8 years |
| Careening Piles | 10 years |
| Sail training fleet and powerboats | 3-14 years |

2. Significant accounting policies (continued)

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Club. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Club prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

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

2. Significant accounting policies (continued)

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Club for the annual reporting period ended 30 June 2022. The Club has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Fair value measurement hierarchy

The Club is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

3. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

4. Cost of sales

| | 2022 | 2021 |
|-------------------------------|--------------------|--------------------|
| | \$ | \$ |
| Opening stock | (51,471) | (37,704) |
| Net purchases during the year | (732,545) | (674,601) |
| Employment expenses - bar | (887,338) | (731,935) |
| Less: Closing stock | 69,591 | 51,471 |
| | <u>(1,601,763)</u> | <u>(1,392,769)</u> |

5. Other revenue

| | 2022 | 2021 |
|-------------------------------|------------------|----------------|
| | \$ | \$ |
| Sailing income | 31,929 | 32,118 |
| Sponsorships and publicity | 88,105 | 28,017 |
| Grant income | 293,293 | 134,532 |
| Boat park income | 76,416 | 70,188 |
| Training income | 103,533 | 113,305 |
| Function income | 242,507 | 171,736 |
| Membership income | 124,266 | 129,110 |
| Rent and lease income | 45,364 | 54,885 |
| Commissions - ATM | 1,327 | 2,341 |
| Interest income | 719 | 591 |
| Raffle and event ticket sales | 8,217 | 6,427 |
| Other income | 15,883 | 24,068 |
| Insurance recoveries | 20,207 | - |
| Covid-19 stimulus payments | - | 71,988 |
| JobKeeper payments | - | 126,000 |
| | <u>1,051,766</u> | <u>965,306</u> |

The Darwin Sailing Club Inc
Notes to the financial statements
30 June 2022

6. Governance, administration and other expenses

| | 2022 | 2021 |
|--|----------------|----------------|
| | \$ | \$ |
| Badge draws | 7,360 | 5,855 |
| Computer and internet costs | 13,761 | 13,865 |
| Licenses, fees and permits | 7,201 | 6,970 |
| Management committee expenses | 109 | 774 |
| Miscellaneous and other expenses | 5,378 | 19,793 |
| Office, postage, printing and stationery | 11,413 | 9,618 |
| Subscriptions and memberships | 7,255 | 2,198 |
| Telephone expenses | 4,326 | 2,630 |
| JobKeeper top up expenses | - | 13,377 |
| Yachting NT and Australian sailing fees | 21,738 | 21,478 |
| Loss on disposal of assets | 47,975 | 35,970 |
| | <u>126,516</u> | <u>132,528</u> |

7. Cash and cash equivalents

| | 2022 | 2021 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Cash on hand | 8,250 | 7,837 |
| ANZ general cheque account | - | 8,381 |
| Bendigo main account | 483,913 | 285,871 |
| Bendigo grant account | 11,012 | 197,833 |
| Bendigo term deposit account | 250,000 | 250,345 |
| Clearing accounts | 10,076 | - |
| Till floats | 2,500 | 2,500 |
| ATM float | 8,410 | - |
| | <u>774,161</u> | <u>752,767</u> |

8. Trade and other receivables

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Trade receivables | 23,279 | 17,652 |
| Less: Allowance for expected credit losses | (3,000) | (3,000) |
| | <u>20,279</u> | <u>14,652</u> |

9. Inventories

| | 2022 | 2021 |
|-----------------------|---------------|---------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Stock on hand | 68,843 | 47,605 |
| Merchandise | 748 | 3,866 |
| | <u>69,591</u> | <u>51,471</u> |

The Darwin Sailing Club Inc
Notes to the financial statements
30 June 2022

10. Prepayments

| | 2022 | 2021 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Prepaid insurance | 96,026 | 99,930 |
| Prepaid workers compensation | 18,430 | 13,632 |
| Other prepaid expenses | - | 198 |
| | <u>114,456</u> | <u>113,760</u> |

11. Property, plant and equipment

| | 2022 | 2021 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| Buildings - at valuation | 2,365,205 | 2,365,205 |
| Less: Accumulated depreciation | (691,973) | (521,230) |
| | <u>1,673,232</u> | <u>1,843,975</u> |
| Sailing Training Fleet and Powerboats - at cost | 582,879 | 661,815 |
| Less: Accumulated depreciation | (352,531) | (330,694) |
| | <u>230,348</u> | <u>331,121</u> |
| Plant and equipment - at cost | 263,043 | 216,864 |
| Less: Accumulated depreciation | (153,176) | (124,316) |
| | <u>109,867</u> | <u>92,548</u> |
| Furniture and fittings - at cost | 60,601 | 19,273 |
| Less: Accumulated depreciation | (15,172) | (10,038) |
| | <u>45,429</u> | <u>9,235</u> |
| Motor vehicles and Tractors - at cost | 61,648 | 61,648 |
| Less: Accumulated depreciation | (47,842) | (43,310) |
| | <u>13,806</u> | <u>18,338</u> |
| Careening Piles - at cost | 27,400 | 27,400 |
| Less: Accumulated depreciation | (2,853) | (113) |
| | <u>24,547</u> | <u>27,287</u> |
| Capital Improvements - at cost | 462,485 | 253,228 |
| Less: Accumulated depreciation | (46,304) | (24,083) |
| | <u>416,181</u> | <u>229,145</u> |
| | <u><u>2,513,410</u></u> | <u><u>2,551,649</u></u> |

The Darwin Sailing Club Inc
Notes to the financial statements
30 June 2022

12. Trade and other payables

| | 2022 | 2021 |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Trade payables | 112,030 | 39,991 |
| Revenue received in advance | 62,262 | 28,615 |
| Grant income | 9,450 | 186,017 |
| Other payables | 36,944 | 16,170 |
| GST Payable | 32,498 | 53,357 |
| Payroll liabilities | 80,028 | 9,648 |
| | <u>333,212</u> | <u>333,798</u> |

13. Provisions

| | 2022 | 2021 |
|----------------------------|---------------|---------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Annual leave | 48,281 | 24,636 |
| Long service leave | 11,404 | 4,702 |
| | <u>59,685</u> | <u>29,338</u> |

14. Events after the reporting period

On 30 June 2022, Club's one of the vessels lost its mooring. An inspection of the mooring line revealed that during unseasonably inclement weather the mooring line sheared and released the vessel.

A claim was lodged with the Club's insurers. After a week the vessel was located approximately 600 km West of Darwin in the Timor Sea. However due to the inherent difficulty could not be recovered.

On 5 September 2022, insurance claim amount of \$69,500 was received into the Club's main operating account.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Club's operations, the results of those operations, or the Club's state of affairs in future financial years.

The Darwin Sailing Club Inc
Notes to the financial statements
30 June 2022

15. Reconciliation of (deficit)/surplus to net cash from operating activities

| | 2022 | 2021 |
|--|----------------|----------------|
| | \$ | \$ |
| (Deficit)/surplus for the year | (22,163) | 161,226 |
| Adjustments for: | | |
| Depreciation expense | 288,006 | 278,512 |
| Sale of assets | - | (45) |
| Loss on sale of assets | 47,975 | 35,970 |
| Non cash grants - House | - | (44,885) |
| Change in operating assets and liabilities: | | |
| Decrease/(increase) in trade and other receivables | (5,627) | 36,958 |
| Increase in inventories | (18,120) | (13,767) |
| Increase in prepayments | (696) | (113,578) |
| Increase/(decrease) in trade and other payables | (18,836) | 221,167 |
| Increase in employee benefits | 30,347 | 3,213 |
| Net cash from operating activities | <u>300,886</u> | <u>564,771</u> |



Tel: +61 8 8981 7066
Fax: +61 8 8981 7493
www.bdo.com.au

72 Cavenagh St
Darwin NT 0800
GPO Box 4640 Darwin NT 0801
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of The Darwin Sailing Club Inc.

Opinion

We have audited the financial report of The Darwin Sailing Club Inc. (the "Association"), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the Board's declaration.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2022 and of its financial performance for the year then ended in accordance with the basis of accounting described in note 2.

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 Association in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of *Northern Territory Associations Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and the Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 2 is appropriate to meet the requirements of *Northern Territory Associations Act* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.



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

The Board Members are responsible for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to be 'C Taziwa'.

BDO Audit (NT)

A handwritten signature in black ink, appearing to be 'C Taziwa'.

C Taziwa
Audit Partner

Darwin, 21 October 2022