



116th Annual Report & Statement of Accounts 2022 – 2023



“Eric’s Storage”

Club Champion 2022-2023

President's Report

Finally! A year that saw the end of pandemics and lockdowns and allowed us to get on and enjoy our lives again. Doesn't it feel good to be free!

2023 again saw the Club perform well both on and off the water and we have managed to maintain a stable financial position and achieved some great sailing results.

As is always the case, the Club relies heavily on the efforts of its management team and our outstanding Bar & Bistro staff, and this year has been no exception. I must thank our General Manager Fiona Houghton and Operations Manager Karen Frost for their continued efforts working on the day to day operation of the Club and of course Sheelagh Prosser for keeping our "books" in order!

It would be obvious by now that Martin Rak decided to move on to other challenges following his adventure across the Pacific and we wish him well. Following his departure, one of our younger 16ft skiff sailors stepped up to take on the Bar supervision role and I am sure everyone has crossed paths with Tommi Stanbury at some stage during the year and I want to thank him for his hard work in keeping the Bar & Bistro ticking along. Tommi was assisted for part of the year by Lada Vaculikova until Lada made the decision to further her education and we wish her well in her endeavours.

With the help of a grant from the NSW Government and some wonderful donations from you, our members, we have almost completed a full renovation of our ladies changeroom and it looks completely refreshed and updated coming into the next sailing season. It was about 50 years since the last "reno" so thank you to everyone that contributed to the cause!

I am pleased to say that the last 12 months has been a vast improvement for our partners Zest Waterfront Venues who suffered many months of closure at the height of the lockdowns. The venue always looks spectacular when "dressed" for a special occasion.

I will leave the sailing report to our esteemed Commodore but suffice to say we achieved some amazing results on the water with top 10 places in both fleets at the 16' and 13' Australian Championship and even a win for one of our skiffs following some outstanding performances when rated on handicap. Well done all!

From a personal perspective I would like to thank the Club Board for their hard work during the year and for keeping the Club on an even keel and well prepared moving forward. Long serving Board member, and Treasurer for the last 3 years, Mr. Rob Lockhart, has announced his intention to retire at the 2023 AGM and the Board would like to thank Rob for all his support and highly valuable contribution to the Club during his tenure. Rob will continue to drive a rescue boat on Saturdays so will still be heavily involved in Club sailing activities.

In closing I would like to thank you, our Members, for your continued support of Middle Harbour 16s and I look forward to seeing you at the Club sometime soon.

Peter Tinworth
President

Treasurer's Report

A good solid result against the backdrop of high inflation and tight financial conditions for our members. Our G.M., Fiona Houghton and her team have done a wonderful job ensuring the Club meets the needs and expectations of the members while operating in a financially responsible way.

The Club made a healthy profit this year of \$80,708. This was a drop from last year due to a number of items: the cessation of COVID subsidies (\$83,139); an increase in insurance costs; an increase in wages costs as a result of the Club being open for the whole year and an increase in sailing costs partly due to running a 3rd rescue boat and general inflation-based increases.

The Club received a subsidy of \$25,000 from the NSW State Government for the much-needed renovation to the women's change room, which is now completed.

Membership numbers remained similar to last year. The income increased due to more one-year memberships compared to multi-year memberships. Given the tight economic environment we do not expect membership to grow next year.

We thank our partner Zest Waterfront Venues for their continued support of the Club and the wonderful food provided in our bistro.

Shed rent increased this year. Last year it included the Learn to Paddle income, which has now been separated out.

The Club continues to invest in mortgage-backed funds and a conservative Exchange Traded Fund (ETF). This has seen an overall increase in invested funds. Last year we reported the ETF was trading at a loss, that loss has stayed reasonably stable over the last year. This loss will not be shown in the accounts until we sell the investment. The investment committee is monitoring the situation regularly.

Sponsorship and donations have increased this year with a push to cover the women's change room renovation. Unless there is a capital item that is required this financial year, we expect donation income to fall next year.

Our balance sheet continues to look healthy. The Club expects to continue accumulating funds to ensure the Club can meet its obligations, replace equipment as it wears out, attend to any major refurbishments, and take advantage of any opportunities that may arise to further the Clubs' objectives.

I expect the year ahead (apart from inflation) to allow the Board and management team to put more focus on moving the Club forward in a financially responsible way.

Rob Lockhart
Treasurer

Commodore's Report

The 2022/23 sailing season saw the club back in full swing after the impacts of COVID with increased involvement in the Juniors and an increase in the number of 16's racing in the fleet to a total of 16 boats.

The culture for which the club has become known as open and welcoming to new sailors of all backgrounds and experience levels remains strong also with great involvement of volunteers and sailors in all areas of skills development and boat maintenance. I would like to thank everyone involved this past season including the parents, volunteers, sailors and the board for all the efforts to support this wonderful and unique Middle Harbour Skiff Club culture.

Last season was also a success in building our community with close racing on the water as well as many social events back at the Club including the Presentation Night, Christmas Party and Old Buffers Day ensuring that partners, parents and friends had the opportunity to benefit from the spirit and culture at Middle Harbour. This was true across the junior, youth and skiff fleets.

The sailors at both a senior and junior level all enjoyed a successful 2022/23 season with some highlights from the Skiffs being: -

- Eric's Removals finishing the Australian Championships at Manly with a very respectable 8th overall on scratch including one 1st place heat in Race #6. Well done Harry Lawson, Nathan Edwards and Alex Leslie.
- MH44 who won 1st place overall on handicap with Neil Malan, Tony Sheldon and Eva Attwood, also showing the potential of the young women skippers in our fleet.
- Also of note was Kamma who finished 27th overall despite a broken bow sprit and then mast. Well done Rich Williams, Phil Jenkins and Iain Wood.
- CMG finished in 31st place. Well done to Michael Vincent, Ed Smith and Jack Taylor.
- Special mention also to Eric's Removals team who also finished 9th overall on handicap in the 16's.
- In the 13's Plonk Café finished 3rd overall which was a strong result for Avril Richardson and Warwick Taylor.

The organisation of the Nationals was under the responsibility of Nathan Edwards in his role as President of ASSA and it was widely agreed that Nathan did an exceptional job in preparing for and overseeing the smooth running of the regatta, while also racing himself. Our Club President Peter Tinworth was also thanked for stepping forward with "Mutinny" as the start boat for the series with Peter also joining as a member of the Race Committee.

Some of our Flying 11 and Manly Junior sailors also travelled to their respective National Championships and did the Club proud both on and off the water with their respectful attitude and sportsmanship.

Congratulations to all our Club Champions in their respective classes and to all the winners of the other series conducted during the season. Last season saw a continued evolution of sailing programs with the running of winter sprint series again and more short races and

coaching sessions incorporated into the skiff calendar. Feedback has been positive and has informed the proposed calendar for the season ahead. The new SailSys record and handicapping system was also introduced thanks to the efforts of Nathan Edwards, Alex Leslie and Peter Tinworth and has proven reliable and efficient with some feedback that the speed of change to handicaps could be faster if adjustment is possible for the second season of use.

The Junior fleet is healthy and growing, providing a strong foundation for our future and helping develop young sailors with the potential to compete at a National level. A big congratulations and thank you must go to Michael Malseed for his outstanding leadership of the Juniors over the past year.

The Try Skiff Sailing day and Kids Swap Day were a huge success giving sailors the opportunity to try new classes and meet other club members and I would like to thank everyone involved for volunteering their time, especially Mark Willson and Michael Malseed for leading the organisation for these two days particularly.

In closing I would like to again thank everyone who contributed to another successful and enjoyable sailing season. The Club is in a strong position due to your efforts, and we can look forward to the coming season which will provide plenty of exciting and competitive racing as well as fun on shore activities for the whole club community to enjoy.

Nick Stabback
Commodore

Juniors Sailing Report

The club has continued to provide strong support to our junior sailing program which is paying dividends in terms of increased participation across all classes, providing a good pipeline of young talent ready to step into skiff sailing.

It all starts with our poppies program, which utilizes our club owned fleet of sixteen boats to give children between the ages of five and nine their first taste of sailing. A big thanks to John Mellows and Hayley Mills for their efforts in managing and coaching this class in the 2022/23 season. Our youngest sailors were given time to get comfortable on the water in a range of conditions, learnt the basics of helming and sail trim, and how to tack and gybe safely in a very stable and easily controlled boat. It is pleasing to see a high graduation rate of poppies sailors stepping into the Manly Junior class in the 2023/24 season.

Our Manly Junior fleet continued to build in 2022/23 with eight boats regularly sailing each weekend. The focus on club racing continued to pay dividends, with all sailor's skills improving across 14 point score and 10 club championship races. Regatta participation was also strong, with a healthy contingent of our fleet travelling to St George, Avalon and Royal Prince Alfred Yacht Club to participate in the State and National titles. A big thanks to our Manly Junior coaches – Emily and Natasha Kemp, who themselves were sailing MJ's just two seasons ago. It is great to see our youth sailors like Hayley, Emily and Natasha step into mentoring roles at the club, sharing their skills with the next generation and developing their own leadership skills. In line with the strategy of giving our kids as many sailing opportunities as possible, we had five Manly Junior skippers staying on to crew or skipper in the Flying Eleven class on Sunday afternoons.

Our Flying Eleven fleet stepped up another gear in 2022/23 with a competitive fleet of ten boats. The club welcomed a number of new families, attracted to our strong and inclusive culture and comprehensive training and racing program. A huge thank you to our Flying Eleven coach, Zoe Dransfield, who brought an elevated level of professionalism to the program. The Flying Elevens mirrored the Manly Junior's comprehensive Sunday racing schedule, and also included Wednesday evening training which was a big success. Regatta participation was also strong, with a good contingent of the fleet travelling to Lane Cove and St George for the State titles.

Apart from club racing, the biggest highlight of the season would have to be the Skiff Swap Day held in December. A huge thanks to all the skiffies that contributed their time and boats to make the day a huge success. All the kids came back with smiles from ear to ear, and it definitely inspired them to work towards a future in skiff sailing at the club.

Junior sailing doesn't happen without the hard work and support of many volunteers. I would like to give a big thank you to Peter 'Tinny' Tinworth for being Race Officer week in, week out, Alison Pollett and Maria Pinter for scoring, Nicole Hallett for managing the deck, all our safety boat drivers and support crew.

Michael Malseed
Vice Commodore

16ft SKIFF RESULTS

Club Championship

<i>1st</i>	"Eric's Storage"	H. Lawson, N. Edwards, A. Leslie
<i>2nd</i>	"Kamikaze"	R. Williams, P. Jenkins, I. Wood
<i>3rd</i>	"P. Leahy"	M. Willson, P. Hargrave, R. Carroll

Crew's Trophy	"No Cents"	A. Hargrave, J. Hargrave, T. Stanbury
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Sprint Series	"P. Leahy"	M. Willson, P. Hargrave, R. Carroll
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Pointscore

<i>1st Overall</i>	"No Cents"	A. Hargrave, J. Hargrave, T. Stanbury
<i>1st Half Winner</i>	"No Cents"	A. Hargrave, J. Hargrave, T. Stanbury
<i>2nd Half Winner</i>	"No Cents"	A. Hargrave, J. Hargrave, T. Stanbury

Old Buffers Race	"Eric's Storage"	G. Paton & G. Ferguson (Shared)
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13ft SKIFF RESULTS

Club Championship

<i>1st</i>	"Plonk"	Avril Richardson & Warwick Taylor
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CLUB AWARDS

Andrew Short "Spirit of Sailing"	Emily Kemp & Natasha Kemp (Shared)
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Twiggy	Remy Hallett
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JUNIOR SAILING RESULTS

Flying 11

<i>Club Championship</i>	"Schmicker"	Natasha Kemp & Lachlan Palmer
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Manly Junior

<i>Club Championship</i>	"Wet n' Wild"	Sam & Evie Malseed
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The Middle Harbour 16ft Skiff Sailing Club

ABN 68 000 537 057

The Financial Reports

For the year ended June 30, 2023

*Meagher Howard & Wright
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BONDI JUNCTION NSW 2023
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REPORT OF THE DIRECTORS

The Directors present their report together with financial report of The Middle Harbour 16ft Skiff Club for the year ended 30 June 2023 and the auditor's report thereon.

DIRECTORS AND INFORMATION ON DIRECTORS:

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

DIRECTORS	POSITION	OCCUPATION	BOARD	
			A	B
Peter Tinworth	President	Company Director	12	12
H Lawson (resigned 20 July 2022)	Commodore	Landscape Architect	1	1
N Stabback (from 28 July 2022)	Commodore		11	12
R Lockhart	Treasurer	Bank Manager	12	12
N Edwards	Director		10	12
M Stanbury	Director	Engineer	12	12
P Ramsay	Director	Electrical Engineer	10	12
M Willson	Director	Retired	11	12
A Kemp (from 27 October 2022)	Director		7	8

A = Number of meetings attended

B = Number of meetings held whilst Director in office,

Activities:

The principal activities of the Club during the financial year were conducting of sailing races. The club also operate recreational activities and operating a Licensed club.

Results:

The net result of operations after applicable income tax expense and abnormal items was a profit of \$80,708 compared to year end 2022, of \$158,704 .

Membership:

The Club is a Company limited by guarantee and without a share capital. The number of members as at 30 June 2023 was 1,347 (including 53 Junior sailors).

DIRECTORS' INTEREST IN CONTRACTS WITH THE COMPANY AND BENEFITS:

Neither during nor since the financial year has a Director received or become entitled to receive a benefit because of a contract that the Director, or firm of which the Director is a member, or an entity in which the Director has a substantial financial interest, has made during that, or any other, financial year with the Club, or an entity that the Club controlled, or a body corporate that was related to the Club, when the contract was made or when the Director received or became entitled to receive.

REPORT OF THE DIRECTORS

EVENTS SUBSEQUENT TO BALANCE DATE:

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Club to affect significantly:

- a) The operations of the Club
- b) The results of those operations; or
- c) The state of affairs of the Club, in the future financial years.

INDEMNIFICATION AND INSURANCE OF OFFICERS:

The Club has provided for and paid a premium during the year for Directors and Officers liability insurance. The insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the Club.

The Directors have not included details of the nature of the liability covered or the amount of the premium paid in respect of the Directors' and Officers' liability and legal expenses contract as such disclosure is prohibited under the terms of the contract.

ON BEHALF OF THE BOARD
and in accordance with its resolution



Peter Tinworth
President



Robert Lockhart
Treasurer

Dated at Sydney this 20th day of September 2023.

REPORT OF THE DIRECTORS

The Directors have determined that the Club is not a reporting entity. The Directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Directors of the Club:

- 1) (a) The Statement of Financial Performance gives a true and fair view of the Profit of the Club for the financial year; and
- (b) The Statement of Financial Position gives a true and fair view of the state of affairs of the company as at the end of the financial year.
- (c) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board of Directors' and is signed for and on behalf of the Directors by:



Peter Tinworth
President



Robert Lockhart
Treasurer

Dated at Sydney this 20th day of September 2023.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
Revenues from Ordinary Activities	9	1,682,631	1,467,714
Changes in Inventories of Finished Goods and Work in Progress		35,293	38,376
Raw Materials and Consumables Used		(458,853)	(397,776)
Depreciation and Impairment Expenses		(22,866)	(23,906)
Other Expenses from Ordinary Activities		(1,155,497)	(925,704)
Profit /(Loss) from Ordinary Activities Before Income Tax Expense		80,708	158,704
Income Tax Expense Relating to Ordinary Activities		-	-
Net Profit/(Loss) from Ordinary Activities after Income Tax Expense Attributable to Members of the Company		80,708	158,704

**BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2023**

		2023	2022
	NOTE	\$	\$
CURRENT ASSETS			
Cash	8	624,876	546,903
Receivables & Other Assets		64,743	68,735
Inventory		36,995	72,289
TOTAL CURRENT ASSETS	2	726,614	687,927
NON-CURRENT ASSETS			
Property, Plant and Equipment	3/6	283,600	261,318
Investment (at cost)		196,579	196,869
TOTAL NON-CURRENT ASSETS		480,179	458,187
TOTAL ASSETS		1,206,793	1,146,114
CURRENT LIABILITIES			
Payables	4	259,727	283,794
Provisions	5	16,878	12,840
TOTAL CURRENT LIABILITIES		276,605	288,634
TOTAL LIABILITIES		276,605	288,634
NET ASSETS		930,188	849,480
EQUITY			
Accumulated Profit		930,188	849,480
TOTAL EQUITY		930,188	849,480

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance as at 1 July 2021	690,776		690,776
Profit/(Loss) attributable to members	158,704		158,704
Balance as at 30 June 2022	849,480		849,480
Profit/(Loss) attributable to members	<u>80,708</u>		<u>80,708</u>
Balance as at 30 June 2023	<u>930,188</u>		<u>930,188</u>

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

		2023	2022
	NOTE	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		1,511,032	1,304,191
Payments to Suppliers and Employees		(1,564,947)	(1,299,050)
Interest Received		5,781	1,260
Rent Received		169,810	138,747
Net Cash used in Operating Activities	8	121,676	145,148
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Plant & Equipment		(45,148)	(11,862)
Disposal of Plant & Equipment		1,445	1,780
Payment for investment		-	(196,869)
Net Cash used in Investing Activities		(43,703)	(206,951)
Net Increase (Decrease) in Cash Held		77,973	(61,803)
Cash at Beginning of Year		546,903	608,706
Cash at the End of Year	8	624,876	546,903

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

These financial statements and notes represent those of The Middle Harbour 16ft Skiff Sailing Club.

Note 1 Statement of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accord with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The Club is a tax exempt body

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(c) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant & 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 these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	5%
Plant & equipment	10-50%
Office furniture	10-40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Investments

Financial assets are recognised when the club becomes a party to the contractual provisions to the instrument. This is equivalent to the date that the Club commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial assets are initially measured at fair value plus transaction costs

(e) Impairment of Assets

At each reporting date, the entity 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 the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) 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. 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. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(g) Provisions

Provisions are recognised when the entity 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 are shown within short-term borrowings in current liabilities on the balance sheet.

(i) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(j) Goods & 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 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 net basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Similarly comparatives have been adjusted where current year accounting policies have changed.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 2 Current Assets		
Cash in Hand	8,403	5,864
Cash at Bank	357,666	288,009
Cash on Deposit	258,807	253,030
Other Debtors & Prepayments	64,743	39,904
GST on acquisitions	21,263	28,831
Inventories	36,995	72,289
	<u>726,614</u>	<u>687,927</u>
Note 3 Property Plant & Equipment		
Leasehold Improvements	273,059	256,033
Less Prov'n for Depreciation	(97,287)	(90,761)
	<u>175,772</u>	<u>165,272</u>
Office Equipment at cost	21,721	20,012
Less Prov'n for Depreciation	(15,476)	(14,929)
	<u>6,245</u>	<u>5,083</u>
Plant & Equipment at cost	219,322	224,260
Less Prov'n for Depreciation	(117,739)	(133,297)
	<u>101,583</u>	<u>90,963</u>
Note 4 Creditors & Borrowings		
Trade Creditors	104,985	105,805
Other Creditors	9,878	13,296
GST on supplies	37,116	43,106
Rent in Advance	57,960	59,282
Subs in Advance	49,788	62,305
	<u>259,727</u>	<u>283,794</u>
Note 5 Provisions		
Provision for Audit Fees	4,000	4,000
Annual Leave	12,878	8,840
	<u>16,878</u>	<u>12,840</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 6 Reconciliations		
Reconciliations of the carrying amounts for each class of Property, Plant and Equipment are set out below:		
Plant & Equipment		
Carrying amount at beginning of year	90,963	38,211
Additions	35,485	67,107
Depreciation/Impairment/Transfers	(15,793)	(9,075)
Transfers/disposals	(9,072)	(5,280)
Carrying amount at end of year	<u>101,583</u>	<u>90,963</u>
Office Equipment		
Carrying amount at beginning of year	5,083	6,679
Additions	2,482	-
Depreciation/Impairment	(547)	(1,596)
Transfers/write offs	(773)	-
Carrying amount for the end of the year	<u>6,245</u>	<u>5,083</u>
Leasehold Improvements		
Carrying amount at beginning of the year	165,272	173,970
Additions	17,026	-
Depreciation/Impairment	(6,526)	(8,698)
Transfers	-	-
	<u>175,772</u>	<u>165,272</u>
Note 7 Auditors Remuneration		
Total amounts received and due and receivable by the Auditors of the company for:		
Audit of Accounts	<u>4,000</u>	<u>4,000</u>
Note 8 Reconciliation of Cash		
Cash in Hand	8,403	5,864
Cash at Bank/(Overdraft)	357,666	288,009
Cash on Deposit	258,807	253,030
CASH AT THE END OF THE YEAR	<u>624,876</u>	<u>546,903</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Reconciliation of net cash provided by Operating activities	2023 \$	2022 \$
Operating profit after income tax	80,708	158,704
Depreciation/Impairment	22,866	23,906
Less profit on disposal of assets		-
(Profit)/loss on disposal of assets	<u>(1,155)</u>	<u>744</u>
	102,419	183,354
Decrease(increase) in receivable	3,992	(28,026)
Decrease(increase) in inventory	35,294	(38,376)
Increase(decrease) in trade creditors	(820)	66,696
Increase(decrease) in other expenses payable	(23,247)	(24,889)
Increase(decrease) in provisions	4,038	(13,611)
	<u> </u>	<u> </u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	<u>121,676</u>	<u>145,148</u>

Note 9 Operating Revenue

Included in the operating results of the company are the following items of gross revenue.

Sales Revenue

Bar	1,162,834	988,990
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Other Revenue

Membership Subscriptions	127,287	118,202
Coffee shop income	-	12,065
Sponsorship	27,163	16,789
Investment income	7,585	2,700
Rents Received	111,794	92,501
Sailing Income	30,489	22,777
Shed Rent	58,016	77,697
Sundry Income	16,880	1,233
Paddleboard	32,500	-
Deck & Room Hire	68,219	42,466
Donations	14,861	9,155
Government Subsidy	<u>25,000</u>	<u>83,139</u>
TOTAL REVENUE	<u>1,682,628</u>	<u>1,467,714</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 10		
Trading Account		
Bar Trading Account		
Sales	1,162,834	988,990
Less Cost of Sales		
Opening Finished Goods	72,289	33,913
Purchases	423,561	397,776
Closed Finished Goods	(36,995)	(72,289)
	<u>458,855</u>	<u>359,400</u>
Direct Expenses		
Bar Expenses	5,402	1,638
Bar Wages	271,440	194,472
	<u>276,842</u>	<u>196,110</u>
Profit from Bar Trading	<u>427,137</u>	<u>433,480</u>
TOTAL TRADING PROFIT	<u>427,137</u>	<u>433,480</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
INCOME			
Gross Profit Trading	10	427,137	433,480
Other Revenue	9	519,796	478,724
TOTAL INCOME		946,933	912,204
EXPENSES			
Accountancy & Audit		7,150	7,150
Advertising & Promotion		1,977	345
Bank Charges & Merchant Fees		19,441	15,969
Coffee Shop Expenses		-	21,822
Computer Expenses		1,920	289
Depreciation & Impairment		22,866	23,906
Donations		-	500
Electricity & Gas		97,933	64,007
General Expenses		1,464	117
Insurance		61,361	50,364
Licences & Registrations		742	738
Management Fee		210,658	163,068
Membership Commission		1,093	1,524
Postage		4	22
Printing & Stationery		1,249	782
Rates & Land Taxes		12,490	11,001
Rent		160,559	154,217
Repairs & Maintenance		3,685	2,319
Sailing Expenses		135,993	113,958
Other Employment Expenses		1,077	319
Subscriptions		8,265	6,584
Superannuation		46,498	34,821
Telephone		3,669	3,798
Annual Leave Prov.		11,678	7,756

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Wages	163,763	142,204
Loss on Disposal of Assets	-	744
Workers Compensation	<u>12,793</u>	<u>9,941</u>
TOTAL EXPENSES	988,328	838,265
Less Expenses recovered	<u>(122,103)</u>	<u>(84,765)</u>
NET TOTAL EXPENSES	<u>866,225</u>	<u>753,500</u>
OPERATING PROFIT/(LOSS)	80,708	158,704
Retained Profits (Opening)	849,480	690,776
RETAINED PROFITS	<u>930,188</u>	<u>849,480</u>

NOTE 11 – ADDITIONAL COMPANY INFORMATION

Principal Registered Office

The Spit
MOSMAN NSW 2088

Principal Place of Business

The Spit
MOSMAN NSW 2088



MEAGHER, HOWARD & WRIGHT
CERTIFIED PRACTISING ACCOUNTANTS
ABN 42 664 097 441

Ken WRIGHT J.P. M.Com. F.CPA
Greg MIDDLETON B.Comm. G.Dip FP, CA
MaryJane HARDY J.P. B.Bus
John HOWARD OAM, J.P. F.CPA, B.Ec
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BONDI JUNCTION NSW 2023

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AUDIT REPORT TO THE MEMBERS OF MIDDLE HARBOUR SKIFF CLUB ABN. 68 000 537 057

We have audited the accompanying financial report of Middle Harbour 16ft Skiff Sailing Club which comprises the statement of financial position as at 30 June 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determined this necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Middle Harbour 16Ft Skiff Sailing Club on 30 June 2023 would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

- a. the financial report of Middle Harbour 16Ft Skiff Sailing Club is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001;
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Meagher Howard & Wright
Certified Practising Accountants

Name of
Partner:



Address:

K J Wright
Registered Company Auditor
Suite 506, 55 Grafton Street Bondi Junction NSW 2023

Dated this 19th day of September 2023



MEAGHER, HOWARD & WRIGHT
CERTIFIED PRACTISING ACCOUNTANTS

097 441
2023

Ken WRIGHT J.P. M.Com. F.CPA
1355
Greg MIDDLETON B.Comm, G.Dip FP, CA
MaryJane HARDY J.P, B.Bus
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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF MIDDLE HARBOUR 16 SKIFF SAILING CLUB
ABN: 68 000 537 057

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- (i) no contraventions of the auditor independence requirements as set out in 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.

K J Wright FCPA
Partner
Meagher, Howard & Wright
Certified Practising Accountants
Suite 506
Level 5, 55 Grafton Street
Bondi Junction NSW 2023

Dated: 19th September 2023