



SYDNEY FLYING SQUADRON LTD

Australia's oldest open boat sailing club
Founded in 1891



This archive photo shows the spectator crowd on Clark Island c.1919 during the Spanish Flu. You can see that almost every person is wearing a face-mask

ANNUAL REPORT
2020 - 2021

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AGM AGENDA

The 132nd Annual General Meeting of the Sydney Flying Squadron Limited will be held at 10:00am on Sunday 5 December 2021 in the Clubhouse, 76 McDougall Street Milsons Point NSW 2061.

1. To receive and consider the reports of the Board
2. To receive and consider the financial report as required by the Act and the Registered Clubs Act for the year ending 31 May 2021
3. To elect the Board in accordance with the Constitution
4. Life Membership Nominations
5. To deal with any valid business of which due notice has been given
6. To deal with general business as approved by the chairman of the meeting.

PRESIDENT'S REPORT

As was alluded to in last year's report, an interesting time was certainly ahead.

However, despite some inconveniences the club continued to trade in FY '20/21' as well as could be expected.

The café performed well during the year attracting many people who would otherwise not have visited the club premises and more of this patronage will be taken advantage of in the coming year and years.

The club is endeavoring to negotiate a Management Agreement with the current catering company more aligned with contemporary club structures and we are optimistic this will be come to a successful conclusion in the current F.Y., pending legal advice and approval by the appropriate authorities.

A revised D.A. for Patton's Slipways was submitted to Council and further revisions will need to be made and re-submitted but we remain committed to the project and hope significant progress will be made in the current F.Y.

Despite the continuing presence of the virus, a successful sailing season was completed and our adherence to strict NSW Health Orders saw to it that no related incidents were experienced. The spectator ferry met with moderate patronage but those who went out enjoyed some good racing.

Overall, the business has not altered significantly from the past. Sailing remained the principal activity with H18 Footers and modern 12 ft skiff on Sundays.

Again, we live in interesting times and if the recent past has taught us anything it will remain so during the current year.

John Winning

President

COMMODORE'S REPORT 2020 – 2021

Another winter of lockdown but thankfully we had a full season of sailing before the latest wave hit. I hope you are all safe and fully vaxxed for the delayed start to getting back on the water again on 30th October.

The prolonged lockdown has seen the Club doors closed since June, and at last, are now open. It has literally been a long time between drinks and there is a lot of catching up to do! I encourage you, and as many friends as you can muster, to spend as much time and money at the bar as possible to top up the ballast. A special thanks to the tireless efforts of our Treasurer - Alan Robertson in avoiding a financial capsizing. I am delighted to announce Robbo's nomination for Life Membership, a well-deserved honour.

Remarkably, we sailed the full calendar with mostly 8 historic boats hitting the harbour each week. A great effort from all the crews in maintaining the sailing spirit and the varnish! A very successful year for the Australia IV crew taking the most silverware out of the trophy cabinet and topping it off with the Australia Day Anniversary Regatta medal. Congratulations to the well-seasoned crew and their skipper Terry Stewart our Vice Commodore. The Galloping Ghost trophy went to the Yendys in the Australian Championship with Woody and the Mistake crew taking out the Raw Meat pointscore for the event.

We missed Harold Cudmore at the Club and on the water this season due to Covid travel restrictions. The Club acknowledges the contribution to our sailing that Harold has made over the years, and in recognition, has made him an Honorary Member.

The 12 ft skiff fleet continued to enjoy the Sunday series with a consistent fleet every week. Again, the SFS hosted 2 heats of the State Titles that were strongly supported with the Lane Cove 12ft Sailing Skiff Club joining us on the course. Great to see the Clubs working together.

Again, the Flying Bear Café remained open for take away service during lockdown, delivering the best coffee and food in Australia. Foys restaurant is up and running again and I encourage you to eat responsibly between drinks. Thanks to Emma and Adam Marshall and the SFS/Foys/Flying Bear crew for all your efforts through these times and your support towards the Club.

The wharf is getting major repair works carried out over the coming weeks and should be back in service hopefully for Christmas with the return of the ferry for the second half of the season.

Sadly, we saw Dick Notley cross his last finish line recently. A Life Member and great stalwart of the Club. He is dearly missed. I will especially miss his pre-race observations and critique on the selected course for the day. The Club will be hosting a memorial for Dick when things settle down.

Many thanks to the Sailing Committee, volunteers and members who generously give their time towards supporting the program. And finally, thanks to John “Woody” Winning for his support and the use of Rippleside over the season.

Let’s hope lockdowns are over, as we are all over lockdowns, looking forward to seeing you at the Club.

Sail On

Billy Loader - Commodore

TREASURER'S REPORT

When President John Winning signed off his '19 – '20 AGM report with "Looking forward to an interesting time ahead", he couldn't have known what was around the corner.

We started the '20-21 FY year with limited bar and menu around the 5th June, '20 and then opened up a Wednesday to Sunday dinner and lunch on weekends only. Patron numbers were governed by the 4 and then 2 sq. metre rule. It wasn't ideal but the club was at least ticking over at the traditional low-income time of year. In September, we re-introduced lunch on weekdays and so on, until we ran into round two in this current financial year.

We all became accustomed to the "new normal", as it's often been referred to: QR entry Codes, being told where to stand at the bar, sitting down to drink and wearing coloured bands on our wrists on Saturdays while rigging our boats in the park.

However, it is what it is and we march on. How did we do financially? Well, we're still here, is about all I can report and, you may be glad to hear, look like being so for another 130-odd years. It'll take more than Covid to knock the Squaddy off its perch.

All the issues I highlighted in the last Annual Report, not enough money being spent (invested) on sailing, club maintenance etc, remain on the "to do" list, as we continue to experience pressure from maintenance requirements, lower than normal membership numbers and income, and steady but unspectacular bar revenue.

Allied to those pressures was a need to ensure expenditures on any items that could be delayed or avoided entirely, were just that. Still are, in fact.

The audited financial statements are all contained within this report, so there is no need for me to re-tell the story here. It's enough to say that we were mean with money in FY '20-'21 and as you can imagine, we still are. I doubt most NSW Licensed Clubs would tell a different story. There are few exceptions.

I said in the last FY Annual Report that "Stayin' Alive" was our theme song going forward and it still is, so looking to the future is key to coming out of this financially challenging period. Now, more than ever, the Flying Squadron needs your support and in a material way. Please step up and renew memberships and when we re-open, use your club for a meal, have a beer or glass of wine, visit with friends, encourage others to join and enjoy the club.

During the last three months of FY '20 –'21 we made the decision to appoint A D Danieli Chartered Accountants as our professional accountancy resource, led principal of the firm, Sam Danieli and his excellent team who look after our financial affairs and provide strategic advice when required.

If there's one important lesson to be learnt from the events of the last two years, and in fact there are many, it is that we need to take a serious longer-term view of the strategic options available to the club for the future. Living hand-to-mouth is not fun nor smart, so we need to consider this and act in the interests of 18' skiff sailing.

Finally, I thank all my board colleagues for their invaluable assistance and support during the year. Treasurer is probably not the most popular position on any club board, but with a cohesive board and plenty of assistance from our own staff and Sam Danieli and his people, particularly Carmen and Rebecca, the job has been made easier. It has been a pleasure to help.

Alan Robertson

Honorary Treasurer

PATTONS UPDATE

The Development Application for the Redevelopment of the Patton's Slipways site was submitted to North Sydney Council in October 2019 as DA313/2019 was refused in October last year. In March 2020 a request for further information (RFI) was issued and the further information was provided in July 2020. The assessment was made by the Sydney North Planning Panel and based upon a planning report made by North Sydney Council. The planning report by NSC did not consider the additional information that was requested and provided.

We have since been preparing a revised DA and have held a pre-DA meeting with Council in September. We are awaiting Council's formal response to this meeting before addressing any issues and finalizing the DA submission.

The refusal acknowledged the objections from residents that centered around loss of views, visual impacts and intensification of the site use. These matters were addressed in the additional information submitted and have resulted in a reduced hardstand area, replacing the "burnt out" boatshed with a single storey structure and reducing the boat lifting crane to a 15-ton folding arm crane.

Subject to Council's response to the pre-DA meeting we are hoping to re-lodge by December.

The lockdowns have caused delays to the processes involved and we are hoping for a prompt assessment when restrictions ease.

SOCIAL COMMITTEE REPORT

The SFS Social Committee operates as an official Committee under the Articles of the club.

The SFS Board has access to the Committee's financial records.

The focus of the Social Committee is to support the club and its members, both social and sailing. However the ramifications of the Covid-19 pandemic have over the season curtailed our best intentions, particularly those of the Think Tank (initiated by the Social Committee and effected by several of our younger sailing members) who produced a worthy document citing some 20 initiatives to enhance members' experiences at the SFS and to entice more members, particularly sailing members to swell our crew numbers – again, for this past season, three of our Historic 18ft fleet have stayed dry in the boatshed!

When it was possible to reinstate the After Sailing BBQ, the Tea & Coffee Corner for sailors and volunteers and the Raffles for all, this was enthusiastically received. Our thanks to Chef Ross Bremner and subsequently the nominated crew member of each skiff, who in turn, maintained the facility. Funds derived from these activities in the sum of \$6,000 have been distributed for the maintenance of each skiff. This is just a small contribution to the annual costs of the H18fts and an issue of concern. All donations are gratefully received.

Volunteers who are willing to assist in whatever capacity are most welcome.

Coral Taylor

On behalf of SFS Social Committee

MAINTENANCE REPORT

The Club's aging infrastructure is under constant maintenance to ensure we have a contemporary environment for us all to enjoy.

The Covid lockdown provided an opportunity to undertake thorough cleaning and repairs to the facilities and as we reopen for summer the Club is sparkling. The timber floors have been refurbished while there was no traffic and look amazing.

Last year saw some major works in the refurbishment of the ladies changerooms and the balcony balustrade and blinds upgrade that we are all enjoying. This year has been a time for planning and seeking approvals for future projects.

The most significant are repair works to the wharf that are currently being undertaken and planned to be completed this year. This is a major project that has had too many "band aids" in the past and now requires rebuilding from the seabed up. The capital expenditure for this is a substantial commitment for the Club towards the Maritime asset and we will benefit from the outcome for long into the future. We are very fortunate to have this unique facility over the water and hope to attract more members to the Club to share the harbour ambiance.

The Club was also successful in receiving a grant from the state government Community Building Partnership programme towards the installation of a platform lift in the entry to further the Club's drive towards an accessible environment. Approvals have been granted and we are hoping to have the works completed by mid 2022. Following this we plan on upgrading the toilet facilities to provide a disabled accessible cubicle that will include baby change provisions.

On the water we have undertaken servicing and maintaining the rescue and start vessels. Like all boats they represent holes in the water that you throw money into but provide a necessary function to keep us sailing.

Maintaining the Club's memorabilia is all part of the Club's provenance and thanks to John "Steamer" Stanley for his efforts in gathering, researching, and cataloguing our history. The Jim North Trust provides funds that go towards maintaining the Club's heritage and we are grateful to the North family for their patronage.

Covid caused a severe blow to the Club's finances that put a hold on several projects and with trade now back we hope to see more improvements to the Club be realised.

DIRECTORS' REPORT

For the Year ended 31 May 2021

Your Directors present their report on the Sydney Flying Squadron Ltd (the company) for the financial year ended 31 May 2021, and the auditor's report.

Meeting Attendance:

During the 2021 financial year, twelve (12) meetings of Directors were held where a quorum of four or more Directors were present. Attendances were:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
John Winning	12	10
Robert Gordon	12	6
Alan Robertson	12	12
William Loader	12	12
Terry Stewart	12	7
Kerrie Boyd	3	3
Michael Van Stom	12	10
Donald Buckley	8	6

Director Information:

Director / Occupation	Position	Status
John Winning Company Director	President (due for re-election 2021)	Director since Feb 2016 Patton's Board / Sailing Committee / CDI Member
Robert Gordon Ferry Master	Vice President (due for re-election 2021)	Director since Nov 2016
Alan Robertson Advertising Executive	Treasurer (due for re-election 2021)	Director since Nov 2011 Patton's Board
William Loader Project Manager	Commodore (due for re-election 2021)	Director since May 2016 Patton's Board Sailing Committee
Terry Stewart Retired	Vice Commodore (due for re-election 2022)	Director since Oct 2015 Sailing Committee
Kerrie Boyd BSc, MAICD Pharmaceutical Executive	Director/Hon.Club Secretary	Director since Oct 2018 CDI Member. Resigned August 2020
Michael Van Stom Providore	Director (due for re-election 2022)	Director since Nov 2019
Donald Buckley Maritime Surveyor	Director (due for re-election 2022)	Director since August 2020

Subsidiary Company

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

Operating Result

The profit of the Sydney Flying Squadron Ltd for the financial year ending 2021 before tax is \$45,911 and for Patton's Slipways Pty Ltd is \$18,025.

Significant Changes in the State of Affairs

There have been no significant changes to the state of affairs of the Sydney Flying Squadron Limited over the 2020 – 2021 financial year period

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 the financial statements enclosed herein.

Principal Activities

The principal activities of the company, and its subsidiary company, during the financial year were the conduct and promotion of a licensed social club for members, conduct of sailing races and 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 of events which could significantly affect or may significantly affect the operations of the company, the result of those operations, or the state of affairs of the company in future years

Future Developments

By the end of FY '20/21', it was becoming clear that the wharf repair was going to be a much larger task than we thought during FY '19/20', although we did not know the precise extent of the scope nor the cost, except that it was obvious it was going to be much more than the \$150,000 noted in the FY '19/20' Annual Report.

Also of note is the installation of the disabled elevator assisted by a grant of \$40,000 plus the refurbishment of toilet facilities to disabled standard.

Environmental Issues

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

- Food Act 2003
- Food Regulations 2004
- Public Health Act 1991

Directors' Benefits

Since the end of the financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or received as the fixed salary of a full-time employee of the company) by reason of a contract made by the Company or by a related corporation with the Directors or with a firm of which he is a member, or with a Company in which he has a substantial financial interest, apart from William Loader, sole owner of Architectural & Maritime Design, provider of Project Management Services for the Patton's redevelopment.

Indemnifying Officer or Auditor

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

Proceedings on Behalf of Company

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

Auditor's Independence Declaration

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

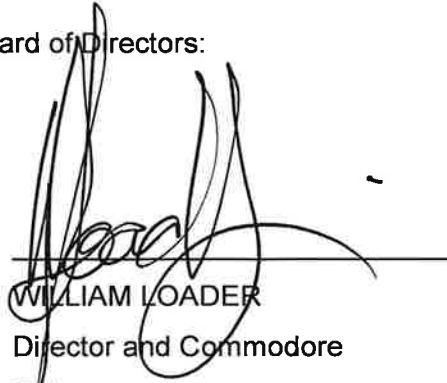
Signed in accordance with a resolution of the Board of Directors:



ALAN ROBERTSON

Director and Treasurer

Date: 1 November 2021



WILLIAM LOADER

Director and Commodore

Date: 1 November 2021

Sydney Flying Squadron Limited
ACN 000 487 230

FINANCIAL STATEMENTS
2020 - 2021

Auditor's Independence Declaration

ROBERTSON & GREENWOOD PTY LTD

CHARTERED ACCOUNTANTS
ABN: 46 607 764 054

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

Dear Sir/Madam

RE: SYDNEY FLYING SQUADRON LIMITED

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

As auditor for Sydney Flying Squadron Limited for the year ended 31 May 2021 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
2 November 2021

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PSC: Liability is limited by a Scheme approved under Professional Standards Legislation

Income Statement

For the year ended 31 May 2021

By function	Notes	2021 \$	2020 \$
Sales Revenue		861,989	795,657
Cost of sales		(325,277)	(252,998)
Gross profit		536,712	542,659
Other revenue		436,189	392,511
Total revenue		972,901	935,170
Administration expenses		(67,101)	(76,437)
Finance costs		(8,239)	(19,273)
Other expenses from ordinary activities		(851,650)	(713,742)
		(926,990)	(809,452)
Profit/(Loss) before tax	2	45,911	125,718
Income tax expense	3	-	-
Profit/ (Loss) attributable to members of the entity		45,911	125,718

Balance Sheet

As at 31 May 2021

		Economic Entity (Club & Patton's)		Parent Entity (Club)	
	Note	2021 \$	2020 \$	2021 \$	2020 \$
Current assets					
Cash and cash equivalents	4	120,790	41,606	83,108	21,880
Trade and other receivables	5	202,219	219,898	106,731	182,220
Inventories	6	26,378	30,516	26,378	30,516
Other	7	54,368	57,093	700	471
Total current assets		403,755	349,113	216,917	235,087
Non-current assets					
Receivables	8	-	-	264,315	274,315
Property, plant and equipment	9	3,726,208	3,738,925	383,059	436,438
Investments	10	-	-	3,014,000	3,014,671
Total non-current assets		3,726,208	3,738,925	3,661,374	3,725,424
Total assets		4,129,963	4,088,038	3,878,291	3,960,511
Current liabilities					
Trade and other payables	11	188,677	136,231	19,890	72,126
Tax liabilities	13	(6,604)	(2,432)	(3,815)	1,124
Provisions	14	15,455	-	15,455	-
Total current liabilities		197,528	133,799	31,530	73,250
Non-current liabilities					
Borrowings	12	157,608	243,348	157,608	243,348
Total non-current liabilities		157,608	243,348	157,608	243,348
Total liabilities		355,136	377,147	189,138	316,598
Net assets		3,774,827	3,710,891	3,689,153	3,643,913
Equity					
Reserves	15	2,943,551	2,943,551	3,031,687	3,032,358
Retained earnings	16	831,276	767,340	657,466	611,555
Total Equity		3,774,827	3,710,891	3,689,153	3,643,913

Statement of Changes in Equity

For year ended 31 May 2020

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2019		485,838	3,000,000	32,358	3,518,195
Profit/(Loss) attributable to members		125,718	-	-	125,718
Revaluation increment/(decrement)		-	-	-	-
Sub-total		125,718	-	-	125,718
Balance at 31 May 2020	16	611,555	3,000,000	32,358	3,643,913

For the year ended 31 May 2021

	Note	Retained Earnings	Parent Entity (Club) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2020		611,555	3,000,000	32,358	3,643,913
Profit/(Loss) attributable to members		45,911	-	-	45,911
Revaluation increment/(decrement)		-	(671)	-	(671)
Sub-total		45,911	(671)	-	45,240
Balance at 31 May 2021	16	657,466	2,999,329	32,358	3,689,153

Statement of Changes in Equity (cont.)

For year ended 31 May 2020

	Note	Retained Earnings	Economic Entity (Club & Patton's) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2019		611,231	2,911,193	32,358	3,554,782
Profit/(Loss) attributable to members		156,109	-	-	156,109
Revaluation increment/(decrement)		-	-	-	-
Sub-total		156,109	-	-	156,109
Balance at 31 May 2020	16	767,340	2,911,193	32,358	3,710,891

For the year ended 31 May 2021

	Note	Retained Earnings	Economic Entity (Club & Patton's) Asset Revaluation Reserve	General Reserve	Total
		\$	\$	\$	\$
Balance at 1 June 2020		767,340	2,911,193	32,358	3,710,891
Profit/(Loss) attributable to members		63,936	-	-	63,936
Revaluation increment/(decrement)		-	-	-	-
Sub-total		63,936	-	-	63,936
Balance at 31 May 2021	16	831,276	2,911,193	32,358	3,774,827

Cash Flow Statement

For the year ended 31 May 2021

		Economic Entity (Club & Patton's)	
	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		1,447,853	1,393,833
Payments to suppliers and employees		(1,341,531)	(1,288,249)
Interest received		149	482
Other receipts		104,866	25,000
Net cash provided by (used in) operating activities	19	211,337	131,066
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(46,413)	(243,758)
Net cash provided by (used in) investing activities		(46,413)	(243,758)
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		(68,892)	(64,128)
Net cash provided by (used in) financing activities		(68,892)	(64,128)
Net increase/(decrease) in cash held		96,032	(176,820)
Cash at beginning of year		24,758	201,578
Cash at end of year	4	120,790	24,758
Bank Balances		120,790	41,606
Bank Overdraft		-	(16,848)
Total Cash		120,790	24,758

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 1 November 2021 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.

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.

Note 1: Statement of Significant Accounting Policies (cont.)

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% - 10%
Plant and equipment	7.5% - 15%
Computers	25% - 40%
Other plant and equipment	7.5% - 15%

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

Note 1: Statement of Significant Accounting Policies (cont.)

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 include 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).

Note 1: Statement of Significant Accounting Policies (cont.)**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.

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 & Patton's)		Parent Entity (Club)	
	2021	2020	2021	2020
	\$	\$	\$	\$
Profit/(Loss) from ordinary activities before income tax has been determined after				
a Expenses				
Depreciation of property, plant and equipment	59,130	95,597	53,379	89,792
Borrowing costs	-	-	-	-
Remuneration of auditor - audit	15,800	11,300	14,300	8,200
b Revenue and net gains				
Membership Fees	38,634	56,125	38,634	56,125
Commissions	-	-	-	-
Rebates/Subsidies	-	1,304	-	1,304
Net gain/(loss) on disposal of property, plant and equipment	-	-	-	-

Note 3: Income tax expense

Income tax expense	-	-	-	-
	-	-	-	-

Note 4: Cash and Cash Equivalents

Cash on hand and at bank	120,790	41,606	83,108	21,880
	120,790	41,606	83,108	21,880
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	120,790	41,606	83,108	21,880
	120,790	41,606	83,108	21,880

Note 5: Trade and other receivables

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current				
Trade receivables	202,219	219,898	106,731	182,220
	202,219	219,898	106,731	182,220

The club had previously taken up receivables due from the caterer as well as received claims from the caterer for amounts payable under the existing management agreement. A new management agreement is currently being negotiated and is expected to be signed off in coming weeks. The negotiations between the club and the caterer has required extensive examination of the terms of the existing agreement and the current position is one where the receivables from the caterer and the claims owing to the caterer are agreed to balance out. The Board is of the opinion that there is no requirement to make any provision for any amounts owing to the caterer and there is also no amounts to be received from them as at the balance date.

Note 6: Inventories

Current				
Stock on hand	26,378	30,516	26,378	30,516
	26,378	30,516	26,378	30,516

Note 7: Other

Current				
Prepayments and other receivables	54,368	57,093	700	471
Tax Instalment	-	-	-	-
	54,368	57,093	700	471

Note 8: Receivables

Non Current				
Loan receivable - unsecured	-	-	264,315	274,315
	-	-	264,315	274,315

Note 9: Property, Plant and Equipment

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2021	2020	2021	2020
	\$	\$	\$	\$
Land & buildings				
Freehold land and buildings at:				
- directors' valuation 2013	3,000,000	3,000,000	-	-
-Redevelopment Project	317,925	271,511		
Total Land & buildings	3,317,925	3,271,511	-	-
Leasehold improvements at:				
- cost	1,095,620	1,095,620	1,058,394	1,058,394
Less accumulated depreciation	(761,871)	(729,347)	(746,836)	(714,401)
Total Leasehold improvements	333,749	366,183	311,558	343,993
Plant & equipment				
Plant & equipment at cost	610,478	610,478	575,960	575,960
Less accumulated depreciation	(545,996)	(535,074)	(512,698)	(507,352)
Total Plant & equipment	64,482	75,404	63,262	68,608
Furniture & fittings, Office Equipment				
- cost	156,147	156,147	59,102	59,102
Less accumulated depreciation	(147,193)	(131,613)	(50,863)	(35,265)
Total Furniture & fittings	8,954	24,534	8,239	23,837
Motor boats				
- cost	61,665	61,665	-	-
Less accumulated depreciation	(60,567)	(60,373)	-	-
Total Motor boats	1,098	1,292	-	-
Total property, plant and equipment	3,726,208	3,738,925	383,059	436,438

Note 10: Investments

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

Note 11: Trade and other payables

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current				
Trade payables	159,308	74,066	4,621	24,061
PAYG withholding payable	3,955	8,888	3,955	8,888
Rental Bond Received	14,100	14,100	-	-
Sundry payables and accrued expenses	11,314	39,177	11,314	39,177
	188,677	136,231	19,890	72,126

Note 12: Borrowings

Current				
Bank overdraft – secured	-	16,848	-	16,848
	-	16,848	-	16,848
Non-current				
Other persons – secured	157,608	226,500	157,608	226,500
Other persons - unsecured	-	-	-	-
	157,608	226,500	157,608	226,500
Total current and non-current secured liabilities:				
Bank overdraft	-	16,848	-	16,848
Other persons	157,608	226,500	157,608	226,500
	157,608	243,348	157,608	243,348

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

Note 13: Tax Liabilities

GST payable	(6,604)	(2,432)	(3,815)	1,124
	(6,604)	(2,432)	(3,815)	1,124

Note 14: Provisions

Current				
Employee benefits	15,455	-	15,455	-
Taxation	-	-	-	-
	15,455	-	15,455	-

Note 15: Equity

Economic Entity (Club & Patton's)		Parent Entity (Club)	
2021	2020	2021	2020
\$	\$	\$	\$

a. Capital

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

Note 16: Reserves

a. General Reserve

Victor Everson Trust	32,358	32,358	32,358	32,358
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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	2,999,329	3,000,000
2,943,551	2,943,551	3,031,687	3,032,358

Note 17: Events after the balance sheet date

1. A Management Agreement with the SFS caterer is in the final stages of negotiation and is anticipated to be executed within the month, following the required legal advice and clearance by the relevant authorities (NSW L&G, RMS).
2. A revised Development Application (D.A.) for Patton's Slipways Pty Ltd is anticipated to be lodged before Christmas this year with Council, which will go before the relevant planning committees for recommendation and approval.
3. The company extended its borrowing facilities to \$685,000 for future capital expenditure.

Note 18: Contingent liabilities

Estimates of the potential financial effect of contingent liabilities that may become payable:

- Bank guarantees	157,608	226,500	157,608	226,500
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Note 19: Cash flow information

	Economic Entity (Club & Patton's)	
	2021 \$	2020 \$
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit/(Loss) from ordinary activities after income tax	63,936	161,709
Non-cash flows in profit from ordinary activities		
Depreciation	59,130	95,597
Net (gains)/losses on disposal of plant and equipment	-	-
(Increase) Decrease in Assets		
Trade and other receivables	17,679	27,925
Inventories	4,138	7,577
Other assets	2,725	(13,605)
Increase (Decrease) in Liabilities		
Trade and other payables	52,446	(138,662)
Provisions	15,455	-
Other liabilities	(4,172)	(9,475)
Cash Flows from operations	211,337	131,066

Note 20: Commitment for Capital Expenditure

Since balance date the company has committed to capital expenditure of \$328,600 for wharf repairs.

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

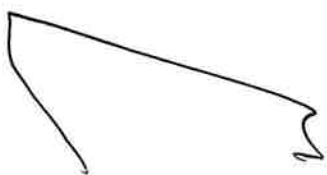
Directors' declaration

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 2021 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: ALAN ROBERTSON
Dated this 1 November 2021



Director: WILLIAM LOADER
Dated this 1 November 2021

Audit Report

ROBERTSON & GREENWOOD PTY LTD
CHARTERED ACCOUNTANTS
ABN: 46 607 764 054

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

Scope

We have audited the financial report, being the Directors Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of Sydney Flying Squadron Limited for the financial year ended 31 May 2021.

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 2021 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 2021 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 2nd day of November, 2021

Mathew George
Registered Company Auditor


Robertson & Greenwood
Chartered Accountants

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

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

PSC: Liability is limited by a Scheme approved under Professional Standards Legislation

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2021

	2021	2020
	\$	\$
Trading Income		
Bar Sales	861,989	795,657
Total Trading Income	861,989	795,657
Less: Cost of Sales		
Opening Stock	30,516	38,093
Cost of Bar Sales	321,138	245,421
	351,654	283,514
Less:		
Closing Stock	26,378	30,516
Cost of Sales	325,276	252,998
Gross Profit from Trading	536,713	542,659

SYDNEY FLYING SQUADRON LIMITED

(ACN 000 487 230)

PROFIT & LOSS STATEMENT

FOR THE YEAR ENDED 31 MAY 2021

	2021	2020
	\$	\$
Income		
Gross Profit from Trading	536,713	542,659
Grant/Bequests Received	10,000	10,000
Management Fees	96,000	90,000
Interest Received	45	477
Membership Fees	38,634	56,125
Rebates	-	1,304
Job Keeper Subsidy	39,000	15,000
Ferry Ticket Sales	3,907	24,016
Club Events	17,134	7,605
Merchandise	-	2,901
Cash Flow Boost Incentive	18,421	10,857
Kitchen Rent	151,774	135,882
Grant and Sponsorship Received	37,445	14,029
Insurance Claim	-	4,385
Other Income	23,828	19,930
Total income	972,901	935,170
Expenses		
Accountancy & Bookkeeping	39,498	45,990
Advertising and Promotion	6,119	5,740
Audit Fees	14,300	8,200
Annual Leave	15,455	-
Bank Fees And Charges	34,807	7,362
Bar & Kitchen Requisites	28,941	14,781
Cleaning & Rubbish Removal	99,945	55,926
Consultants Fees	12,031	6,542
Computer	5,684	9,143
Depreciation	53,379	89,792
Donations	-	100
Electricity & Gas	71,900	51,081
Event & Function	3,074	7,438
Ferry Hire	14,782	28,927
General	1,307	1,193
Filing Fee	-	1,282
Insurance	71,770	65,323
Interest	8,239	19,273

SYDNEY FLYING SQUADRON LIMITED
(ACN 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2021

	2021	2020
	\$	\$
Expenses (continued)		
Legal Fees	-	7,093
Merchandise	-	2,860
Pest Control	664	5,327
Postage	-	161
Printing & Stationery	1,273	3,742
Rates & Land Taxes	11,092	11,251
Rent on Land & Buildings & Rates	74,209	25,482
Repairs & Maintenance	51,026	48,260
Sailing Promotion & Expenses	9,994	27,446
Security	3,424	1,121
Staff Amenities	-	1,963
Staff Uniforms	5,165	-
Subscriptions & Licenses	6,720	11,343
Superannuation	21,100	17,478
Telephone	5,273	7,535
Wages	255,808	220,297
Total Expenses	926,990	809,452
Profit (Loss) from Ordinary Activities		
Before Income Tax	45,911	125,718

SYDNEY FLYING SQUADRON LIMITED

COMPILATION REPORT

FOR THE YEAR ENDED 31 MAY 2021

We have compiled the accompanying financial report of Sydney Flying Squadron Limited, which comprises the balance sheet as at 31 May 2021, profit and loss account for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the financial report has been prepared is set out in Note 1 to the financial report.


The Directors of Sydney Flying Squadron Limited are solely responsible for the information contained in the financial report and have determined that the basis of accounting used in Note 1 to the financial report is appropriate to meet their needs and for the purpose that the financial report was prepared.

On the basis of information provided by the directors of Sydney Flying Squadron Limited, we have compiled the accompanying financial report in accordance with the basis of accounting in Note 1 to the financial report and APES 315: Compilation of Financial Information.

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

The financial report was compiled exclusively for the benefit of the Directors of Sydney Flying Squadron Limited. We do not accept responsibility to any other person for the contents of the financial report.

Alan Robertson
(Treasurer)



1 November 2021

PATTON'S SLIPWAYS PTY LTD

(A.C.N. 000 070 271)

PROFIT & LOSS STATEMENT

FOR THE YEAR ENDED 31 MAY 2021

	2021	2020
	\$	\$
Income		
Interest Received	104	5
Rents and Outgoings Received	254,586	231,142
Total Income	254,690	231,147
Expenses		
Accounting	-	1,850
Audit Fees	1,500	3,100
Bank Fees And Charges	250	555
Consultants	1,600	-
Depreciation – Plant	5,557	5,576
Depreciation – Motor Boats	194	229
Filing Fees	528	267
Insurance	69,662	51,367
Interest	5,166	2,312
Management Fees	96,000	90,000
Rates & Land Taxes	29,555	20,725
Rent – Waterways	15,643	17,090
Registration & License Fees	5,256	5,587
Repairs & Maintenance	5,754	2,098
Total Expenses	236,665	200,756
Profit from Ordinary Activities		
Before Income Tax	18,025	30,391

PATTON'S SLIPWAYS PTY LTD
COMPILATION REPORT
FOR THE YEAR ENDED 31 MAY 2021

We have compiled the accompanying financial report of Patton's Slipways Pty Ltd, which comprises the balance sheet as at 31 May 2021, profit and loss account for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the financial report has been prepared is set out in Note 1 to the financial report.

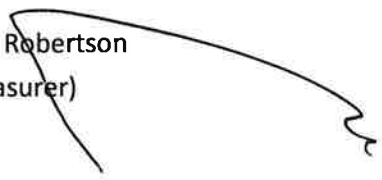
The Directors of Patton's Slipways Pty Ltd are solely responsible for the information contained in the financial report and have determined that the basis of accounting used in Note 1 to the financial report is appropriate to meet their needs and for the purpose that the financial report was prepared.

On the basis of information provided by the directors of Patton's Slipways Pty Ltd, we have compiled the accompanying financial report in accordance with the basis of accounting in Note 1 to the financial report and APES 315: Compilation of Financial Information.

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

The financial report was compiled exclusively for the benefit of the Directors of Patton's Slipways Pty Ltd. We do not accept responsibility to any other person for the contents of the financial report.

Alan Robertson
(Treasurer)



1 November 2021

Registered Clubs Act Disclosures

Registered Clubs Regulations 1996 (the Regulations)

Provision of Information to Members

For the year ended 31 May 2021

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) Consulting fees equal to or more than \$10,000 were paid by the Club.
- (h) The total amount paid to consultants was \$12,031
- (i) No settlements of legal disputes were entered into with a member of the governing body or an employee of the club.
- (j) No legal fees were paid on behalf of a member of the governing body or an employee of the club.
- (k) Gaming machine profits from the operation of approved gaming machines in the club were \$ Nil during the reporting period ended 31 May 2021.
- (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