

# **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**

**2010-2011**



**Britannia - Courtesy of Bruce Kerridge, Photographer**



**Australia - Courtesy of Bruce Kerridge, Photographer**

*Front Cover: Australia IV - Courtesy of Bruce Kerridge, Photographer  
Editor: Jill Atherton, Director SFS Limited and Patton's Slipways Pty Ltd*

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## President's Report

### Fellow Members

On behalf of your Board of Directors I present to you the 2010-2011 Annual Report.

This has been my 4th year serving as President and I will not be re-standing as President for the coming year. I thank all those Members who supported me over the four years.



I would like to thank those Directors who supported me over the past 12 months. In some way it has been a volatile year for the Board with personal and legal issues that distracted the Board from the more important overall management strategy.

Some Directors have given an extraordinary amount of their time to bring the Club back from the brink of disaster four years ago, to making a profit again this year. Most active have been Denny Linker, Jill Atherton, retiring Honorary Treasurer Bob Sadler and Mal Lennon.



When it comes to the success of the Club over the last twelve months, and four years, Secretary/Manager Anita McMahon has played a major role through her sheer hard work and dedication to the Club. Anita has kept the staff costs to a bare minimum and devoted much of her own time to promoting the Club. An example of this is the ferry following the sailing being packed for the last five or six races of the season.

Another reason for the good results has been caterer Ray and his hard working staff providing excellent meals - the best value for money on the Northside. Thanks also to the dedicated bar staff who go out of their way to look after Members and Visitors alike.



Many thanks go the sailing volunteers for manning rescue boats, starters, assistant starters etc with special mention to John "Woody" Winning providing his robust vessel "Rippleside" as a towboat/rescue boat at no cost to the Club. Without the volunteers the sailing activities of the Club could not function. The Social Committee continued to raise funds on Thursday Members Night, and particular thanks to our super sales lady Margaret Sawyer, and Bill and Janis Hughes.



During the 2010-2011 year, achievements have included:

- Principal (and interest) payments are now being paid on the debt incurred through mismanagement between 2003-2006.
- Superannuation debt incurred from 2003-2006 mismanagement finalised and paid;
- Erection of the awnings over the verandah and clear weather drops to wharf area;
- Installation of additional security cameras in the boatshed;
- Improvements to accounting and book-keeping operations and systems; and
- Widening of and tiling the floor to the front entrance foyer.



On the sailing side unfortunately only one, open modern 18 ft appeared this season and the FD's numbers were down as well. Historical 18's race starters were down due to lack of crews required for these classic boats. However, there was some very close racing with many races being decided only by seconds. We all need to pass on the message that we need to encourage more sailors to participate in our Historic Sport with the cry of "Get your body down to the Squaddy".



Our Condolences go to families of Members who have passed away in the past season. 1950's-early 60's SFS Secretary and boat owner Alan Moran was amongst those as was Ian "Perce" Perdriau, a well known Pittwater boat builder who raced at the Squaddy in the 70's and built and raced the replica historical 18 footer "Yendys".



Thanks again for all the support, and I would like to wish the incoming President and Board every success for the coming years.

Graeme "Fergy" Ferguson  
SFS President



## Commodore's Report

The past year has proved to be a successful one for the Club. This is mostly due to stability, continuity, the professional, hard working staff and Sailing Board along with willing volunteers which together make up the recipe for a flourishing sailing club.

I would like to thank John (Woody) Winning for his continued support and generosity with the Historic 18s and his support vessels.



Even the dreariest of starts to our season, with the continual onslaught of La Nina, could not dampen the enthusiasm of our sailors and supporters. By the end of summer things were really humming and our boat numbers were on the increase, the ferry was packed and the wharf was buzzing with music and laughter. All aspects of sailing have enjoyed a wonderful summer without any major catastrophes.

The Historic 18s continue to grow respect as the figure head class of Sydney Harbour. Our feature in the Australia Day regatta program and presence in the Audi Regatta greatly helped to continue to grow build public awareness, respect and appreciation of our fleet.

**Australia IV** with Woody and his crew went out on the windiest of days and showed us time after time how it was done. This also created a great spectacle for any passers by.

**Britannia** cleaned up this year. Smithy seemed to have a new lease on life and was at times out of sight he was that far in front. On the scratch races the faster boats could not get away from him.

**Tangalooma** sailed really well and they showed what the old girl can really do both in light and heavy conditions. Peter LeGrove and his crew showed us nice sails and a big spinnaker will work wonders on any boat.

**Alruth** spent the first part of the season under continuing restoration. Jeremy (Blunt) Sharp brilliantly won the Audi Regatta. Unfortunately Jeremy had just purchased two new German cars so hardly needed a new Audi. This was eventually won by Sydney Flying Squadron life member Peter Sorensen sailing his Philosophers Club out of MHYC. Blunt and his crew are extremely talented sailors and, as we all know, whatever boat they get on will be competitive.

**Top Weight** sailed tirelessly without many results. John and his crew had a few swims and maybe paid the price for having a little too much sail up at times. They did win the Atlantis and Bailer Boy trophies.



**The Mistake** had the much loved international yachting superstar Harold Cudmore return to try and wrestle the coveted championships away from perennial winners, Woody and Smithy - better luck next year.

**Aberdare** sailed with the young colts from the modern 18s showing us new ways to enjoy the idiosyncrasies of the historic 18 footers.

**Yendys** found a new skipper in Brian Zemanek. She is a beautiful boat and Brian is an excellent sailor. His input into our club is much appreciated. Brian has made a success of whatever he turns his hand to so I very much look forward to seeing what he can do with the Yendys next season.

**Scot** was without a full time skipper and had trouble getting onto the water on a regular basis. We are all working towards getting Dick Notley and his crew back into the swing of things next season.



On **Australia** we had a fun year. We missed out early in the season with the forced retirement of several crew and slowly built momentum during the season. We promise to be a force to be reckoned with very soon.

Michael “flipper” Carter was again the backbone of our unrestricted 18 footer class and although he was at times the only competitor he managed to still win almost everything. We very much appreciate his unerring support and look forward to the challenge of growing our fleet numbers.

The culmination of our season was our presentation night. All those involved agreed, “it was the best presentation night ever!”

The introduction of new sponsors to our club was well received by the sailors and our seafood raffle made the club a lot of money thanks to the kindness of Nicholas Seafoods. We look forward to their support next season.



In June we lost one of our favourite sons in Ian (Perce) Perdriau. He did a magnificent job overseeing the building of the Yendys and was a good friend to us all. Perce will be sadly missed but will always have a place in our hearts at the Sydney Flying Squadron.

On a brighter note we have the F18 catamarans for opening day and they have committed for a series from our club in March 2012.

The Flying Dutchmen have showed commitment to our club and as much as they can will continue to support us.
















In conclusion another very busy year not only for the dedicated and hard working Sailing Board but also for a host of willing volunteers who I thank for so generously giving of their time on and off the water. We are so lucky to have such a wealth of experience amongst our membership. It is the tireless and diligent efforts of many that see the club on an upward trend. I would also like to thank those members who have expressed their appreciation to the Sailing Board for all their efforts in making the Sydney Flying Squadron a happy and successful sailing club.

I wish you all a very pleasant and successful 2011-2012 sailing season both on and off the water.

**Chris Haskard - Commodore**


















## The Historical 18 Footer Fleet – Now and Then

	
 <b>Aberdare</b>	
	
 <b>Alruth</b>	
	
 <b>Australia</b>	
	
 <b>Australia IV</b>	
	
 <b>Brittania</b>	



## The Historical 18 Footer Fleet – Now & Then

	
 <b>Scot</b>	
	
 <b>Tangalooma</b>	
	
 <b>The Mistake</b>	
	
 <b>Top Weight</b>	
	
 <b>Yendys</b>	

## Finance Committee

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.

We are now in the fourth year of monitoring the finances of the Club and Pattons and are pleased to be able to report that the fortunes of the Club have been turned around. For the first time in many years the Club has finished the year showing a small profit.

This comes on top of finalising the outstanding Superannuation liability (\$37k) with the ATO and maintenance and repairs for the clubhouse, Pattons and sailing assets (\$65k). The loan taken out to cover the debts incurred between 2003-2006 has been reduced from \$832k to \$760k this year. Strict control must continue to be maintained in order to pay this off within the next 12 years.



Reviews continue to be 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 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.



The Bookkeeping and Accounting functions were changed in 2009 and we are once again reviewing this arrangement to ensure stringent and cost effective financial monitoring.

As the financials will show, the Club and Pattons are now trading within their means, covering all costs and repaying the Bank debt.

Finance Committee roster:  
Bob Sadler – Treasurer (resigned )  
Beverley Stewart - Assistant Treasurer  
Denny Linker – Vice President  
Bill Hughes - Member  
Anita McMahon – Secretary Manager



## Secretary Manager's Report

This year's results puts a seal on the direction that the management of the Club has taken and returning at last a profit despite the hurdles the Club encounters.

This has been achieved through the efforts from the directors and the continued support from the members.

It has been very exciting to watch the growth in interest in the Spectator Ferry. We all should be very proud that it is a tradition that the Club has been able to maintain since 1891.



The Social events have been well patronised, interesting and enjoyable. It has been a good forum to meet other members, forge friendships, introduce new members at the Club and establish a good network with ferry owners, bands and the NSW National Parks and Wildlife Service.

In July this year the association with the Medway Yacht Club, UK, has been rekindled and our members will benefit from this association on their next visit at the UK. Mark Foy, the founder of the Sydney Flying Squadron, raced at the Medway in 1898.



The Club continues to be a successful destination for functions. The Club's reputation has grown over the years and members have made the Melbourne Cup and the Mothers Day Luncheon an annual event.



Members continue to receive generous offers for their support of the Club. There are generous discounts offered at the bar and the restaurant and members receive additional offers on their birthday.

I have the highest regard for my staff that work extremely hard, have a lot of enthusiasm and contribute a lot of ideas to improve the Club. They are the Jewels in the Crown of this Club.

It was an honour to have received the Grant Taylor Award at the Sailing Presentation this year as recognition for my help towards sailing.



Thank you to all the members who support the Club. With your continued support the Club will continue to get better for you to enjoy.

**Anita McMahon, Secretary Manager**

## Social Committee Report

Since its formation in November 2007, the Social Committee has operated as an official Committee under the Articles of the Club. It continues to provide regular financial reports to the Board.



During the financial year 2010-2011 the Social Committee contributed to various member and club activities as well as organised and paid for trophy restoration (\$1,700) and the newly completed Medway Shield Trophy Cabinet (\$2,280).

The funds were raised by the selling of raffle tickets on Thursdays nights.



The Social Committee is once again very happy to have been able to make this contribution towards upgrading of the ambiance of the clubhouse facilities, show appreciation for member support and being able to showcase the sailing trophies for all to enjoy. A special thanks to all the active committee members.

**SFS Social Committee**

## Pattons Board Report

The directors of Pattons, Denny Linker, Jill Atherton and Mal Lennon have convened regularly to:

- Assess and plan the business of Pattons;
- Distribute the income of the rental stream as available to maintain and improve the asset and it's facilities; and
- Dedicate funds to targeted projects of the main club that relate specifically to providing facility to sailing.

The short term occupation of Area 2 by the adjoining business of Patton's Awnings has continued. After many years of abandonment we were able to secure a tenant for the "burnt out boat shed". With negotiations being well advanced post reporting date, we expect a new tenant for Area 2 which will mean that the property will be fully let again.

The NSW Maritime Lease renewal to 31 October 2015 is being finalised.

As the attached balance sheet shows, Pattons made a small profit for the reporting year. Continued prudent management of this asset is critical to the long term stability of the SFS Limited, and particularly over the next decade so that the loan resulting from practices between 2003-2006 is paid off.

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

- Work to piles to control the slipway delineation;
- Replacement of slip rails; and
- Some clean up and repairs to the old shed ready for tenancy.

The directors continue to investigate further opportunities to improve the premises, introduce new uses and expand the income stream of this valuable asset for the benefit of the Club.

**Pattons Directors**



## Director's Report

### For the year ended 31 May 2011

Your directors present their report on the Sydney Flying Squadron Limited (the company) for the financial year ended 31 May 2011, 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	63	Director since May 2007 Club Directors Institute (CDI) Member Committees: Sailing, Building
Denny Linker MIS (Aust) -Registered Surveyor Non Executive Director Vice President	69	Director since June 2006 Club Directors Institute (CDI) Member Committees: Finance, Pattons
Jill Atherton MBA, FAMI CPM, AFAIM, MAICD - Consultant Non Executive Director Vice President	55	Director since May 2007 Club Directors Institute (CDI) Member Committees: Pattons
Christopher Haskard Licensed Real Estate Agent, Master Mariner Class 5, Med III. – Non executive Director Commodore	55	Director since September 2010 Club Directors Institute (CDI) Member Committees: Sailing
Malcolm Lennon BA&H Civil Engineering - Project Manager Non Executive Director Vice Commodore	57	Director since May 2007 Club Directors Institute (CDI) Member Committees: Sailing, Pattons
Robert Sadler M.I.E (Aust); A.C.S - Software Developer Non Executive Director Treasurer	64	Director since October 2008 Club Directors Institute (CDI) Member Committees: Finance, Building
Beverley Stewart Registered Nurse Non Executive Director Assistant Treasurer	57	Director since September 2010 Club Directors Institute (CDI) Member Committees: Finance
Terry Stewart, JP Reitred Non Executive Director Secretary	60	Director since September 2010 Club Directors Institute (CDI) Member Committees: Building
Jane Mulford, JP Real Estate Administrator Non Executive Director Assistant Secretary	57	Director since September 2010 Club Directors Institute (CDI) Member Committees: Sailing
Robert Sawyer Retired Non Executive Director Vice President	79	Director September 2009 – September 2010 Club Directors Institute (CDI) Member Committees: Sailing, Building

John Tierney Builder Non Executive Director Commodore	65	Director September 2009 – September 2010 Club Directors Institute (CDI) Member Committees: Sailing, Building
Robert Tearne Boat Builder Non Executive Director Assistant Secretary	63	Director September 2009 – September 2010 Club Directors Institute (CDI) Member Committees: Sailing, Building
Kurt Beckman BSc Mech. Eng. - Residential Designer Non Executive Director Secretary	46	Director December 2007 – September 2010 Club Directors Institute (CDI) Member Leave of Absence

### Directors' Meetings

During the year ended 31 May 2011, thirteen (13) 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	13	11
Denny Linker	13	10
Jill Atherton	13	11
Chrisk Haskard	8	8
Malcolm Lennon	13	10
Robert Sadler	13	11
Beverly Stewart	8	7
Terry Stewart	8	8
Jane Mulford	8	8
Robert Sawyer	5	5
John Tierney	5	5
Robert Tearne	5	5
Kurt Beckman	5	0 – Leave of Absence

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 Malcolm Lennon, Jill Atherton and Denny Linker.

### Operating Result

The profit/ (loss) of the company for the financial year after providing for income tax amounted to \$34,552 (2010: \$12,930)



### **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 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**

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.

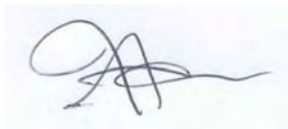
Signed in accordance with a resolution of the Board of Directors:



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Director:

Dated this 19<sup>TH</sup> day of July 2011



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Director:

Dated this 19<sup>TH</sup> day of July 2011

## 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 2011 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  
19 July 2011

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"Norwest Central"  
Baulkham Hills NSW 2153  
P.O. Box 8312  
Baulkham Hills BC NSW 2153

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Facsimile: 9680 9755  
Email: admin@randg.com.au



## Income Statement

For the year ended 31 May 2011

By function	Notes	Parent Entity (Club)	
		2011 \$	2010 \$
Sales Revenue		679,601	706,996
Cost of sales		(215,879)	(218,854)
Gross profit		463,722	488,142
Other revenue		399,725	423,067
Total revenue		863,447	911,209
Administration expenses		(35,343)	(51,976)
Finance costs		(87,307)	(78,149)
Other expenses from ordinary activities		(706,245)	(794,014)
		(828,895)	(924,139)
Profit/(Loss) before tax	2	34,552	(12,930)
Income tax expense	3	0	0
Profit/ (Loss) attributable to members of the entity		34,552	(12,930)

## Balance Sheet

**As at 31 May 2011**

		Economic Entity (Club & Pattons)		Parent Entity (Club)	
	Note	2011 \$	2010 \$	2011	2010 \$
Current assets					
Cash and cash equivalents	4	50,939	44,528	48,161	43,619
Trade and other receivables	5	0	678	0	678
Inventories	6	11,569	14,624	11,569	14,624
Other current assets	7	34,850	45,230	21,834	27,200
<b>Total current assets</b>		<b>97,358</b>	<b>105,060</b>	<b>81,564</b>	<b>86,121</b>
Non-current assets					
Property, plant and equipment	8	3,292,881	3,319,553	287,140	312,246
Other Financial Assets	9	0	0	3,154,671	3,154,671
<b>Total non-current assets</b>		<b>3,292,881</b>	<b>3,319,553</b>	<b>3,441,811</b>	<b>3,466,917</b>
<b>Total assets</b>		<b>3,390,239</b>	<b>3,424,613</b>	<b>3,523,375</b>	<b>3,553,038</b>
Current liabilities					
Trade and other payables	10	91,705	96,410	76,111	88,519
Short-term borrowings	11	0	0	0	0
Current tax liabilities	12	21,010	10,728	19,891	9,048
Provisions	13	14,305	16,983	17,080	17,908
<b>Total current liabilities</b>		<b>127,020</b>	<b>124,121</b>	<b>113,082</b>	<b>115,475</b>
Non-current liabilities					
Long- term borrowings	11	759,947	832,050	968,718	1,030,540
<b>Total non-current liabilities</b>		<b>759,947</b>	<b>832,050</b>	<b>968,718</b>	<b>1,030,540</b>
<b>Total liabilities</b>		<b>886,967</b>	<b>956,171</b>	<b>1,081,800</b>	<b>1,146,015</b>
<b>Net assets</b>		<b>2,503,272</b>	<b>2,468,442</b>	<b>2,441,575</b>	<b>2,407,023</b>
Equity	14				
Reserves	15	2,943,551	2,943,551	3,032,358	3,032,358
Retained earnings		(440,279)	(475,109)	(590,783)	(625,335)
<b>Total equity</b>		<b>2,503,272</b>	<b>2,468,442</b>	<b>2,441,575</b>	<b>2,407,023</b>

## Statement of Changes in Equity

For year ended 31 May 2010

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2009		(612,405)	3,000,000	32,358	2,419,953
Profit/(Loss) attributable to members		(12,930)	-	-	(12,930)
Revaluation increment/(decrement)		-	-	-	-
Sub-total		(12,930)	0	0	(12,930)
Balance at 31 May 2010	15	(625,335)	3,000,000	32,358	2,407,023

For the year ended 31 May 2011

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2010		(625,335)	3,000,000	32,358	2,407,023
Profit/(Loss) attributable to members		34,552	-	-	34,552
Revaluation increment/(decrement)		-	-	-	-
Sub-total		34,552	0	0	34,552
Balance at 31 May 2011	15	(590,783)	3,000,000	32,358	2,441,575



## Statement of Changes in Equity (cont.)

For year ended 31 May 2010

	<b>Note</b>	<b>Retained Earnings</b>	<b>Economic Entity (Club &amp; Pattons) Asset Revaluation Reserve</b>	<b>General Reserve</b>	<b>Total</b>
		\$	\$	\$	\$
Balance at 1 June 2009		(461,927)	2,911,193	32,358	2,481,624
Profit/(Loss) attributable to members		(13,182)	-	-	(13,182)
Revaluation increment/(decrement)		-		-	
Sub-total		(13,182)		-	(13,182)
Balance at 31 May 2010	15	(475,109)	2,911,193	32,358	2,468,442

For the year ended 31 May 2011

	<b>Note</b>	<b>Retained Earnings</b>	<b>Economic Entity (Club &amp; Pattons) Asset Revaluation Reserve</b>	<b>General Reserve</b>	<b>Total</b>
		\$	\$	\$	\$
Balance at 1 June 2010		(475,109)	2,911,193	32,358	2,468,442
Profit/(Loss) attributable to members		34,830	-	-	34,830
Revaluation increment/(decrement)		-	-	-	
Sub-total		34,830	-	-	34,830
Balance at 31 May 2011	15	(440,279)	2,911,193	32,358	2,503,272

## Cash Flow Statement

For the year ended 31 May 2011

	Notes	Economic Entity (Club & Pattons)	
		2011	2010
			\$
Cash flows from operating activities			
Receipts from customers		1,226,833	1,274,614
Payments to suppliers and employees		(1,179,250)	(1,330,624)
Interest received		28,045	24,000
Other receipts		11,435	7,143
Income tax paid		(1,850)	(4,509)
Net cash provided by (used in) operating activities	18	85,213	(29,376)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0	0
Payment for property, plant and equipment		(6,699)	(17,357)
Net cash provided by (used in) investing activities		(6,699)	(17,357)
Cash flows from financing activities			
Proceeds from borrowings		0	51,822
Repayment of borrowings		(72,103)	0
Net cash provided by (used in) financing activities		(72,103)	51,822
Net increase/(decrease) in cash held		6,411	5,089
Cash at beginning of year		44,528	39,439
Cash at end of year	4	50,939	44,528

## 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 19 July 2011 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.

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%

## **Note 1: Statement of significant Accounting policies (cont.)**

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.

### **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.

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

### **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.

### **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.



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

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)	
	2011	2010	2011	2010
	\$		\$	
<b>Profit/(Loss) from ordinary activities before income tax has been determined after</b>				
<b>a Expenses</b>				
Depreciation of property, plant and equipment	33,370	33,781	31,804	32,215
Borrowing costs	3,062	3,052	3,062	3,052
Remuneration of auditor - audit	7,800	10,100	5,400	7,700
<b>b Revenue and net gains</b>				
Membership Fees	51,469	76,588	51,469	76,588
Commissions	414	1,239	414	1,239
Rebates/Subsidies	4,537	5,933	4,537	5,933
Net gain/(loss) on disposal of property, plant and equipment	0	0	0	0

## Note 3: Income tax expense

Income tax expense	0	0	0	0
	0	0	0	0

## Note 4: Cash Assets

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2011	2010	2011	2010
	\$		\$	
Cash on hand and at bank	50,939	44,528	48,161	43,619
	50,939	44,528	48,161	43,619

### 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	50,939	44,528	48,161	43,619
	50,939	44,528	48,161	43,619

## Note 5: Receivables

Current				
Trade receivables	0	678	0	678
	0	678	0	678

## Note 6: Inventories

Current				
Raw materials and stores at cost				
On Hand	11,569	14,624	11,569	14,624
	11,569	14,624	11,569	14,624

## Note 7: Other current assets

Current				
Prepayments and other receivables	34,850	45,230	21,834	27,200
	34,850	45,230	21,834	27,200

## Note 8: Property, plant and equipment

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2011	2010	2011	2010
	\$	\$	\$	\$
Land and buildings				
Freehold land and buildings at:				
- directors' valuation 2008	3,000,000	3,000,000	0	0
Total land and buildings	3,000,000	3,000,000	0	0
Leasehold improvements at:				
- cost	589,519	589,519	589,519	589,519
Less accumulated depreciation	(336,434)	(311,579)	(336,434)	(311,579)
Total leasehold improvements	253,085	277,940	253,085	277,940
Plant and equipment				
Plant and equipment at cost	445,200	438,501	427,980	421,281
Less accumulated depreciation	(416,610)	(410,927)	(399,390)	(393,707)
Total Plant & equipment	28,590	27,574	28,590	27,574
Poker machines				
- cost	215,539	215,539	215,539	215,539
Less accumulated depreciation	(212,000)	(211,376)	(212,000)	(211,376)

Total Poker machines	3,539	4,163	3,539	4,163
Furniture & Fittings				
- cost	103,214	103,214	6,169	6,169
Less accumulated depreciation	(98,616)	(97,314)	(4,243)	(3,600)
Total Furniture & Fittings	4,598	5,900	1,926	2,569
Motor boats				
- cost	60,211	60,211	0	0
Less accumulated depreciation	(57,142)	(56,235)	0	0
Total Motor boats	3,069	3,976	0	0
<b>Total property, plant and equipment</b>	<b>3,292,881</b>	<b>3,319,553</b>	<b>287,140</b>	<b>312,246</b>

## 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.
- (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)	
	2011	2010	2011	2010
		\$		\$
Current				
Trade payables	33,960	41,288	18,365	32,363
PAYG Withholding Payable	6,502	9,695	6,502	10,728
Sundry payables and accrued expenses	51,243	45,427	51,244	45,428
	91,705	96,410	76,111	88,519

## Note 11: Borrowings

Current				
Bank overdraft – secured	0	0	0	0
Hire purchase liability	0	0	0	0
	0	0	0	0
Non-current				
Other persons – secured	759,947	832,050	759,947	832,050
Other persons - unsecured	0	0	208,771	198,490

	759,947	832,050	968,718	1,030,540
Total current and non-current secured liabilities:				
Bank overdraft	0	0	0	0
Other persons	759,947	832,050	759,947	832,050
	759,947	832,050	759,947	832,050

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)	
	2011	2010	2011	2010
		\$		\$
GST payable	21,010	10,728	19,891	9,048
	21,010	10,728	19,891	9,048

## Note 13: Provisions

Current				
Employee benefits	17,080	17,908	17,080	17,908
Taxation	(2,775)	(925)		
	14,305	16,983	17,080	17,908

## 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

	2,911,193	2,911,193	3,000,000	3,000,000
	2,943,551	2,943,551	3,032,358	3,032,358

## Note 16: Events after the balance sheet date

There were no significant events after the balance sheet date.



## Note 17: Contingent liabilities

	Economic Entity (Club & Pattons)		Parent Entity (Club)	
	2011	2010	2011	2010
		\$		\$
Estimates of the potential financial effect of contingent liabilities that may become payable:				
- Bank guarantees	832,050	832,050	832,050	832,050

## Note 18: Cash flow information

	Economic Entity (Club & Pattons)	
	2011	2010
		\$
<b>Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
Profit/(Loss) from ordinary activities after income tax	34,830	(13,182)
<b>Non-cash flows in profit from ordinary activities</b>		
Depreciation	33,370	33,781
Net (gains)/losses on disposal of plant and equipment	0	0
<b>(Increase) Decrease in Assets</b>		
Trade and Other Receivables	678	(678)
Inventories	3,055	7,677
Other assets	10,380	(19,249)
<b>Increase (Decrease) in Liabilities</b>		
Trade and other payables	(4,704)	(15,298)
Provisions	(2,678)	(3,002)
Other liabilities	10,282	(19,425)
<b>Cash Flows from operations</b>	<b>85,213</b>	<b>(29,376)</b>

## 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 balance date the company has not entered into any commitments for capital expenditure.

## 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 2011 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.

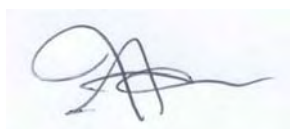
This declaration is made in accordance with a resolution of the Board of Directors.



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Director:

Dated this 19<sup>TH</sup> day of July 2011



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Director:

Dated this 19<sup>TH</sup> day of July 2011

# 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 2011.

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.

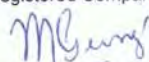
#### Audit opinion

In our opinion, the financial report of Sydney Flying Squadron Limited for the year ended 31 May 2011 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 2011 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 19th day of July, 2011

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 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Trading Income</b>		
Bar sales	679,601	706,996
Functions & Supplies	27,123	8,182
<b>Total Trading Income</b>	<b>706,724</b>	<b>715,178</b>
<b>Less: Cost of Sales</b>		
Opening finished goods	14,624	22,301
Cost of bar sales	212,824	211,177
	<b>227,448</b>	<b>233,478</b>
<b>Less:</b>		
Closing finished goods	11,569	14,624
<b>Cost of Sales</b>	<b>215,879</b>	<b>218,854</b>
<b>Gross Profit from Trading</b>	<b>490,845</b>	<b>496,324</b>



**SYDNEY FLYING SQUADRON LIMITED**  
**(ACN 000 487 230)**  
**PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 MAY 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Gross Profit from trading	490,845	496,324
Poker machine	35,506	55,201
Commissions received	414	1,239
Management fees	74,546	85,705
Interest received	27,999	24,000
Membership fees	51,470	76,588
Rebates	4,537	5,933
Social Committee	15,685	21,450
Ferry Ticket Sales	19,288	15,050
Club Events	18,133	26,322
Merchandise	1,763	1,228
Sundry receipts	6,898	1,209
Kitchen charge	116,363	100,960
<b>Total income</b>	<b>863,447</b>	<b>911,209</b>
<b>Expenses</b>		
Accountancy	10,780	6,050
Advertising and promotion	2,348	8,275
Audit fees	5,400	7,700
Bad debts	268	632
Bank Fees And Charges	15,655	12,388
Bar & kitchen requisites	14,132	18,367
Bookkeeping fees	11,500	29,869
Borrowing costs	3,062	3,052
Cleaning/rubbish removal	48,578	43,414
Consultants fees	0	1,800
Computer costs	2,354	2,198
Depreciation & amortisation	31,804	32,215
Donations	0	920
Electricity & gas	33,374	32,283
Entertainment	21,502	22,704
Event /Function expense	17,487	26,548
Filing Fees	0	515
Fines	68	26
Hire/rent of Plant & Equipment	17,673	15,354
Insurance	43,043	46,618
Interest - Australia	87,307	78,149

**SYDNEY FLYING SQUADRON LIMITED**  
**(ACN 000 487 230)**  
**PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 MAY 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Expenses (continued)</b>		
Legal fees	3,287	364
Membership expenses	14,315	7,894
Pest control	1,775	2,170
Postage	3,998	4,819
Printing & stationery	7,467	15,311
Rates & land taxes	10,737	9,542
Rent on land & buildings & rates	25,947	25,000
Repairs & maintenance	44,724	93,069
Sailing promotion & expenses	44,269	35,990
Security	4,449	2,646
Shrinkage	795	5,759
Social committee expenses	10,776	14,072
Staff amenities	1,075	514
Staff training	1,068	570
Subscriptions & licences	9,861	2,981
Superannuation	81,061	58,986
Telephone	7,663	7,842
Wages	190,121	248,699
Annual leave	8,601	(3,878)
Sick leave	(9,429)	2,712
<b>Total expenses</b>	<b>828,895</b>	<b>924,138</b>
 <b>Profit (Loss) from Ordinary Activities</b>		
<b>before income tax</b>	<b>34,552</b>	<b>(12,930)</b>

**SYDNEY FLYING SQUADRON LTD**  
**COMPILATION REPORT**  
**FOR THE YEAR ENDED 31 MAY 2011**

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 2011, comprising the attached Statement of Financial Performance and Statement of Financial Position.

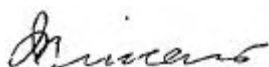
The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report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

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12 July 2011

**PATTON'S SLIPWAYS PTY LTD**  
**(A.C.N. 000 070 271)**  
**PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 MAY 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Interest received	46	31
Rents received	186,941	175,941
<b>Other Income</b>	0	400
<b>Total income</b>	<b>186,987</b>	<b>176,372</b>
<b>Expenses</b>		
Accountancy	0	0
Advertising	0	0
Audit fees	2,400	2,400
Bank Fees And Charges	150	105
Bookkeeping	0	0
Depreciation – plant	729	729
Depreciation - motor boats	837	837
Electricity	0	561
Fees & Charges	0	4
Filing Fees	218	212
Hire/rent of Plant & Equipment	0	0
Insurance	6,441	7,070
Interest – Australia	27,999	24,048
Legal fees	6,905	0
Management fees	74,546	85,705
Rates & land taxes	20,422	12,130
Rent – Waterways	17,037	9,665
Registration & license fees	3,609	2,596
Repairs & maintenance	23,898	30,053
Sailing Expenses	1,518	510
<b>Total expenses</b>	<b>186,709</b>	<b>176,625</b>
<b>Profit from Ordinary Activities</b>		
<b>before income tax</b>	<b>278</b>	<b>(253)</b>



**PATTON'S SLIPWAYS PTY LTD**  
**COMPILATION REPORT**  
**FOR THE YEAR ENDED 31 MAY 2011**

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 2011, comprising the attached Statement of Financial Performance and Statement of Financial Position.

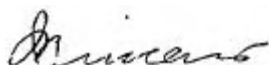
The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report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

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12 July 2011

## Registered Clubs Act Disclosures

### Registered Clubs Regulations 1996 (the Regulations)

#### Provision of Information to Members

For the year ended 31 May 2011

#### 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 \$869 (for legal advice).
- (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 \$53,769 during the gaming machine tax period (1 September 2009 to 31 August 2010) that ended in the reporting period ended 31 May 2011.
- (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



# SYDNEY FLYING SQUADRON

## SAILING PROGRAMME 2011-2012



### 2011

Date	H 18	18's	18' Cats	Social Events
Sat 24 September	Graet Race			Opening Day, Race Ferry- BBQ- Raffles-Music
Sat 1 October	Spring Pointscore H1 Mark Foy Day	Opening Day		Race Ferry- BBQ- Raffles- Music
Sat 8 October	Spring Pointscore H2 Slam day			Race Ferry- BBQ- Raffles- Music
Sat 15 October	Club Championships H1 Spring Pointscore H3			Race Ferry- BBQ- Raffles- Music
Sat 22 October	Spring Pointscore H4			Race Ferry- BBQ- Raffles- Music
Sun 23 October	Gaffers Day Sydney Amateurs Sailing Club			
Sat 29 October	Spring Pointscore H5			
Sun 30 October	Balmain Regatta			
Sat 5 November	Spring Pointscore H6 Sturrocks day			Race Ferry- BBQ- Raffles- Music
Sat 12 November	Club Championships H2 Summer pointscore H1			Race Ferry- BBQ- Raffles- Music
Sat 19 November	Summer Pointscore H2			Race Ferry- BBQ- Raffles- Music
Sat 26 November	Summer Pointscore H3			
Sat 3 December	Summer Pointscore H4 Maui Jims Day			Race Ferry- BBQ- Raffles- Music
Sat 10 December	Club Champ H3 Summer Pointscore H5			Race Ferry- BBQ- Raffles- Music
Sat 17 December	Summer Pointscore H6	Christmas Party		Race Ferry- BBQ- Raffles- Music
26 December				Sydney to Hobart Ferry to watch start



# SYDNEY FLYING SQUADRON

## SAILING PROGRAMME 2011-2012



### 2012

Date	H 18	18's	18' Cats	Social Events
Sat 14 January	Summer Pointscore H7			Race Ferry- BBQ- Raffles-Music
Sat 21 January	Australian Championships H1			Race Ferry- BBQ- Raffles-Music
Thu 26 January	Australia Day Regatta			Race Ferry- BBQ- Raffles-Music, dinner BBQ
Fri 27 January	Australian Championships H2			Race Ferry- BBQ- Raffles-Music
Sat 28 January	Australian Championships H3			Race Ferry- BBQ- Raffles-Music
Sat 4 February	Autumn Series H1			Race Ferry- BBQ- Raffles-Music
Sat 11 February	Autumn Series H2			Race Ferry- BBQ- Raffles-Music
Sat 18 February	Autumn Series H3			Race Ferry- BBQ- Raffles-Music
Sat 25 February	Club Championship H4 Autumn Series H4 Port Jackson Championships H1			Race Ferry- BBQ- Raffles-Music
Sat 3 March Ladies Day	Queen of the Harbour			Race Ferry- BBQ- Raffles-Music
Sat 10 March	Sydney Harbour Championship Autumn Series H5 Port Jackson Championships H2			Race Ferry- BBQ- Raffles-Music
Sat 17 March	Autumn Series H6		Windward leewards	Race Ferry- BBQ- Raffles-Music
Sun 18 March			Windward leewards	
Sat 24 March	Club Championships H5 Autumn Series H7			Race Ferry- BBQ- Raffles-Music
Sat 31 March	Autumn Series H8	Closing Day		Race Ferry- BBQ- Raffles-Music
Sat 5 May	PRESENTATION NIGHT			





**Alruth under sail - Courtesy of Terry and Barley Stewart**



**Australia IV in Foreground, Australia in background - 18 footers - Courtesy of Danielle Friml, Photographer**

A special thanks to those members and guests who supplied us with the fabulous images for this Annual Report.  
We apologise for where our records or space did not allow us to cite photographers or details.

*Back Cover: Top – Fleet on Sydney Harbour - Courtesy of Danielle Friml, Photographer  
Back Cover: Bottom – The fabulous top deck of the Squaddy (Clubhouse)*





**Visit us at the Squaddy (Sydney Flying Squadron)**

**Join us on the Spectator Ferry on Race Days**

**Eat at Mark Foys Restaurant**



76 McDougall Street, Milsons Point NSW – Phone 02 9955 8350

[www.sydneyflying squadron.com.au](http://www.sydneyflying squadron.com.au)