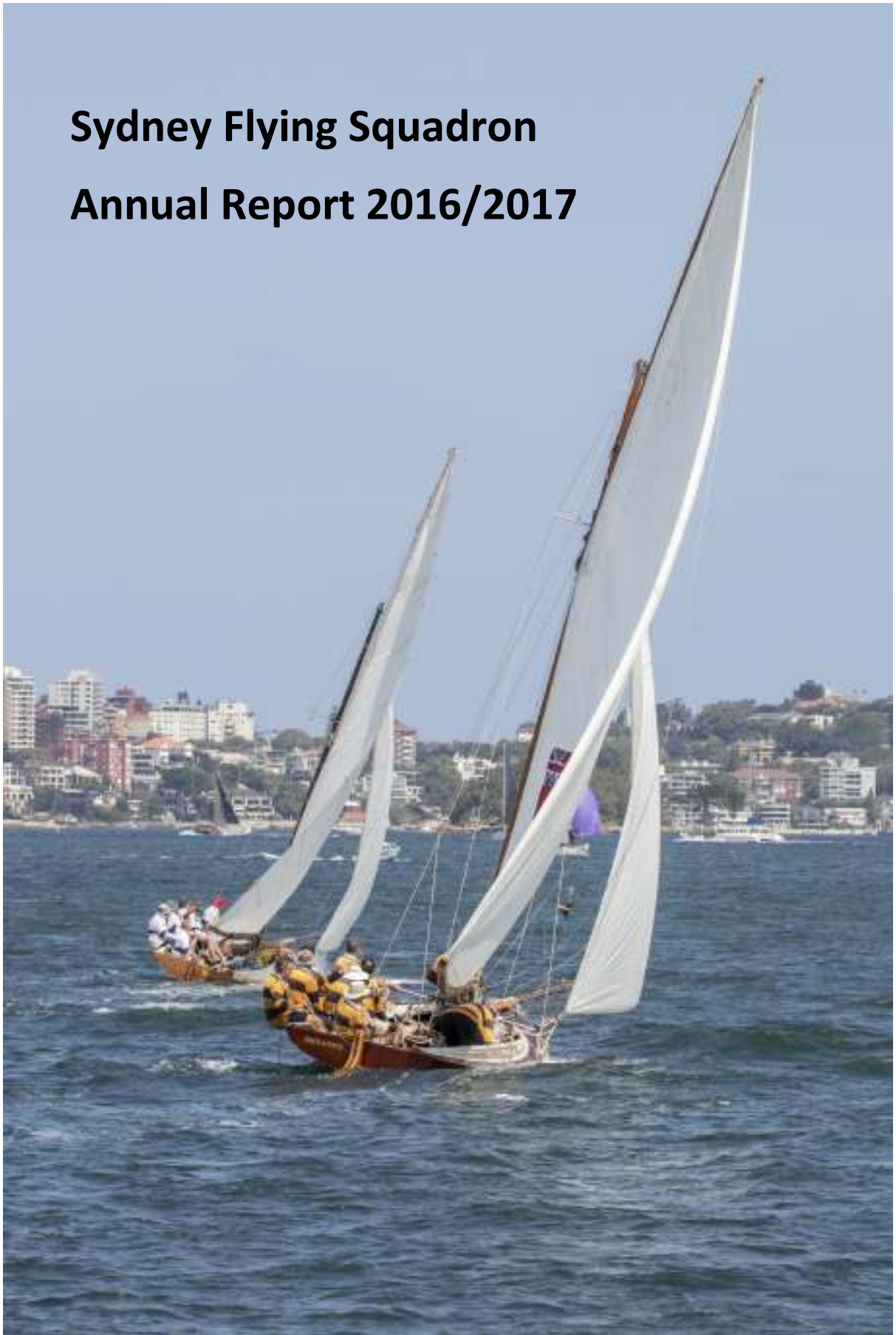


Sydney Flying Squadron Annual Report 2016/2017





All photos taken from the spectator ferry courtesy of Karen Hill

Presidents Report

The last year has been one of consolidation. The catering arrangements have resulted in a big growth in income for the club. The increased numbers are testament to the quality and attractiveness of the food and beverage. This will allow us to reduce debt and ensure a strong future for Sydney Flying Squadron.

2016/17 is the first time in many years where we have made a profit without being subsidised by Pattons. If changes made over the last few years had not happened, we eventually would have had to close the club. Clubs today have to evolve or die.

The downside of the growth of course, is that some periods are heavily booked. It can be difficult to get a table on some occasions, so it is important to book well in advance.

We concluded a lengthy negotiation with the catering company and a final catering contract was signed early this year. This will give us, and Ashdown Investments a stable platform to build the club over the coming years.

Long overdue improvements to the building have commenced. We spent close to \$100k to carry out repairs to the wharf area. Over winter we installed a pontoon to store our rescue boat. The boatshed floor will soon be resurfaced.

In the coming year, we will see the boat ramp rebuilt and other work undertaken in the park. This is a jointly funded venture between North Sydney Council and the State government. We have been working with both for over a year to secure funding. That funding has now been approved.

Longer term, we plan to provide disabled access to the club by installing a lift. We will also rebuild the toilets and provide a disabled toilet.

The club has survived for over a decade by draining profit from Pattons. The result has been a gradual deterioration of the Pattons facility to the point where it is generating less rent each year, and the state of the Patton's facility continues to decline.

Plans are now well underway to revitalise the site, and ensure it becomes self-sufficient in the longer term. We are working to lodge a development application with North Sydney Council in the coming year. The intention is to make the site a commercially viable business within a few years, and be truly profitable over the longer term.



Presidents Report (cont.)

On a sadder note, we lost one of our stalwarts when Bob 'Killo' Killick passed away recently. Killo was the skipper of Yendys and had been a fixture around the club for decades.

On the sailing side, we took three of the boats to the US and sailed them over a week at Annapolis with the American Sandbaggers which are 1860 replica racing boats. We hosted 12-footers as well as F18 catamarans during the last season. In 2018, we plan to take some of the boats to Victoria.

The coming year will be one of continued growth. We will see profitability continue to grow and plan to introduce a number of new initiatives, including improved membership benefits. With a new boat ramp for the 18/19 season, and planning approvals for Pattons, we will secure the future of the Sydney Flying Squadron.

John Winning
President



Commodores Report

Another year passes, and I am pleased to report another successful season of sailing at the Club.

The Historic 18ft skiff fleet sailed through its 126th year on our magnificent harbour continuing what is one of the oldest classes still actively competing. Participation for the coming season is looking strong and we can look forward to another year of enjoying the ongoing providence.

The 12 foot skiff fleet continues to grow at the SFS with a consistent presence at the Sunday races. Over Easter the National Titles were held out of the Lane Cove 12ft Sailing Skiff Club with the Killara II on station as the start vessel. I am thrilled to report that the leading skiffs were all SFS regulars. Thanks to Lane Cove for hosting a great event.

Congratulations to all the crews who won and placed in the season series and championships. The handicap system proved successful in giving all the fleet a chance of making the podium. Many thanks to Bob Chapman and Peter Notley for keeping the race records and points scores.



The past year saw the passing of our great mate and 18ft stalwart Bob Killick. Bob's contribution to both Historic and Modern 18ft classes was magnanimous, his involvement and promotion of our sport over the years is evident in the sailing continuity of both fleets. As a close and personal friend, I particularly miss Bob's advice, encouragement and mentorship towards the role I have aspired to. Bar sales have also suffered.

The Graeme Ferguson Ringtail Cup passed its water (Rum) tightness test at its inaugural award to Ian Smith and the Britannia crew. Judging by the demeanour of the skipper and crew following the award the tot is the correct size. Keep those Rintails hoisting!

At this year's AGM we will be awarding Life Membership to Ian Smith for his outstanding contribution towards sailing, boat building and promotion of the class. As a member of the SFS

Commodores Report (cont.)

Sailing Board and President of the AHSSA Ian continues to fly the flag (and Ringtails) high for the SFS. We honour his resolve.

Ian was recently behind the Club's journey to America to sail against the Sandbaggers on Chesapeake Bay. Reports of the event confirm a most enjoyable time was had by all. Rumours are circulating to host a reciprocal event in 2019 at the SFS.



Recognition of Jim North's perpetual legacy to the SFS is also respectfully appreciated. This year funds were made available to provide new sails for the Scot. Thank you Jim.

Finally, thanks to all the volunteers and social members who support and contribute towards keeping the programme alive. Without our volunteers the show could not go on. The list is too long to mention you all individually, but you know who you are.

Looking forward to another great season in 17-18.

Sail On

Billy Loader
Commodore

Treasurers Report

My report last year highlighted the fact that bar sales, the life blood of the Club's finances, had increased substantially after years of decline, thereby holding out the prospect of a brighter financial future. The results in 2016-2017 confirm we're in a fundamentally better position.

On the back of a 30% increase in bar sales, we recorded an underlying profit (i.e. after stripping out management fees from Pattons and several "one-off" receipts and expenses) of \$40,000, compared with a loss in 2015-2016. To put this into perspective, it is only the third time the Club has recorded a profit (excluding management fees and poker machine income) in the last 10 years and the only time during that period the profit has exceeded \$15,000.



This improvement comes on the back of a substantial investment in the previous year by the Club and caterer to upgrade the building and much hard work by all involved.

The age of the building, and hence its propensity to generate myriad repair tasks, and the fickle nature of the hospitality industry, mean there will be no "resting on our laurels" if we are to consolidate and continue the fundamental improvement in the Club's finances. By doing so we can more quickly pay-down our still substantial debt; invest in upgrades of disabled access, toilets and the sailors' change rooms; and maintain cash reserves to enable us to cope comfortably with contingencies.

All of this will need robust growth in bar sales, including because of the catering fee incentive provided for by the new catering agreement. In addition, we cannot look to Pattons as a source of much income over the next few years.

Treasurers Report (cont.)

As you may know, the Pattons site was bought in the 1970s as the result of the efforts of a small number of far-sighted members. We should be ever grateful to them because it's no exaggeration to say that the Club wouldn't exist today if it hadn't been for the income from Pattons. But the Pattons subsidy of the Club has been at the cost of a lack of investment in the site for many years. This in turn means the property is failing to generate an adequate return.

To put Pattons on a solid financial footing, the Board is considering a re-development strategy that, among other elements, involves long overdue building improvements and replacement of the slipways with a hardstand.

I thank Eva Karpati, our part-time accountant, for her work in helping to improve the Club's finances.

Peter Jackson
Treasurer



Catering Agreement

Since entering into the Catering Agreement with Ashdown Investments (AI) in June 2015 it was found that the original offer made to AI that included management of the Bar was not in strict accordance with the Registered Clubs Act.

This being the case a new Catering Agreement was required that was legally compliant and to both parties satisfaction.

The original Agreement was for 3 years with no option for renewal.

The new Catering Agreement addresses the compliance issues and provides for a further 5-year tenure with an option to renew for an additional 5 years.

The new Catering Agreement document was reviewed by the Board and a motion passed to execute the Agreement.

The new Catering Agreement was executed by both parties on 12 April 2017.

The new Agreement provides for a compliant and equitable arrangement for both parties with a secure tenure into the next decade.



Social Club Report

The SFS Social Committee (SC) operates as an official committee under the Articles of the Club drawing its team from both members and sailing members. The SC provides statements of finances regularly to the Board. Funds raised by the SC are derived from various activities solely for the benefit of members.



The 2015-16 Social Club Report indicated that the Club was facing testing times, and the impact of operating changes within the club and its management reflected negatively on the SC's effectiveness. Whilst the new renovations at the premises have brought huge benefits on many levels to members, the SC is keen to renew and invigorate the social engagement of members.

Social Club Report (cont.)

The SC welcomes all new volunteers. If you wish to become involved please contact SFS Management who will place you in contact with either Janis Hughes or Coral Taylor for further details.

Adrienne Jackson and Veronica and Steve Scully continued their magnificent work regarding the SFS Honor Roll, restoration and ongoing research. Recently the Australian War Memorial's research library accepted a copy of their book "Setting Sail for The Great War".

The SFS ferry continued to provide the best spectator and entertainment opportunity. The ongoing interest and support of Ferry Master Robert Gordon and the management of Rosman Ferries is very much appreciated. At the last AGM Ferry Master Robert accepted the position of Vice President of the SFS.

Our Sydney Flying Squadron is a special club with a membership base from the local community, sailors and many others who enjoy our unique setting, the scale of the premises and the friendly environment.

An active Social Committee run by members will provide many benefits on all levels for social and sailing members, but only if volunteers step up.

Janis Hughes

Social Club



Foys Kirribilli – Reflections on our second year of operation

Our second year at the Sydney Flying Squadron has been one of triumph and challenge. We've enjoyed a number of achievements, including building Club patronage and lifting the profile of the Club in our local community.

We've made significant improvements to our menu. Executive Chef Anthony O'Shea joined us in October 2016 and we're sure you'll agree the results speak for themselves. We've seen an expansion of our menu offering, including new daily specials, consistency in service and an improvement in the quality of produce sourced. This has translated into increased sales, a lift in performance amongst the kitchen team and repeatedly positive customer feedback.

Events continue to grow in number and reputation. Throughout the year we hosted many functions, including weddings, birthdays, engagements, wakes, special occasion luncheons for Melbourne Cup and Mother's Day, corporate events, charity events and SFS Club dinners. We also hosted a Boxing Day ferry, Australia Day Ferry and three Vivid Harbour Cruises, each of which were sell-out events with all proceeds to the Club. We have enjoyed repeat patronage from many events, with both hosts and their guests returning for special occasions.

Our Events Manager Jade Johnston has been instrumental in building the event offering. She has developed strong connections with many members and helped raise our profile in the local community. We have built relationships with North Sydney schools such as Loreto Kirribilli, St Aloysius and Wenona, as well as many corporate clients. Jade also assisted in the production of the impressive SFS Club booklet, which documents the history of the Club and the benefits of membership.



Foys Report (cont.)

We continue to invest in amenity improvements for the enjoyment of members and customers. The installation of the wine cellar brings a level of sophistication to the dining room. We're continuing to introduce greenery throughout the space and the addition of shaded mirroring behind the bar adds ambience. Coupled with live music on Thursdays and Sundays, there is a great energy to the restaurant.

The Flying Bear cafe has gone from strength to strength, generating a new source of patronage to the Club. It provides an additional amenity for members and continues to prove highly popular with the local community. We're indebted to Natty Ninsripinevan and her team for their proficiency and enthusiasm in managing the cafe operations.

Looking forward, we have a number of exciting initiatives in store for the coming year. The Flying Bear deck continues to be enjoyed by customers into the afternoon and evening, and we'll be adding to their experience with a simple food offering and relaxed tunes from Thursdays to Saturdays throughout summer. We'll continue to evolve our menu offering and deliver new experiences for customers, including wine appreciation nights and other events with our suppliers.

We're thankful to members and their guests for their ongoing support. We can confidently say that we're proud to bring our friends and family to the Club and we hope that you are too.

Adam & the Foys team



Pattons Slipways Redevelopment

Earlier this year it was proposed that the slipway rails and cradle be replaced.

In discussions with RMS Maritime it was determined that Development Approval from North Sydney Council would be required for any works on the site.

In reviewing the costs to replace the existing slipways and cradles, along with the required environmental control measures to restrict pollution entering the waterway, it was decided that a level hardstand suspended over the existing sloping slipway and seabed with compliant drainage collection and water treatment plant was a superior option. This will bring the slipway operations in line with environmental protection requirements and ensure the continued operations of the site into the future.

Along with the hardstand works the Development Application (DA) includes for restoration of the existing buildings with services upgrades, reconstruction of the “burnt out” boatshed and conversion of the mooring pile berths into floating pontoons.

To progress the Development Application with North Sydney Council, Land Owners Consent (for the seabed lease area) must be granted by RMS Maritime. In order to make the Permission To Lodge (PTL) submission to RMS endorsement of the proposal is required by our neighbours being the Ensemble Theatre and NSC. We have had a number of meetings with both parties and now have a proposal that addresses their concerns.

We expect the PTL will be lodged in the coming month with RMS and that a DA submission made in the new year.

At this stage the Board has committed \$80,00.00 towards the preparation of the submissions to RMS and Council.



Sydney Flying Squadron Limited
ACN 000 487 230

Financial Statements
2016-2017

Director's Report

For the year ended 31 May 2017

Your Directors present their report on Sydney Flying Squadron Limited (the company) for the financial year ended 31 May 2017, and the auditor's report thereon.

Directors

The Directors of the company at any time during or since the end of the financial year are:

Name and Qualifications	Age	Experience and Special Responsibilities
Nickolas Daly Soft Foil Engineer Vice Commodore Non Executive Director	31	Director since 10 September 2015 Retired 13 November 2016 Sailing Board
Louise De Marco Human Resources Manager Non Executive Director	44	Director since 17 May 2016 Club Directors Institute (CDI) Member
Robert Gordon Ferry Master Vice President Non Executive Director	60	Director since 13 November 2016
Peter Jackson Retired Economist Treasurer Non Executive Director	65	Director since 16 September 2014 Club Directors Institute (CDI) Member Sailing Board Pattons Board
William Loader Project Manager Commodore Non Executive Director	61	Director since 17 May 2016 Club Directors Institute (CDI) Member Sailing Board Pattons Board
Terence Stewart Retired Vice Commodore Non Executive Director	66	Director since 17 October 2015 Sailing Board
Neville Turbit Retired Project Management Consultant Non Executive Director	70	Director since 17 October 2015 Club Directors Institute (CDI) Member
John Winning AM Company Director President Non Executive Director	64	Director since 4 February 2016 Pattons Board

Directors' Meetings

During the year ended 31 May 2017, thirteen (13) Directors' meetings were held where a quorum of four or more Directors were present.

Name of Director	Number of Meetings eligible to attend during the year	Number of Meetings attended during the year
Nickolas Daly	5	5
Louise De Marco	13	10
Peter Jackson	13	12
William Loader	13	12
Terence Stewart	13	8
Neville Turbit	13	9
Robert Gordon	8	6
John Winning	13	9

Subsidiary Company

The company controls its wholly owned subsidiary company, Patton's Slipways Pty Ltd (Patton's). The Directors of the subsidiary company as at the date of this report are Peter Jackson, William Loader and John Winning.

Operating Result

The profit of the company for the financial year after providing for income tax amounted to \$190,940 (2016: \$83,142).

Review of Operations

A review of the operations of the company during the financial year and the results of those operations are as follows:

The company continued its operations as a registered club during the whole of the financial year. The results of those operations are as disclosed in Operating Result above.

Significant Changes in the State of Affairs

Since entering into the Catering Agreement with Ashdown Investments (AI) in June 2015, it was found that the original offer made to AI that included management of the Bar was not in strict accordance with the Registered Clubs Act.

This being the case, a new Catering Agreement was required that was legally compliant and to both parties satisfaction.

The original agreement was for 3 years with no option for renewal.

The new Catering Agreement addresses the compliance issues and provides for a further 5 year tenure with an option to renew for an additional 5 years.

The new Catering Agreement document was reviewed by the Board and a motion passed to execute the Agreement.

The new Catering Agreement was executed by both parties on 12 April 2017.

The new Agreement provides for a compliant and equitable arrangement for both parties with a secure tenure into the next decade.

Principal Activities

The principal activities of the company, and its subsidiary company, during the financial year were the conduct and promotion of a licensed social club for members, conduct of sailing races and a commercial property owner.

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

Post Balance Date Events

Since the end of the financial year there have been no circumstances or events which could significantly affect or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future years.

Future Developments

Earlier this year, it was proposed that the slipway rails and cradle be replaced.

In discussions with RMS Maritime it was determined that Development Approval from North Sydney Council would be required for any works on the site.

In reviewing the costs to replace the existing slipways and cradles, along with the required environmental control measures to restrict pollution entering the waterway, it was decided that a level hardstand suspended over the existing sloping slipway and seabed with compliant drainage collection and water treatment plant was a superior option. This will bring the slipway operations in line with environmental protection requirements and ensure the continued operations of the site into the future.

Along with the hardstand works, the Development Application (DA) includes for restoration of the existing buildings with services upgrades, reconstruction of the "burnt out" boatshed and conversion of the mooring pile berths into floating pontoons.

To progress the Development Application with North Sydney Council, Land Owners Consent (for the seabed lease area) must be granted by RMS Maritime. In order to make the Permission to Lodge (PTL) submission to RMS endorsement of the proposal is required by our neighbours being the Ensemble Theatre and NSC. We have had a number of meetings with both parties and now have a proposal that addresses their concerns.

We expect the PTL will be lodged in the coming month with RMS and that a DA submission made in the new year.

At this stage the Board has committed \$80,000 towards the preparation of the submission to RMS and Council

Environmental Issues

The company's operations are subject to significant environmental regulation under a law of the Commonwealth and/or of a State or Territory including:

Food Act 2003

Food Regulation 2004

Public Health Act 1991

Directors' Benefits

Since the end of the financial year, no Director has received or 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 received as the fixed salary of a full time employee of the company) by reason of a contract made by the Company or by a related corporation with the Directors or with a firm of which he is a member, or with a Company in

which he has a substantial financial interest, apart from Peter Jackson, sole owner of Ducks in a Row Accounting Pty Ltd, provider of bookkeeping and accounting services to the Club and Pattons and William Loader, sole proprietor of Architectural + Maritime Design, provider of project management services for the Pattons redevelopment.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.


Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

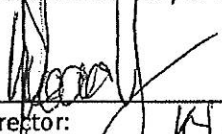
Signed in accordance with a resolution of the Board of Directors:



Director and Treasurer

(PETER JACKSON)

Dated this 18th day of October 2017



Director: W. LOADER
Dated this 18th day of October 2017

ROBERTSON & GREENWOOD PTY LTD

CHARTERED ACCOUNTANTS

ABN: 46 607 764 054

The Board of Directors
Sydney Flying Squadron Limited
76 McDougall Street
MILSONS POINT NSW 2061

Dear Sir/Madam

RE: SYDNEY FLYING SQUADRON LIMITED

**Auditor's Independence Declaration
Under Section 307C of The Corporations Act 2001**

As auditor for Sydney Flying Squadron Limited for the year ended 31 May 2017 I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ROBERTSON & GREENWOOD
Chartered Accountants



Mathew George

Baulkham Hills, NSW
23 October 2017

Suite 211, 12 Century Circuit
"Norwest Central"
Baulkham Hills NSW 2153
Telephone: 9680 8600

P.O. Box 8312
Baulkham Hills NSW 2153
Email: Mathew@randg.com.au
Facsimile: 9680 9755

Income Statement

For the year ended 31 May 2017

By function	Notes	Parent Entity (Club)	
		2016 \$	2017 \$
Sales Revenue		852,582	1,095,533
Cost of sales		(276,329)	(346,279)
Gross profit		576,253	749,254
Other revenue		474,958	480,380
Total revenue		1,051,211	1,229,634
Administration expenses		(41,271)	(91,925)
Finance costs		(24,931)	(31,827)
Other expenses from ordinary activities		(901,867)	(914,942)
		(968,069)	(1,038,694)
Profit/(Loss) before tax	2	83,142	190,940
Income tax expense	3	-	-
Profit/ (Loss) attributable to members of the entity		83,142	190,940

Balance Sheet

As at 31 May 2017

		Economic Entity (Club & Pattons)		Parent Entity (Club)	
	Note	2016 \$	2017 \$	2016 \$	2017 \$
Current assets					
Cash and cash equivalents	4	87,247	80,822	24,452	41,126
Trade and other receivables	5	95,595	29,722	41,608	14,275
Inventories	6	18,315	39,136	18,315	39,136
Other	7	11,935	57,709	-	-
Total current assets		213,092	207,389	84,375	94,537
Non-current assets					
Receivables	8	-	-	75,107	75,107
Property, plant and equipment	9	3,591,263	3,720,310	527,546	614,984
Investments	10	-	-	3,014,671	3,014,671
Total non-current assets		3,591,263	3,720,310	3,617,324	3,704,762
Total assets		3,804,355	3,927,699	3,701,699	3,799,299
Current liabilities					
Trade and other payables	11	77,540	107,217	45,711	45,627
Tax liabilities	13	20,286	1,841	33,471	6,118
Provisions	14	342	-	-	-
Total current liabilities		98,168	109,058	79,182	51,745
Non-current liabilities					
Borrowings	12	501,242	435,338	501,242	435,338
Total non-current liabilities		501,242	435,338	501,242	435,338
Total liabilities		599,410	544,396	580,424	487,083
Net assets		3,204,945	3,383,303	3,121,275	3,312,215
Equity	15				
Reserves	16	2,943,551	2,943,551	3,032,358	3,032,358
Retained earnings		261,394	439,752	88,917	279,857
Total equity		3,204,945	3,383,303	3,121,275	3,312,215

Statement of Changes in Equity

For year ended 31 May 2016

			Parent Entity (Club)		
	Note	Retained Earnings	Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2015		5,775	3,000,000	32,358	3,038,133
Profit/(Loss) attributable to members		83,142	-	-	83,142
Revaluation increment/(decrement)		-	-	-	-
Sub-total		83,142	-	-	83,142
Balance at 31 May 2016	16	88,917	3,000,000	32,358	3,121,275

For the year ended 31 May 2017

			Parent Entity (Club)		
	Note	Retained Earnings	Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2016		88,917	3,000,000	32,358	3,121,275
Profit/(Loss) attributable to members		190,940	-	-	190,940
Revaluation increment/(decrement)		-	-	-	-
Sub-total		190,940	-	-	190,940
Balance at 31 May 2017	16	279,857	3,000,000	32,358	3,312,215

Statement of Changes in Equity (cont.)

For year ended 31 May 2016

	Note	Retained Earnings	Economic Entity (Club & Pattons) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2015		171,770	2,911,193	32,358	3,115,321
Profit/(Loss) attributable to members		89,623	-	-	89,623
Revaluation increment/(decrement)		-		-	
Sub-total		89,623		-	89,623
Balance at 31 May 2016	16	261,394	2,911,193	32,358	3,204,945

For the year ended 31 May 2017

	Note	Retained Earnings	Economic Entity (Club & Pattons) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2016		261,394	2,911,193	32,358	3,204,945
Profit/(Loss) attributable to members		178,358	-	-	178,358
Revaluation increment/(decrement)		-	-	-	
Sub-total		178,358	-	-	178,358
Balance at 31 May 2017	16	439,752	2,911,193	32,358	3,383,303

Cash Flow Statement

For the year ended 31 May 2017

	Notes	Economic Entity (Club & Pattons)	
		2016 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		1,518,133	1,610,672
Payments to suppliers and employees		(1,522,851)	(1,362,682)
Interest received		29	43
Other receipts		48,104	29,077
Net cash provided by (used in) operating activities	19	43,415	277,110
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(341,371)	(217,631)
Net cash provided by (used in) investing activities		(341,371)	(217,631)
Cash flows from financing activities			
Proceeds from borrowings		312,158	-
Repayment of borrowings		-	(65,904)
Net cash provided by (used in) financing activities		312,158	(65,904)
Net increase/(decrease) in cash held		14,202	(6,425)
Cash at beginning of year		73,045	87,247
Cash at end of year	4	87,247	80,822

Notes to Financial Statements

Note 1: Statement of significant accounting policies

The financial report is a general purpose financial report prepared to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is a reporting entity.

Sydney Flying Squadron Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards

The financial report was authorised for issue on 18th October 2017 by the board of directors.

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting policies

a. Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or substantially enacted at the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Note 1: Statement of significant accounting policies (cont.)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is assigned on an average cost basis and includes supplier's invoice price, import duties, shipping charges, insurance and other acquisition costs where applicable and bringing them to their existing condition and location.

c. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or directors' valuation less, where applicable, any accumulated depreciation.

(i) Property

Freehold land and buildings are carried at directors' valuation.

(ii) Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

(iii) Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a diminishing value basis over their useful lives to the company commencing from the time the asset is held ready for use.

Note 1: Statement of significant accounting policies (cont.)

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

Class of Fixed Asset	Depreciation Rate
Buildings and Leasehold Improvements	2.5% - 10%
Plant and equipment	7.5% - 15%
Computers	25% - 40%
Other plant and equipment	7.5% - 15%

The useful lives and residual values of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of assets are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

d. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and benefits incidental to the ownership of the leased asset, but not the legal ownership, to the lessee. All other leases are treated as operating leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

e. Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

f. Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the company's share of post-acquisition reserves of its associates.

g. Provisions

Provisions are recognised when the company 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.

Note 1: Statement of significant accounting policies (cont.)

h. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts, if any, are shown within short-term borrowings in current liabilities on the balance sheet.

i. Revenue

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

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

All revenue is stated net of the amount of goods and services tax (GST).

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

k. Impairment of assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of its fair value less costs to sell and its value in use, is compared to the carrying value of the asset. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

l. 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

m. Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

Note 1: Statement of significant accounting policies (cont.)

n. Critical accounting estimates and judgments

In application of the company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may vary from these estimates. The estimates and assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or the period of revision and future periods if the revision affects both current and future periods.

Note 2: Profit from ordinary activities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016 \$	2017 \$	2016 \$	2017 \$
Profit/(Loss) from ordinary activities before income tax has been determined after				
a Expenses				
Depreciation of property, plant and equipment	63,391	78,344	59,301	75,419
Borrowing costs	-	-	-	-
Remuneration of auditor - audit	8,000	9,600	5,400	6,800
b Revenue and net gains				
Membership Fees	86,693	94,628	86,693	94,628
Commissions	423	183	423	183
Rebates/Subsidies	4,634	2,166	4,634	2,166
 Net gain/(loss) on disposal of property, plant and equipment	 16,837	 95,045	 11,837	 -

Note 3: Income tax expense

Income tax expense	2,778	-	-	-
	2,778	-	-	-

Note 4: Cash and Cash Equivalents

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016	2017	2016	2017
	\$	\$	\$	\$
Cash on hand and at bank	87,247	80,822	24,452	41,126
	87,247	80,822	24,452	41,126

a. Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	87,247	80,822	24,452	41,126
	87,247	80,822	24,452	41,126

Note 5: Trade and other receivables

Current Trade receivables	95,595	29,722	41,608	14,275
	95,595	29,722	41,608	14,275

Note 6: Inventories

Current Stock on hand	18,315	39,136	18,315	39,136
	18,315	39,136	18,315	39,136

Note 7: Other

Current Prepayments and other receivables	11,935	55,585	-	-
Tax Instalment	-	2,124		
	11,935	57,709	-	-

Note 8: Receivables

Non Current				
Loan receivable – unsecured	-	-	75,107	75107
	-	-	75,107	75,107

Note 9: Property, plant and equipment

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016	2017	2016	2017
	\$	\$	\$	\$
Land & buildings				
Freehold land and buildings at:				
- directors' valuation 2013	3,000,000	3,000,000	-	-
- Redevelopment Project	-	15,501		
Total Land & buildings	3,000,000	3,015,501	-	-
Leasehold improvements at:				
- cost	919,152	1,073,207	900,626	1,035,981
Less accumulated depreciation	(487,387)	(541,115)	(484,270)	(537,248)
Total Leasehold improvements	431,765	532,092	416,356	498,733
Plant & equipment				
Plant & equipment at cost	594,756	628,482	528,795	552,188
Less accumulated depreciation	(452,125)	(471,185)	(431,055)	(448,115)
Total Plant & equipment	142,631	157,297	97,740	104,073
Furniture & fittings				
- cost	118,022	122,131	20,977	25,086
Less accumulated depreciation	(103,387)	(108,818)	(7,527)	(12,908)
Total Furniture & fittings	14,635	13,313	13,450	12,178
Motor boats				
- cost	61,665	61,665	-	-
Less accumulated depreciation	(59,433)	(59,559)	-	-
Total Motor boats	2,232	2,107	-	-
Total property, plant and equipment	3,591,263	3,720,310	527,546	614,984

Note 10: Investments

- (i) The basis of valuation of the company's investment in its subsidiary company was fair market value as determined by the directors in the year ended 31 May 2013. This determination was made having regard to an independent report by Australia Pacific PCS Pty Ltd , Property Consultants & Valuers dated 31 May 2013.
- (ii) The revaluation was made in accordance with a policy of regular revaluation by the directors to reflect the market value of its investments.
- (iii) The revaluation does not take into account the potential impact of capital gains tax on the grounds that such asset (and the subsidiary's underlying asset) was acquired before the introduction of tax on capital gains. The investment and the underlying asset of the subsidiary are integral to the company's operations and there is no intention to sell either of the assets. If the assets were sold at the revaluation amount no capital gains tax liability would arise.

Note 11: Trade and other payables

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016	2017	2016	2017
	\$	\$	\$	\$
Current				
Trade payables	66,507	85,593	34,678	38,103
PAYG withholding payable	7,504	5,580	7,504	5,580
Rental Bond Received	-	14,100	-	-
Sundry payables and accrued expenses	3,529	1,944	3,529	1,944
	<u>77,540</u>	<u>107,217</u>	<u>45,711</u>	<u>45,627</u>

Note 12: Borrowings

Current				
Bank overdraft – secured	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-current				
Other persons – secured	501,242	435,338	501,242	435,338
Other persons – unsecured	-	-	-	-
	<u>501,242</u>	<u>435,338</u>	<u>501,242</u>	<u>435,338</u>
Total current and non-current secured liabilities:				
Bank overdraft	-	-	-	-
Other persons	501,242	435,338	501,242	435,338
	<u>501,242</u>	<u>435,338</u>	<u>501,242</u>	<u>435,338</u>

The loan facilities are secured by an Equitable Mortgage over all of the company's assets.

Note 13: Tax Liabilities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016	2017	2016	2017
	\$	\$	\$	\$
GST payable	20,286	1,841	33,471	6,118
	<u>20,286</u>	<u>1,841</u>	<u>33,471</u>	<u>6,118</u>

Note 14: Provisions

Current	-	-	-	-
Employee benefits	342	-	-	-
Taxation	<u>342</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 15: Equity

a. Capital

The company is limited by guarantee and as such there is no issued capital

Note 16: Reserves

a. General Reserve				
Victor Everson Trust	32,358	32,358	32,358	32,358

The general reserve was used in prior years to record amounts set aside to fund the future expansion of the company

b. Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets

	<u>2,911,193</u>	<u>2,911,193</u>	<u>3,000,000</u>	<u>3,000,000</u>
	<u>2,943,551</u>	<u>2,943,551</u>	<u>3,032,358</u>	<u>3,032,358</u>

Note 17: Events after the balance sheet date

There were no significant events after the balance sheet date.

Note 18: Contingent liabilities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2016	2017	2016	2017
	\$	\$	\$	\$
Estimates of the potential financial effect of contingent liabilities that may become payable:				
- Bank guarantees	832,050	832,050	832,050	832,050

Note 19: Cash flow information

	Economic Entity (Club & Pattons)	
	2016	2017
	\$	\$
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit/(Loss) from ordinary activities after income tax	89,623	178,358
Non-cash flows in profit from ordinary activities		
Depreciation	63,391	78,344
Net (gains)/losses on disposal of plant and equipment	2,166	-
(Increase) Decrease in Assets		
Trade and other receivables	(76,323)	76,113
Inventories	(4,168)	(20,821)
Other assets	-	(45,774)
Increase (Decrease) in Liabilities		
Trade and other payables	12,783	29,677
Provisions	(40,413)	(342)
Other liabilities	(3,644)	(18,445)
Cash Flows from operations	43,415	277,110

Note 20: Commitment for Capital Expenditure

No commitments to undertake any capital expenditure in relation to the Patton's redevelopment have been made at the time of this report.

Note 21: Company details

The registered office and principal place of business of the company is:
Sydney Flying Squadron Limited
76 McDougall Street
MILSONS POINT NSW 2061

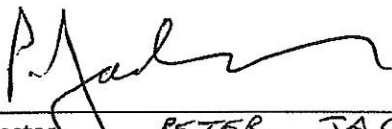
Directors' declaration

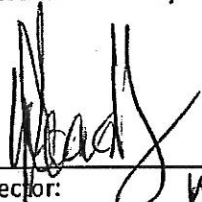
The directors have determined that the company is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out in pages 5 to 19 are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the company's financial position as at 31 May 2017 and of its performance for the year ended on that.
2. In the opinion of the directors there are reasonable grounds, at the date of this statement, to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


Director: PETER JACKSON
Dated this 18th day of October 2017


Director: WILLIAM LOADER
Dated this 18th day of October 2017

ROBERTSON & GREENWOOD PTY LTD

CHARTERED ACCOUNTANTS

ABN: 46 607 764 054

Independent Auditor's Report To the Members of Sydney Flying Squadron Limited

Scope

We have audited the financial report, being the Directors Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of Sydney Flying Squadron Limited for the financial year ended 31 May 2017.

The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Audit opinion

In our opinion, the financial report of Sydney Flying Squadron Limited for the year ended 31 May 2017 is in accordance with:

1. the Corporations Act 2001 so as to:
 - (a) give a true and fair view of the entity's financial position as at 31 May 2017 and of its performance for the year ended on that date; and
 - (b) comply with Accounting Standards and the Corporations Regulations; and
2. other mandatory professional reporting requirements.

Dated this 23rd day of October, 2017



Mathew George
Registered Company Auditor

Robertson & Greenwood
Chartered Accountants

Suite 211, 12 Century Circuit
"Norwest Central"
Baulkham Hills NSW 2153
Telephone: 9680 8600

P.O. Box 8312
Baulkham Hills NSW 2153
Email: Mathew@randg.com.au
Facsimile: 9680 9755

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2017

	2016	2017
	\$	\$
Trading Income		
Bar Sales	852,582	1,095,533
Functions & Supplies	1,911	-
Total Trading Income	854,493	1,095,533
Less: Cost of Sales		
Opening Stock	14,147	18,315
Cost of Bar Sales	280,497	367,100
	294,644	385,415
Less:		
Closing Stock	18,315	39,136
Cost of Sales	276,329	346,279
Gross Profit from Trading	578,164	749,254

SYDNEY FLYING SQUADRON LIMITED**(ACN 000 487 230)****PROFIT & LOSS STATEMENT****FOR THE YEAR ENDED 31 MAY 2017**

	2016	2017
	\$	\$
Income		
Gross Profit from Trading	578,164	749,254
Commissions Received	423	183
Management Fees	145,000	123,636
Interest Received	5	15
Membership Fees	86,693	94,628
Rebates	4,634	2,166
Social Committee	-	-
Ferry Ticket Sales	22,487	23,164
Club Events	17,556	10,979
Merchandise	2,715	1,818
Donations	2,064	-
Kitchen Rent	153,000	166,320
Grant and Sponsorship Received	12,909	38,553
Insurance Claim	11,561	-
Other Income	14,000	18,918
Total income	1,051,211	1,229,634
Expenses		
Accountancy & Bookkeeping	39,185	65,992
Advertising and Promotion	4,773	7,142
Audit Fees	5,400	6,800
Bad Debts	59	-
Bank Fees And Charges	19,097	22,031
Bar & Kitchen Requisites	5,190	7,594
Cleaning & Rubbish Removal	55,683	72,241
Consultants Fees	1,250	9,242
Computer	1,682	1,141
Contract Payout	20,000	-
Depreciation	59,301	75,419
Donations	5,600	-
Electricity & Gas	40,235	50,334
Event & Function	10,700	25,149
Ferry Hire	-	30,514
General	4,327	4,184
Gift Certificates	3,563	1,448
Hire of Plant & Equipment	4,563	1,200
Insurance	51,962	45,949
Interest	24,931	31,827

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2017

	2016	2017
	\$	\$
Expenses (continued)		
Legal Fees	18,899	6,195
Loss on Write off Asset	2,163	-
Membership Expenses	3,611	-
Merchandise	12,313	-
Pest Control	2,453	746
Postage	4,067	3,348
Printing & Stationery	11,938	21,444
Rates & Land Taxes	12,626	14,652
Rebates	7,915	20,145
Rent on Land & Buildings & Rates	27,181	25,482
Repairs & Maintenance	49,890	36,122
Sailing Promotion & Expenses	44,741	19,342
Security	21,156	12,182
Social Committee Expenses	-	-
Staff Amenities	1,769	3,296
Staff Training & Recruitment	17,610	323
Subscriptions & Licenses	26,960	43,812
Superannuation	32,711	27,429
Telephone	10,998	9,928
Trivia	4,128	2,900
Wages	297,439	333,141
Total Expenses	968,069	1,038,694
Profit (Loss) from Ordinary Activities		
Before Income Tax	83,142	190,940

Compilation Report

SYDNEY FLYING SQUADRON LTD For the year ended 31 May 2017

We have compiled the accompanying financial statements of SYDNEY FLYING SQUADRON LTD, which comprise the balance sheet as at 31 May 2017, the profit and loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the financial statements have been prepared is set out in Note 1.

1. Director's Responsibility

The directors of SYDNEY FLYING SQUADRON LTD are solely responsible for the information contained in the financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

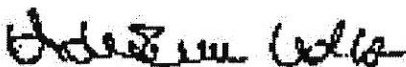
2. Our Responsibility

On the basis of information provided by the directors of SYDNEY FLYING SQUADRON LTD, we have compiled the accompanying financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The financial statements were compiled exclusively for the benefit of the directors of SYDNEY FLYING SQUADRON LTD. We do not accept responsibility to any other person for the contents of the financial statements.

18 October 2017



Adrienn Volcz | Public Accountant and TAX Agent
Collective Business Services Pty Ltd T/A VIP Accounting
Phone: 02 4017 0160 Mobile: 0468 941865
Email: adrienn.volcz@vipaccounting.com.au
Web: <http://www.vipaccounting.com.au>
Tax Agent No: 25478670

PATTON'S SLIPWAYS PTY LTD
(A.C.N. 000 070 271)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2017

	2016	2017
	\$	\$
Income		
Interest Received	24	28
Rents Received	233,702	231,027
Gain on Disposal of Assets	5,000	-
Total Income	238,726	231,055
Expenses		
Audit Fees	2,600	2,800
Bank Fees And Charges	59	30
Bad Debts	-	21,136
Consultants	3,000	2,023
Depreciation – Plant	3,697	2,925
Depreciation – Motor Boats	393	-
Filing Fees	246	249
Insurance	1,244	38,281
Interest	1	-
Legal Fees	-	7,076
Management Fees	145,000	123,636
Rates & Land Taxes	24,741	22,959
Rent – Waterways	18,213	14,149
Registration & License Fees	4,040	4,502
Repairs & Maintenance	25,819	3,738
Subscriptions	414	-
Total Expenses	229,467	243,504
Profit from Ordinary Activities		
Before Income Tax	9,259	(12,449)

Compilation Report

PATTON'S SLIPWAYS PTY LTD For the year ended 31 May 2017

We have compiled the accompanying financial statements of PATTON'S SLIPWAYS PTY LTD, which comprise the balance sheet as at 31 May 2017, the profit and loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the financial statements have been prepared is set out in Note 1.

1. Director's Responsibility

The directors of PATTON'S SLIPWAYS PTY LTD are solely responsible for the information contained in the financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

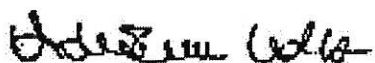
2. Our Responsibility

On the basis of information provided by the directors of PATTON'S SLIPWAYS PTY LTD, we have compiled the accompanying financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The financial statements were compiled exclusively for the benefit of the directors of PATTON'S SLIPWAYS PTY LTD. We do not accept responsibility to any other person for the contents of the financial statements.

18 October 2017



Adrienn Volcz | Public Accountant and TAX Agent
Collective Business Services Pty Ltd T/A VIP Accounting
Phone: 02 4017 0160 Mobile: 0468 941865
Email: adrienn.volcz@vipaccounting.com.au
Web: <http://www.vipaccounting.com.au>
Tax Agent No: 25478670

Registered Clubs Act Disclosures

Registered Clubs Regulations 1996 (the Regulations)

Provision of Information to Members

For the year ended 31 May 2017

Regulation 47HA(2)

- (a) The Club (Sydney Flying Squadron Limited and its controlled entity) received Declarations, returns or disclosures.
- (b) Number of Executives of the Club who received salary and allowances in excess of \$100,000.
- | Range | Number |
|-----------------------|--------|
| \$100,000 - \$110,000 | Nil |
- (c) No Board Member, Executive or other persons undertook any overseas travel connected with the Club business.
- (d) No loans were made to any employees during the year.
- (e) No contracts were entered into during the year to which Section 41 M of the Registered Clubs Act 1976 applies
- (f) No employee was a close relative of any member of the governing body of the Club or of a top executive of the Club.
- (g) No consulting fees equal to or more than \$30,000 were paid by the Club.
- (h) The total amount paid to consultants was \$9,242.
- (i) No settlements of legal disputes were entered into with a member of the governing body or an employee of the club.
- (j) No legal fees were paid on behalf of a member of the governing body or an employee of the club.
- (k) Gaming machine profits from the operation of approved gaming machines in the club were \$ Nil during the reporting period ended 31 May 2017.
- (l) No amounts were applied to community development and support under Part 4 of the Gaming Machine Tax Act 2001.

Registered Clubs Act 1976

Section 41J (2)

The Core Property of the registered club is:

- the leasehold premises of the club at 76 McDougall Street, Milsons Point NSW 2061