

Sydney Flying Squadron Limited

*Australia's oldest open boat sailing club
on the shores of Sydney Harbour*

Founded in 1891



Annual Report and Financial Statements

2008-2009



Alruth with Sydney Opera House in background. Courtesy of Bruce Kerridge, Photographer



Australia IV – 18 Footer. Courtesy of Bruce Kerridge, Photographer

Front Cover: Alruth, Yendys, Australia IV and Sydney Harbour Bridge – Courtesy of Daniella Friml, Photographer

Contents

Mark Foy Trophy	4
President's Report	5
Commodore's Report	6-7
Finance Committee Report	8
Honorary Secretary's Report	9
Secretary Manager's Report	10
Social Committee Report	11
Pattons Board Report	11
The Historical 18 Footer Fleet – Then and Now	12-13
Director's Report	14
Auditor's Independence Declaration	18
Income Statement	19
Balance Sheet	20
Statement of Changes in Equity	21-22
Cash Flow Statement	23
Notes to Financial Statements	24
Director's Declaration	34
Audit Report	35
Profit and Loss Statement – Sydney Flying Squadron Limited	36-38
Compilation Report – Sydney Flying Squadron Limited	39
Profit and Loss Statement – Patton's Slipways Pty Ltd	40
Compilation Report – Patton's Slipways Pty Ltd	41
Registered Clubs Regulation 47HA Report & Registered Clubs Act S41J(2) disclosure	42

Mark Foy Trophy

In August 2008 the Directors granted the Australian 18 Footers League the use of the 'Sydney Flying Squadron Mark Foy Championship Trophy'.



The trophy shall remain the property of the SFS and be permanently housed and on display at the Squadron premises. It will be available to be on display at the annual event venue and the class Association is bearing responsibility for transport to and from the venue and insurance coverage.



The Trophy stands 50cm tall, and is decorated with an ornate Chinese junk on

top, reflecting the origin of the trophy and Mark Foy's passion for travel.



On the handles, and embossed on the base, are shapes of the Australian "Dugong", a native Australian fish that by law can now only be fished by indigenous Australians.



Races are scheduled as follows:

- Carnac (France) - June 2009
- Sydney (Australia) – February 2010
- San Francisco (USA) – 2011
- Auckland (NZ) – 2012

The Club and its members have welcomed the opportunity to share this historic trophy with the League, and the world.

President's Report

Fellow Members

On behalf of your Board of Directors I present to you the 2008-2009 Annual Report on what has been a very busy year on and off the water.

Once again your Board has worked hard to achieve a successful result for the membership. We are indebted to our Secretary/Manager Mrs. Anita McMahon. The Club Staff have worked well to supply the services expected by members - many thanks for their efforts. Our Caterer Ray and his staff, continue to provide good quality meals at reasonable prices, which is appreciated by Members and visitors alike.

Our sincere thanks go to the sailing volunteers, starters, assistant starters, rescue boats, crews etc. They all played an important role in the successful sailing activities over the past season. Thanks also to the Social Committee who continue to make Thursday Members Night a night of friends, raffles and fund-raising.

During the 2008-2009 year achievements have included:

- Purchase of new computer & systems to improve administration, financial & operational reporting
- Upgrading of the Club cash registers & systems
- Ongoing communications through enews plus a printed news on sailing weekends
- Better security for the Club with the purchase & installation of Security Cameras
- Ongoing improvements to accounting procedures
- Continued upgrading of the race & rescue craft and safety equipment
- Accepted a tender to commence the necessary renewal of the clubhouse

wharf piles that have deteriorated over a number of years

- Reviewed and negotiated increases in rent with Patton's Slipway tenants
- Negotiated with contractors for renewal of the rails of the main slipway at Patton's.

Congratulations to the successful Club, NSW, Australian and International Race and Trophy Winners in all classes racing at the SFS.



For those who weren't so successful thanks for your participation, and don't forget it's on again next year, and that it could be your year.

I would like to take this opportunity to thank the Directors who held office over the past twelve months for their support. Members need to appreciate Directors are volunteers and receive no financial compensation for the commitment and expertise they provide in guiding the Club effectively. It is often a thankless and difficult job they perform and I believe those who take on the job should be congratulated. If the quality of the current and future Directors continues I think the Squadron's longevity will be assured.

Graeme Ferguson – President

Commodore's Report

Again it is my great pleasure to report that the Sydney Flying Squadron has enjoyed a very successful and memorable conclusion to the 08-09 season.

The 12 footers finished their season with encouraging numbers of skiffs getting out on the harbour on Sundays.

Highlights for the 12's were the Australian team winning the Interdominion Championships held in Brisbane (for the first time since 1992) with Brett Hobson on "Garde" representing the SFS taking out first place.



The National Championships were held at the SFS over Easter with Murray Press on Gemmel Sails taking first. The "O" Temple/Jones team again took out the SFS Season Point Score. A great effort and result for the season.

Many thanks to Kate Cooper for her continued efforts with the International 14 ft skiff class. Not a huge number of 14's joining the Sunday races but all starters are always welcome and we hope for more numbers in the coming season.

Sundays wouldn't be what they are without David and Leasa Speck, Chucky, Dean and Derek. Thanks for their continued volunteer effort towards the Sunday programme.

The Flying Dutchmen (our junior fleet) continued their participation in the SFS programme this year with the club hosting a

very successful National Championships. Ian McCrossin was the successful winner of the points score for the season and we look forward to their company in 09-10. The FD's also flew the SFS flag at the Interdominions held in New Zealand over the Christmas/New Year period.

The Open 18 ft skiffs finished the season with four boats attending races. Lets hope this season sees even more boats in the programme. Congratulations to Michael Carter who continues to out sail the fleet consistently.



The Historic 18 ft skiffs sailed a memorable season with John Winning and the Australia 4 crew taking out the point score, and Ian Smith and Brittania winning the Club Championship.



Congratulations also to Steve Kavanagh and The Mistake in winning the 2009 Australia Day Regatta.



The club also enjoyed participating in Gaffers day at the SASC and The Balmain Regatta.



The season's highlight was Alruth, Brittonia, Mistake and Yendys attending the Wooden Boat Festival in Hobart. A fantastic display of over 500 vessels in Sullivans Cove coupled with some enjoyable racing on the Derwent. Lets hope we can do it again.

Again, many thanks to the AHSSA and the Australian Open Skiff Trust in their support of the fleet through the season.



Its great to see the tax-free advantage that the Trust offers being used more to help maintain the boats. Thanks also to Ian Smith and Bob Chapman for their perseverance with the authenticity ratings system and Championship scoring.



The coming season sees the return of the Aberdare that has been restored by Bob Tearne over the past year. This will bring the fleet to 10 skiffs and give even more interest to the sport.



We commend the Saturday volunteers for their continued efforts. Michael, Janine, Jane, Erin, Barley, Bobby, Tamie, Peter Crane and Col Wishart and not forgetting Nathan and Dylan all make racing possible. Thanks to Peter Notley our official scorer and special thanks to John Winning for the loan of the Rippleside and the rib on race days.

Thanks also to Paul Notary and Stuart Wilkie for their commentaries on the ferry.

Looking forward to another great season in 09-10.

Sheets on and lean out !
Billy Loader - Commodore

Finance Committee Report

The finance committee was established in December 2007, following the Board elections at the 2007 AGM, to monitor the Sydney Flying Squadron Ltd and Patton's Slipways Pty Ltd financial positions on a day to day basis. The committee meets monthly, with additional meetings as required to deal with matters of urgency as they arise.

Reviews are made of the previous month's trading figures as well as the year to date (YTD) performance. Inconsistencies are investigated and appropriate measures implemented if required.

The committee will interview and discuss any proposal that may be put forward by third parties that will involve changes to the club's financial position. Additionally, the finance committee oversees negotiations relating to the cost of using the club's facilities by third parties, and for functions or other events.

The committee is also involved in the business development of the club and reviews all proposals from the Social Committee, Patton's Slipways Pty Ltd and Sailing Board including lease agreements and maintenance issues.

A key focus of the Finance Committee for 2008/2009 has been to resolve the Superannuation liabilities resulting from the management problems of the past.

Considerable work was done supplying detailed information to the ATO on the Super Guarantee during February through April 2009. Currently we are waiting for the ATO to make a final determination. We are confident that a substantial portion of payments made will be credited, with minimal liability to the club.

The finance committee is liaising with our lawyer to pursue damage claims resulting from past financial mismanagement.

With regular financial review, and hard work by all, the future of the club is improving from the difficult financial position of the recent past though careful control of costs is needed in the current financial climate.

An Insurance review was undertaken during the year to obtain another quote from the Clubs NSW Broker but this didn't compare favorably with our existing Insurance particularly with regard to on water insurance.

The Bookkeeping and Accounting functions have been under constant review due to issues that have developed during the year and the Committee recommended changing to a Local Book keeper that has accounting qualifications. The Board accepted these recommendations and they are currently being implemented.

A review of all lease payment was conducted and it was decided to let the current leases run to completion.

Finance Committee roster:

Bob Sadler – Treasurer

Denny Linker – Vice President

Ben Powell – Assistant Treasurer - resigned

Leigh Thompson – Vice President – resigned

Other Board Members as invited.



Honorary Secretary's Report

Greetings fellow social and sailing members!

2008-2009 has been an eventful year for the SFS. We are fortunate as a small club to be able to remain strong and move forward when so many clubs like ours have been forced to close their doors or merge due to regulation and the economic downturn.

As recording secretary, I have the privilege of documenting the board's decisions which are aimed at keeping the club secure now and well into the future. With this in mind, your board of directors has streamlined its operation along the lines of modern corporations, and each director has the additional responsibility of being a sub-committee chair with reporting duties to the chairman. This accountability restructuring has proven extremely effective in processing the numerous and wide range of issues before the board.

In return once each year, the membership has a duty to fulfill to its club. At each AGM, your board of directors are nominated for election from the ranks of eligible club members. It is your duty, the members of the Sydney Flying Squadron, to insure that a field of eligible candidates with the skills and desire to make a difference are put forth for election.

There have been no contested elections the past two AGMs. We have had only enough eligible candidates nominated to fill the board vacancies and therefore no ballots were cast in either 2007 or 2008. This is not the best use of the democratic process. I put forward a challenge to you, the members of the SFS to make a difference and step forward or nominate an eligible member you believe will be a strong, positive influence with the skills and commitment needed to lead your club into the future. Numerous candidates standing for each director's position allows you, the membership a voice in determining the best person for the job.

Undertaking a Board position also includes appraising yourself with the appropriate legislation governing such a position. This has become easier with the online Director Foundation Course available free to all SFS Board Members as part of their Clubs NSW Club Directors Institute (CDI) membership.

Eligibility requirements and nomination forms for Board Positions are available from the Secretary Manager at the club and must be received by 4pm on 11 September 2009.

My other duties include the Building Maintenance Subcommittee and this year we are pleased to announce that the SFS has a long-awaited, high quality colour video surveillance system installed to keep watch over the clubhouse. You may have noticed the camera domes around the building.

Works are currently underway during the winter off-season to repair and replace the pilings and supporting structure of the wharf. This is a large undertaking necessary to keep our facility in compliance with its Maritime lease.

A new trophy cabinet to display a range of our beautiful, historic trophy collection is being hand-crafted and is scheduled for installation in the clubhouse prior to the AGM. Funding for a portion of the cabinet was secured from a matching funds grant from the National Maritime Museum of Australia, with thanks to the members of the Social Committee. Please take time to enjoy this special addition to the club.

See ya on the Harbour!

Respectfully submitted
Kurt Beckman
SFS Hon. Secretary

Secretary Manager's Report

Again this year has been a very eventful year at the Club and with continued care, we are surviving the global economic downturn.



There have been many interesting events this year which have been well supported by Members and their guests, including:

- Wednesday Lunchtime Jazz with the Sydney Jazz Club
- Melbourne Cup Day Luncheon
- Boxing Day Cruise
- Australia Day Cruise
- Cabaret with Wizard & Oz
- Darwin's exhibition guided tour
- The Quarantine Station Jazz Tour
- Sailing Presentation Night
- Mother's Day Luncheon
- The Savoy Arts Theatre Group
- Sunday Jazz sessions

Members have also been receiving periodic offers that if they buy 2 adults tickets for the race day ferry they can bring 2 extra adults free (during sailing season).



Efforts are continually being made to improve the facilities of the club and there is still more to be done. This year the Club introduced its own members' library which is proving a great success.

The discounts for beverages and meals when members show their current membership card are eagerly sought and other benefits such as discounted movie tickets and show ticket promotions have been popular.



The Club has now got the best staff to serve the Members and their guests. Ray, the Chef at Mark Foys Restaurant, has built a very good reputation and many diners are recommending the Club as a destination for a great meal experience. Efforts made to promote the club for private function bookings have been successful in limiting the slowdown Clubs like us are experiencing.

Thank you to all the members who support the Club and the Clubhouse. We look forward to seeing you soon.

Anita McMahon, Secretary Manager

Social Committee Report

As reported in the last Annual Report, the Social Committee was formed in November 2007 and operates as an official Committee under the Articles of the Club, providing minutes of meetings and reporting plans, activities and statement of finances regularly to the Board.

Throughout the year the Committee's main focus has been the upgrading of furniture and fittings in the main lounge and bar area. With the assistance of our Secretary Manager a cozy reading area has also been created. It is good to see a number of Members using this facility.

Funds raised by the Social Committee are derived from:

1. Selling raffle tickets on Thursday nights and Saturdays during the sailing season.
2. Organising other social events for members and their guests.

Between June 2008 and 31 May 2009, the Committee has acquired and/or arranged for the club:

- Paid registration fees for all classes of skiffs sailing from the SFS
- New Floor Lamps
- Restoration of photo skiff 'Advance'
- Restoration of 'Mark Foy' oil painting
- New chairs for the main lounge area
- Five new wooden tables in back bar area
- Flower pots
- Indoor silk plants
- Wages to handyman to varnish tables and to carry out minor works
- Purchase new glass tops for round tables in main bar area
- Provided live music for Fathers Day and Members BBQ
- Paid wages for plumbers, carpenters and sound technicians – various tasks
- Purchased portable p.a. system

SFS Social Committee

Pattons Board Report

The directors of Pattons, Denny Linker, Bill Loader and Mal Lennon have convened regularly to assess and plan the business of Pattons and distribute the income of the rental stream as available to maintain and improve the asset and it's facilities and to dedicate funds to targeted projects of the main club that relate specifically to providing facility to sailing.

In a tough financial year one tenant has vacated and communications continue with the remaining tenants on lease conditions.

The directors have maintained communication with NSW Maritime on the lease conditions for both the Pattons area and the SFS clubhouse.

As the attached balance sheet shows, Pattons traded in the black for the reporting year.

Maintenance works to the Pattons asset conducted over the year include:

- Completion of the reroofing
- Electrical investigation
- Slipway repairs (twice) and
- Replacement of slipway cables
















Maintenance works in process include:

- DA for a new fence
- Work to piles to control the slipway delineation
- Electrical works and
- Cradle repairs
















The directors are exploring further opportunities to improve and expand the income stream of this valuable asset for the benefit of the Club.

Pattons Board

The Historical 18 Footer Fleet – Then and Now

	
 Aberdare	
	
 Alruth	
	
 Australia	
	
 Australia IV	
	
 Brittania	

The Historical 18 Footer Fleet – Then and Now

	
 Scot	
	
 Tangalooma	
	
 The Mistake	
	
 Top Weight	
	
 Yendys	

Director's Report

For the year ended 31 May 2009

Your directors present their report on the Sydney Flying Squadron Limited (the company) for the financial year ended 31 May 2009, 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
Graeme Ferguson Tiling Contractor Non Executive Director President	61	Director since May 2007 Club Directors Institute (CDI) Member
Denny Linker MIS (Aust) -Registered Surveyor Non Executive Director Vice President	67	Director since June 2006 Club Directors Institute (CDI) Member Committees: Finance, Pattons, Legal
Leigh Thompson Director, A&L Supply Company Pty Ltd Non Executive Director Vice President Resigned 26 November 2008	60	Director since May 2007 Club Directors Institute (CDI) Member Committees: Finance; Administration
William Loader Project Manager Non Executive Director Commodore	53	Director since June 2006 Club Directors Institute (CDI) Member Committees: Sailing, Pattons
Malcolm Lennon Project Manager - BA&H Civil Engineering Non Executive Director Vice Commodore	55	Director since May 2007 Club Directors Institute (CDI) Member Committees: Pattons, Building
Robert Sadler M.I.E (Aust); A.C.S - Software Developer Non Executive Director Appointed 26 October 2008 Treasurer (from Oct 2008)	62	Director since October 2008 Club Directors Institute (CDI) Member Committees: Finance; Administration, Legal
William Hughes Non Executive Director Treasurer (June 2008 – Oct 2008) Did not stand for re-election - 26 October 2008	65	Director since August 2002 Club Directors Institute (CDI) Member Committees: Finance, Social
Bentley Powell Non Executive Director Assistant Treasurer (Oct 2008 – May 2009) Appointed 26 October 2008 Resigned 16 May 2009.	52	Director since October 2008 Club Directors Institute (CDI) Member Committees: Finance, Sailing.

Kurt Beckman BSc Mech. Eng. - Residential Designer Non Executive Director Secretary (Oct 2008 – May 2009)	44	Director since December 2007 Club Directors Institute (CDI) Member Committee: Marketing, Building, Finance
Robert Tearne Shipwright Non Executive Director Secretary (June 2008 – Oct 2008) Did not stand for re-election - 26 October 2008	61	Director since May 2007 Club Directors Institute (CDI) Member Committee: Social, Sailing
Jill Atherton MBA, FAMI CPM, AFAIM, MAICD - Consultant Non Executive Director Assistant Secretary	53	Director since May 2007 Club Directors Institute (CDI) Member Committee: Marketing, Legal, Finance

Directors' Meetings

During the year ended 31 May 2009, twelve (12) director's meetings were held where a quorum of five or more directors were present.

Name of Director	Number of Meetings eligible to attend during the year	Number of Meetings attended during the year
Graeme Ferguson	12	12
Denny Linker	12	12
Leigh Thompson	6	6
William Loader	12	10
Malcolm Lennon	12	11
Robert Sadler	7	5
William Hughes	5	5
Bentley Powell	7	3
Kurt Beckman	12	11
Robert Tearne	5	2
Jill Atherton	12	8

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

Subsidiary Company

The company controls its wholly owned subsidiary company, Patton's Slipways Pty Ltd ('Pattons'). The directors of the subsidiary company as at the date of this report are William Loader, Malcolm Lennon and Denny Linker.

Operating Result

The profit/ (loss) of the company for the financial year after providing for income tax amounted to \$13,828 (2008: \$(5,529)).

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

There were no significant changes in the State of Affairs of the company during the year.

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, promotion and organisation 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 the Board received an independent report recommending remedial works to the company's leasehold premises 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.

The company has entered into a contract with Sydney Marina Contracting Pty Ltd to carry out remedial works on the wharf and supporting piers at a cost of \$50,200.00 plus GST, in accordance with the independent report. This work will be completed in the current financial year. Further works have been recommended in the independent report and the Board is currently considering a further quotation of \$44,840.00 plus GST, to undertake that work.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the nature of operations in future financial years.

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.

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:

Dated this 25th day of August 2009



Auditor's Independence Declaration

ROBERTSON & GREENWOOD CHARTERED ACCOUNTANTS

MATHEW GEORGE

IAN ROBERTSON
CONSULTANT

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 2009 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
26 August 2009

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Income Statement

For the year ended 31 May 2009

By function	Notes	Parent Entity (Club)	
		2009 \$	2008 \$
Sales Revenue		652,814	779,741
Cost of sales		(234,899)	(243,580)
Gross profit		417,915	536,161
Other revenue		469,160	268,904
Total revenue		887,075	805,065
Administration expenses		(65,765)	(63,935)
Finance costs		(107,192)	(131,472)
Other expenses from ordinary activities		(700,290)	(615,187)
		(873,247)	(810,594)
Profit/(Loss) before tax	2	13,828	(5,529)
Income tax expense	3	0	0
Profit/ (Loss) attributable to members of the entity		13,828	(5,529)

Balance Sheet

As at 31 May 2009

		Economic Entity (Club & Pattons)		Parent Entity (Club)	
	Note	2009 \$	2008 \$	2009 \$	2008 \$
Current assets					
Cash and cash equivalents	4	39,439	102,550	39,440	65,138
Trade and other receivables	5	0	0	0	0
Inventories	6	22,301	24,993	22,301	24,993
Other current assets	7	27,284	26,566	25,793	25,836
Total current assets		89,024	154,109	87,534	115,967
Non-current assets					
Property, plant and equipment	8	3,335,978	3,351,175	327,105	340,736
Other Financial Assets	9	0	0	3,154,671	3,154,671
Total non-current assets		3,335,978	3,351,175	3,481,776	3,495,407
Total assets		3,425,002	3,505,284	3,569,310	3,611,374
Current liabilities					
Trade and other payables	10	130,558	176,063	121,572	126,738
Short-term borrowings	11	1,303	3,367	22	3,367
Current tax liabilities	12	13,557	16,196	21,049	18,618
Provisions	13	20,909	20,282	19,074	20,076
Total current liabilities		166,327	215,908	161,717	168,799
Non-current liabilities					
Long- term borrowings	11	777,051	832,051	987,640	1,036,450
Total non-current liabilities		777,051	832,051	987,640	1,036,450
Total liabilities		943,378	1,047,959	1,149,357	1,205,249
Net assets		2,481,624	2,457,325	2,419,953	2,406,125
Equity	14				
Reserves	15	2,943,551	2,943,551	3,032,358	3,032,358
Retained earnings		(461,927)	(486,226)	(612,405)	(626,233)
Total equity		2,481,624	2,457,325	2,419,953	2,406,125

Statement of Changes in Equity

For year ended 31 May 2008

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2007		(620,704)	2,000,000	32,358	1,411,654
Profit/(Loss) attributable to members		(5,529)	-	-	(5,529)
Revaluation increment/(decrement)		-	1,000,000	-	1,000,000
Sub-total		(5,529)	1,000,000	-	994,471
Balance at 31 May 2008	15	(626,233)	3,000,000	32,358	2,406,125

For the year ended 31 May 2009

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2008		(626,233)	3,000,000	32,358	2,406,125
Profit/(Loss) attributable to members		13,828	-	-	13,828
Revaluation increment/(decrement)		-	-	-	-
Sub-total		13,828	0	0	13,828
Balance at 31 May 2009	15	(612,405)	3,000,000	32,358	2,419,953

Statement of Changes in Equity (cont.)

For year ended 31 May 2008

	Note	Retained Earnings	Economic Entity (Club & Pattons) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2007		(481,178)	1,911,193	32,358	1,462,373
Profit/(Loss) attributable to members		(5,048)	-	-	(5,048)
Revaluation increment/(decrement)		-	1,000,000	-	1,000,000
Sub-total		(5,048)	1,000,000	-	994,952
Balance at 31 May 2008	15	(486,226)	2,911,193	32,358	2,457,325

For the year ended 31 May 2009

	Note	Retained Earnings	Economic Entity (Club & Pattons) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2008		(486,226)	2,911,193	32,358	2,457,325
Profit/(Loss) attributable to members		24,299	-	-	24,299
Revaluation increment/(decrement)		-	-	-	-
Sub-total		24,299	-	-	24,299
Balance at 31 May 2009	15	(461,927)	2,911,193	32,358	2,481,624

Cash Flow Statement

For the year ended 31 May 2009

		Economic Entity (Club & Pattons)	
	Notes	2009	2008
		\$	\$
Cash flows from operating activities			
Receipts from customers		1,300,814	1,226,785
Payments to suppliers and employees		(1,314,980)	(1,635,018)
Interest received		14,001	15,250
Other receipts		8,644	6,802
Income tax paid		(4,689)	0
Net cash provided by (used in) operating activities	18	3,790	(386,181)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0	0
Payment for property, plant and equipment		(16,383)	(4,458)
Net cash provided by (used in) investing activities		(16,383)	(4,458)
Cash flows from financing activities			
Proceeds from borrowings		4,482	808,700
Repayment of borrowings		(55,000)	(340,000)
Net cash provided by (used in) financing activities		(50,518)	468,700
Net increase/(decrease) in cash held		(63,111)	78,061
Cash at beginning of year		102,550	24,489
Cash at end of year	4	39,439	102,550

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 25 August 2009 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%
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)	
		2009	2008	2009	2008
		\$	\$	\$	\$
Profit/(Loss) from ordinary activities before income tax has been determined after					
a	Expenses				
	Depreciation of property, plant and equipment	31,580	28,454	30,014	26,632
	Borrowing costs	93,192	149,622	92,542	133,481
	Remuneration of auditor - audit	10,400	9,700	8,000	7,500
b	Revenue and net gains				
	Membership Fees	61,401	41,741	61,401	41,741
	Commissions	1,909	1,685	1,909	1,685
	Rebates/Subsidies	6,673	5,891	6,673	5,891
	Net gain/(loss) on disposal of property, plant and equipment	0	0	0	0

Note 3: Income tax expense

Income tax expense	1,629	206	0	0
	1,629	206	0	0

Note 4: Cash Assets

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2009	2008	2009	2008
	\$	\$	\$	\$
Cash on hand and at bank	39,439	102,550	39,439	65,138
	39,439	102,550	39,439	65,138

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

39,439	102,550	39,439	65,138
39,439	102,550	39,439	65,138

Note 5: Receivables

Current				
Trade receivables	0	0	0	0
	0	0	0	0

Note 6: Inventories

Current				
Raw materials and stores at cost				
On Hand	22,301	24,993	22,301	24,993
	22,301	24,993	22,301	24,993

Note 7: Other current assets

Current				
Prepayments and other receivables	27,284	26,566	24,574	25,836
	27,284	26,566	24,574	25,836

Note 8: Property, plant and equipment

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2009	2008	2009	2008
	\$	\$	\$	\$
Land and buildings				
Freehold land and buildings at:				
- directors' valuation 2008	3,000,000	3,000,000	0	0
Total land and buildings				
Leasehold improvements at:				
- cost	589,519	589,519	589,519	589,519
Less accumulated depreciation	(286,725)	(261,870)	(286,725)	(261,870)
Total leasehold improvements	302,794	327,649	302,794	327,649
Plant and equipment				
Plant and equipment at cost	421,145	407,871	403,925	390,511
Less accumulated depreciation	(405,211)	(402,192)	(387,991)	(384,972)
Total Plant & equipment	15,934	5,679	15,934	5,539
Poker machines				
- cost	215,539	215,539	215,539	215,539
Less accumulated depreciation	(210,641)	(209,778)	(210,641)	(209,778)
Total Poker machines	4,898	5,761	4,898	5,761
Furniture & Fittings				
- cost	103,214	100,105	6,169	3,200
Less accumulated depreciation	(95,605)	(93,598)	(2,690)	(1,412)
Total Furniture & Fittings	7,609	6,507	3,479	1,788
Motor boats				
- cost	60,211	60,211	0	0
Less accumulated depreciation	(55,468)	(54,632)	0	0
Total Motor boats	4,743	5,579	0	0
Total property, plant and equipment	3,335,978	3,351,175	327,105	340,736

Note 9: 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 2008. This determination was made having regard to an independent report by Australia Pacific PCS Pty Ltd , Property Consultants & Valuers on 10 August 2007.
- (ii) The revaluation was made in accordance with a policy of regular revaluation by the directors to reflect the market value of its investments, such revaluations being carried out at least once every 3 years.
- (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 10: Payables

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2009	2008	2009	2008
	\$	\$	\$	\$
Current				
Trade payables	56,586	79,499	48,281	42,649
PAYG Withholding Payable	12,081	2,714	12,081	2,714
Sundry payables and accrued expenses	61,891	93,850	61,210	81,375
	130,558	176,063	121,572	126,738

Note 11: Borrowings

Current				
Bank overdraft – secured	1,303	0	22	0
Hire purchase liability	0	3,367	0	3,367
	1,303	3,367	22	3,367
Non-current				
Other persons – secured	777,051	832,051	777,051	832,051
Other persons - unsecured	0	0	210,590	204,399
	777,051	832,051	987,641	1,036,450
Total current and non-current secured liabilities:				
Bank overdraft	1,303	0	22	0
Other persons	777,051	835,418	777,051	835,418
	778,354	835,418	777,073	835,418

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

Note 12: Current Tax Liabilities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2009	2008	2009	2008
	\$	\$	\$	\$
GST payable	13,557	16,196	21,049	18,618
	<u>13,557</u>	<u>16,196</u>	<u>21,049</u>	<u>18,618</u>

Note 13: Provisions

Current				
Employee benefits	19,074	20,076	19,074	20,076
Taxation	1,835	206		
	<u>20,909</u>	<u>20,282</u>	<u>19,074</u>	<u>20,076</u>

Note 14: Equity

a. Capital

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

Note 15: Reserves

a. General Reserve

Victor Everson Trust	32,358	32,358	32,358	32,358
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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 16: Events after the balance sheet date

Since the end of the financial year the Board received an independent report recommending remedial works to the company's leasehold premises 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. Further particulars are provided in Note 20.

Note 17: Contingent liabilities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2009	2008	2009	2008
	\$	\$	\$	\$
Estimates of the potential financial effect of contingent liabilities that may become payable:				
- Bank guarantees	<u>777,051</u>	<u>832,051</u>	<u>777,051</u>	<u>832,051</u>

Note 18: Cash flow information

	Economic Entity (Club & Pattons)	
	2009	2008
	\$	\$
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit/(Loss) from ordinary activities after income tax	24,299	(4,635)
Non-cash flows in profit from ordinary activities		
Depreciation	31,580	28,454
Net gains on disposal of plant and equipment		0
(Increase) Decrease in Assets		
Trade and Other Receivables	0	4,000
Inventories	2,692	(8,562)
Other assets	(718)	(20,077)
Increase (Decrease) in Liabilities		
Trade and other payables	(22,913)	(125,951)
Provisions	833	11,124
Other liabilities	(31,983)	(270,534)
Cash Flows from operations	3,790	(386,181)

Note 19: New accounting standards and accounting interpretations

There have been new Australian Accounting Standards and Australian Accounting Interpretations issued or amended that are applicable to the company but are not yet effective. The company's assessment of the impact of these new standards and interpretations has been completed with no material effect on the company's financial report. They have not been adopted in the preparation of the financial report at the reporting date.

Note 20: Commitment for Capital Expenditure

Since the balance date the company obtained an independent report identifying dilapidations in the supporting structures for the company's leasehold premises. The company has entered into a contract with Sydney Marina Contracting Pty Ltd to carry out remedial works on the wharf and supporting piers at a cost of \$50,200.00 plus GST, in accordance with the independent report. This work will be completed in the current financial year. Further works have been recommended in the independent report and the Board is currently considering a further quotation of \$44,840.00 plus GST, to undertake that work.

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 6 to 20 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 2009 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:



Dated this 25th day of August 2009

Audit Report

ROBERTSON & GREENWOOD CHARTERED ACCOUNTANTS

MATHEW GEORGE

IAN ROBERTSON
CONSULTANT

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 2009.

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.

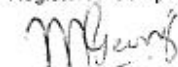
Audit opinion

In our opinion, the financial report of Sydney Flying Squadron Limited for the year ended 31 May 2009 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 2009 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 26th day of August, 2009

Mathew George
Registered Company Auditor



Robertson & Greenwood
Chartered Accountants

Suite 211, 12 Century Circuit
"Norwest Central"
Baulkham Hills NSW 2153
P.O. Box 8312
Baulkham Hills BC NSW 2153

PSC: Liability is limited by a Scheme approved under
Professional Standards Legislation
Telephone: 9680 8600
Facsimile: 9680 9755
Email: admin@randg.com.au

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2009

	2009	2008
	\$	\$
Trading Income		
Bar sales	648,451	747,391
Functions & Supplies	4,364	32,350
Total Trading Income	652,815	779,741
Less: Cost of Sales		
Opening finished goods	24,993	16,431
Cost of bar sales	220,064	235,536
Bar & restaurant general supplies	12,143	16,606
	257,200	268,573
Less:		
Closing finished goods	22,301	24,993
Cost of Sales	234,899	243,580
Gross Profit from Trading	417,916	536,161

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2009

	2009	2008
	\$	\$
Income		
Gross Profit from trading	417,916	536,161
Poker machine	61,473	60,880
Commissions received	1,909	1,685
Management fees	98,273	54,318
Interest received	14,001	15,249
Membership fees	61,401	41,741
Rebates	6,673	5,891
Social Committee	44,861	0
Ferry Ticket Sales	18,345	0
Club Events	28,401	0
Merchandise	3,228	0
Sundry receipts	1,971	911
Kitchen charge	128,624	88,229
Total income	887,077	805,065
Expenses		
Accountancy	8,363	8,303
Advertising and promotion	3,243	2,028
Audit fees	8,000	7,500
Bad debts	640	0
Bank Fees And Charges	15,097	13,151
Bookkeeping fees	17,675	2,000
Borrowing costs	3,002	2,008
Cleaning/rubbish removal	41,059	40,787
Consultants fees	4,537	7,111
Computer costs	3,749	1,587
Depreciation & amortisation	30,014	26,632
Donations	701	500
Electricity & gas	27,771	28,815
Entertainment	15,173	22,866
Event /Function expense	21,954	0
Filing Fees	775	0
Fines	54	1,501
Hire/rent of Plant & Equipment	21,426	3,315
Hire purchase charges	(16)	738
Insurance	42,559	55,065
Interest - Australia	89,540	131,473
Lease payments	0	19,176

SYDNEY FLYING SQUADRON LIMITED**(ACN 000 487 230)****PROFIT & LOSS STATEMENT****FOR THE YEAR ENDED 31 MAY 2009**

	2009	2008
	\$	\$
Expenses (continued)		
Legal fees	5,921	3,673
Membership expenses	10,889	6,155
Pest control	2,367	1,184
Postage	1,706	3,025
Printing & stationery	14,824	11,952
Rates & land taxes	5,532	8,986
Rent on land & buildings & rates	22,273	25,000
Repairs & maintenance	43,330	36,579
Sailing promotion & expenses	54,345	27,789
Security	4,727	1,513
Social committee expenses	21,077	0
Staff amenities	508	770
Staff training	228	(174)
Subscriptions & licences	2,363	4,213
Sundry expenses	980	4,676
Superannuation	44,583	25,950
Telephone	8,391	6,474
Wages	274,890	253,215
Annual leave	(544)	10,173
Sick leave	(458)	4,886
Total expenses	873,248	810,594
Profit (Loss) from Ordinary Activities		
before income tax	13,828	(5,529)

**COMPILATION REPORT
FOR THE YEAR ENDED 31 MAY 2009**

On the basis of the information provided by the directors of Sydney Flying Squadron Limited, we have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the special purpose financial report of Sydney Flying Squadron Limited for the year ended 31 May 2009, comprising the attached Statement of Financial Performance and Statement of Financial Position.

The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Sydney Flying Squadron Limited constitution and are appropriate to meet the needs of the Directors and Members of the company.

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

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Directors and Members of Sydney Flying Squadron Limited and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

J. R. VINCENT
Chartered Accountant
11/10 Victoria Ave
CASTLE HILL

24 August 2009

PATTON'S SLIPWAYS PTY LTD
(A.C.N. 000 070 271)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2009

	2009	2008
	\$	\$
Income		
Interest received	812	779
Rents received	212,169	199,411
Other Income	2,273	-
Total income	215,254	200,190
Expenses		
Accountancy	-	9,000
Advertising	786	-
Audit fees	2,400	2,200
Bank Fees And Charges	95	121
Bookkeeping	5,100	-
Depreciation – plant	729	837
Depreciation - motor boats	837	985
Filing Fees	424	353
Hire/rent of Plant & Equipment	1,400	1,680
Insurance	6,225	6,849
Interest – Australia	14,650	31,390
Legal fees	6,566	2,849
Management fees	98,273	54,318
Rates & land taxes	18,409	20,212
Rent – Waterways	16,568	12,000
Registration & licence fees	3,881	3,453
Repairs & maintenance	11,817	53,256
Sailing Expenses	14,994	-
Total expenses	203,154	199,503
Profit from Ordinary Activities		
before income tax	12,100	687

PATTON'S SLIPWAYS PTY LTD
COMPILATION REPORT
FOR THE YEAR ENDED 31 MAY 2009

On the basis of the information provided by the directors of Patton's Slipways Pty Ltd, we have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the special purpose financial report of Patton's Slipways Pty Ltd for the year ended 31 May 2009, comprising the attached Statement of Financial Performance and Statement of Financial Position.

The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Patton's Slipways Pty Ltd constitution and are appropriate to meet the needs of the Directors and Members of the company.

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

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Directors and Members of Patton's Slipways Pty Ltd and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

J. R. VINCENT
Chartered Accountant
11/10 Victoria Ave
CASTLE HILL

24 August 2009

Registered Clubs Act Disclosures

Registered Clubs Regulations 1996 (the Regulations)

Provision of Information to Members

For the year ended 31 May 2009

Regulation 47HA(2)

- (a) The Club (Sydney Flying Squadron Limited and its controlled entity) did not receive any 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 \$4,536.
- (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 \$72,436 during the gaming machine tax period (1 September 2007 to 31 August 2008) that ended in the reporting period ended 31 May 2009.
- (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



Brittania – 18 Footer. Courtesy of Bruce Kerridge, Photographer



18 Footer Fleet starting a race – Courtesy of Bruce Kerridge, Photographer

A special thanks to those members, guests and sailors who supplied us with fantastic images for this Annual Report. We look forward to receiving more for use in future publications. We apologise for where our records (or space) did not allow us to cite photographers or details.

Back Cover - Top: Saturday's Race Day Ferry following the fleet around Sydney Harbour. Courtesy of Danielle Friml

Back Cover – Bottom: The fabulous top deck at the Squaddy (Clubhouse)



Join us on the Race Day Ferry
Visit us at the Sydney Flying Squadron

76 McDougall Street, Milsons Point NSW- Phone 02 9955 8350
www.sydneyflyingsquadron.com.au

