



SYDNEY FLYING SQUADRON LTD

Australia's oldest open boat sailing club
Founded in 1891



ANNUAL REPORT 2023 - 2024

I certify that this is a true copy of the original.


Signed 
Sam Danieli
Principal
A D Danieli Chartered Accountants

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AGM AGENDA

The 135th Annual General Meeting of the Sydney Flying Squadron Limited will be held at 10:00am on Sunday 3rd November 2024 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 2024
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

VICE-PRESIDENT'S REPORT 2023 – 2024

This year is a vice-president's report as Woody (John Winning) stood down as president. I thank him for all the work he has done for the club whilst on the board. I'm sure he will continue to be involved.

I would also like to thank all of our volunteers, without whom we would not be going sailing every weekend.

We have not had a Rosman spectator ferry for a number of years as cost increases made it unviable. Both Ben Powell and myself have been taking the mighty "379" out as a combination spectator boat/rescue/tow vessel. This will continue next season.

SFS and Double Bay clubs are still discussing some sort of amalgamation, we believe that it would be good for 18'er sailing in general.

Membership numbers are down, this is something we are working on, and the club is keeping its head above water.

I'm looking forward to our next season and hopefully we get some great conditions.

Robert Gordon (Salty)
Vice-President

COMMODORE'S REPORT 2023 – 2024

The 134th season will soon begin. Several skiffs have had some major work done in the off season, however, several others still require some work. With the efforts of Selwyn Black, we conducted a sailing program before the start of the season. This so far has proved to be very successful.

Since the club amalgamation meetings were adjourned back in November 2023 there has been considerable work done within the club to consolidate the club's financial position and also streamline procedures.

This time has been used to evaluate the current situation with the SFS and Pattons Slipway operations. This work holds the key to the decision by members to continue as a standalone club or as an amalgamated club with the 18 Footers.

These discussions have shown there is a passion to keep the SFS identity alive and have the historic 18 and other skiff classes supported into the future. Something that an amalgamated club would need to ensure does not change and in fact improves the SFS standing as the oldest open boat sailing club in Australia.

During this process, the Sydney Flying Squadron continues to operate, and has ended with a positive result this year. Membership numbers have increased and patronage in the bar and restaurant improved to deliver a positive result for the financial year.

There are, however, many challenges ahead for the SFS to cement its future as a successful sailing club in Kirribilli.

I had the pleasure to attend many clubs around the harbour and they all seem to have similar concerns, membership in terms of falling numbers as well as retention being the main point of discussion.

Last year's season showed that Yendys was the gun boat. Little Aussie was the notable improver for the year. This season will see the return of the Scot.

Once again we would not be able to sail without the volunteers, Wayne, Robert, Coral, Jack, Ben, Rob, Russell, Tomako, Longy, Dom, Stewart, Wendy and especially my wife, Barley. Michael Van Stom was awarded the Top Weight Trophy.

I'm looking forward to seeing you all in the new season.

Yours in sailing

Terence (Terry) Stewart
Commodore SFS

TREASURER'S REPORT 2023 – 2024

While this financial year's performance is better than that of 2022-2023, it has been another year where your Club has fallen short of the expectations I held this time last year. As you all know, the new wharf is now well and truly bedded in and Covid is no longer a factor in the community, insofar as it no longer impacts member and/or guest attendance at hospitality venues generally.

Unfortunately, there are now other factors affecting the hospitality industry. Cost of living pressures have dampened the ability of the community to spend discretionary money on having a good time in clubs like yours, cafes restaurants etc. You would need to have been living under a rock not to have any sense of the impact of high interest rates, electricity and gas prices plus the shock of the cost of your weekly shop at the supermarket on consumer spending. Is there no year when there's not some reason for the "Struggle St." nature of a financial year end result? I can assure you these are not excuses, they are reasons and it is reality.

Profit and Loss

Your Club made a profit of \$101,466 (\$24,258 2022-2023). Patton's profit of \$27,056 with a Consolidated result of a profit of \$128,522, for those who, like me, are numerically challenged.

You can review the detailed financial statements published here in this FY '23-24 Annual Report.

Better than 2022-2023? Yes, but with a clear run-up from the previous year, not good enough. There remain vital and important destinations for money to be spent. Foremost, as many are already pointing out to your Board in no uncertain terms, is the maintenance of the skiffs. Absolutely correct. But there's more. Upgraded member amenities like ladies' and men's toilets, upgraded electrical infrastructure, a new roof on the clubhouse, change rooms that look fresh and welcoming instead of a suburban rugby club etc etc.

The Future Outlook

Where's the good news? The SFS rolls on. We're still here, sailing Historic 18 foot skiffs and 12 footers, we have a nice bar and restaurant with a glorious view, a café deck to die for that has seemingly been discovered by two thirds of the Kirribilli and environs population. It's not all bad, it's just that it could be a lot better, and your board is fully aware of this fact and has been working towards those goals.

Post Balance Events

There are no significant post balance events, rather there are matters that are on-going and should be termed normal club business but do not necessarily create a spike or materially affect the short-term financial status of your club e.g. the amalgamation project which remains active and now requires a Special General Meeting where the you, the members can vote yes or no. Negotiations are currently in play with our club management agreements for which we are optimistic of a favourable outcome for your Club.

Acknowledgements

We all acknowledge and appreciate the work and commitment John Winning displayed during his time as President of your Club. The Board chose not to appoint an interim replacement for John until this AGM, when a three-year appointment will be made. As is always said of John's ethic in supporting the institutions he works for in a volunteer capacity, "We couldn't have done it without you". In the case of the SFS, the use of the grey RIB, organizing the 379 as a replacement for the Rippleside etc., saved the Club significant money. Importantly, his presence at the club sailing on Saturdays and his board contribution during his term was invaluable. Thank you, John.

The Board of which I've been a part for the past decade has been collegiate and supportive as usual, and I sincerely thank them for that. To call it a learning experience about the SFS over the last 10 or 11 years would be a gross understatement. To our accounting people, Sam Daniele, Carmen, Rebecca and all the team at A.D. Daniele, thank you for your help and friendly professional expertise that makes the task of Treasurer so much easier.

To Coral Taylor, Barley Stewart and the Social Committee: well done and thanks for coming through yet again in building a nice little nest-egg for skiff maintenance, which is appreciated by all the skippers and crews. BBQ sausages at \$5 a pop with caramelized onions and dead horse after sailing? Priceless. All goes back into the sailors pockets anyway.

Stepping Down

And finally, this is absolutely my last term as the SFS Club Treasurer. I stand down from the Board at this AGM, as I am required by club law to do, and will not re-nominate. May I say it has been a privilege, not to mention satisfying to give a bit back and serve the Sydney Flying Squadron Ltd as a member of the Board. I wish the incoming members every success and satisfaction from seeing your Club progress in sailing, member growth, enjoyment and community participation. The lawn now needs mowing.

Alan Robertson**Immediate past Hon. Treasurer- SFS**

PATTONS UPDATE 2023 – 2024

In August the Development Application for the Pattons Redevelopment was lodged with North Sydney Council. We can expect Council to take at least six months to address the application as it will be subject to assessment by the Regional Planning Panel.

The previous DA for the site was rejected in 2021, the current submission has addressed concerns raised in the reasons for refusal and we are optimistic for a successful outcome.

An Expression of Interest has been issued to interested parties for the development, ongoing use and management of Pattons with submissions to be received and assessed in the coming months.

The site continues to operate with all tenancies occupied, however, the aged infrastructure is compromising the ability to operate the site at its full capacity. We look forward to the redevelopment works delivering a world standard facility that will secure operations for the next 50 years.

William Loader

SOCIAL COMMITTEE REPORT 2023 – 2024

The major impetus of the club's social committee over many years has been to offer the location and management of a convivial meeting place for the Milsons Point, North Sydney and surrounding populations - and also for sailors and members from further afield who attend and support the Sydney Flying Squadron and the sailing fleets it hosts.

The Social Committee has not been able to conduct these amenities within the revised format of the club's restaurant structure. Providing the after sailing BBQ for the hungry sailors and volunteer support crews has been the only element to continue. Thankfully so, because the funds raised are distributed to the Historic 18ft sailing skiffs to assist with their annual maintenance costs.

During the 2023-2024 sailing season the BBQ was operated by sailing crews under the guidance of Barley Stewart, our Rescue Craft operator. Barley's efforts have been greatly appreciated by all.

Obviously, we are in the background biding our time as the manifestations of the proposed amalgamation between the Sydney Flying Squadron Ltd and the Australian 18 Footers League are deliberated.

Had it not been for the onset of Covid-19, the recommendations of the Think Tank Taskforce, initiated by the Social Committee, would have been implemented. The representatives of this entity comprised younger SFS sailing members who now take some satisfaction in that several of their proposals are currently being enacted by the Restaurant.

Looking forward to the future.

Coral Taylor
On behalf of the SFS Social Committee

MAINTENANCE REPORT 2023 – 2024

Since the Wharf Rebuild and Entry Foyer Upgrade works were completed the maintenance budget has been directed towards servicing the needs of the Club's aging infrastructure to ensure the premises remains fit for purpose for the ongoing operations.

Over the past year the Club has expended \$48,311.06 towards maintenance works. The main expense has been for roof repair works (over \$12K) to address persistent leaks and mitigate water damage to plant and equipment. The Club hot water system also required costly replacement and I'm sure that hot showers post-race will be appreciated.

To complete the accessibility provisions within the Club following the installation of the platform lift, we are proposing to upgrade the toilets to provide for disabled accessible and baby change facilities. We did apply for another Community Building Program grant to contribute towards the costs for the upgrade but were unsuccessful in the last round of grants that were awarded. We will continue to seek CBP funding in the next round.

William Loader

Sydney Flying Squadron Limited
ABN 70 000 487 230

Financial Statements
For the year ended 31 May 2024

Directors' Report

For the Year ended 31 May 2024

Your Directors present their report on the Sydney Flying Squadron Ltd (the Company) for the financial year ended 31 May 2024, and the Auditor's Report.

Meeting Attendance:

During the 2024 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	11
Robert Gordon	12	10
Alan Robertson	12	10
William Loader	12	7
Terry Stewart	12	10
Michael Van Stom	12	10
Donald Buckley	12	10

Director Information:

Director / Occupation	Position	Status
John Winning Company Director	President	Resigned 14 January 2024
Robert Gordon Ferry Master	Vice President (due for re-election 2024)	Director since Nov 2016
Alan Robertson Advertising Executive	Treasurer (due for re-election 2025)	Director since Nov 2011 Patton's Board
William Loader Project Manager	Director (due for re-election 2024)	Director since May 2016 Patton's Board Sailing Committee
Terry Stewart Retired	Commodore (due for re-election 2025)	Director since Oct 2015 Sailing Committee
Michael Van Stom Providore	Vice Commodore (due for re-election 2026)	Director since Nov 2019
Donald Buckley Maritime Surveyor	Director (due for re-election 2026)	Director since August 2020 Patton's Board

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 Pty Ltd for the financial year ending 2024 after tax is \$101,466; profit for Patton's Slipways Pty Ltd after tax is \$27,056; and Consolidated profit after tax of \$128,522.

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 2023 – 2024 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

There have been no circumstances or 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.

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.

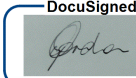
Proceedings on Behalf of Company

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.

Auditors Independence Declaration

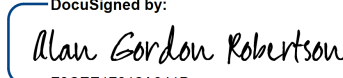
A copy of the Auditor’s Independence Declaration as required under section 307C of the *Corporations Act 2001* has been included.

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

DocuSigned by:

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ROBERT GORDON
Director and Vice-President


Date: 24 September 2024

DocuSigned by:

F8CEE17812A041D...

ALAN ROBERTSON
Director and Treasurer

Date: 24 September 2024

I certify that this is a true copy of the original.

Signed 
.....
Sam Danieli
Principal
A D Danieli Chartered Accountants

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 2024 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
24th September, 2024

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

Income Statement

For the year ended 31 May 2024

	Note	Economic Entity (Club & Patton's)		Parent Entity (Club)	
		2024 \$	2023 \$	2024 \$	2023 \$
Sales revenue		917,967	773,807	917,967	773,807
Cost of sales		(575,922)	(516,708)	(575,922)	(516,708)
Gross profit		342,045	257,099	342,045	257,099
Other revenue		661,619	511,118	380,764	282,065
Total revenue		1,003,664	768,217	722,809	539,164
Administration expenses		(102,050)	(102,621)	(83,315)	(84,000)
Finance costs		(72,064)	(55,808)	(64,366)	(49,629)
Other expenses from ordinary activities		(689,432)	(580,469)	(473,662)	(381,277)
Total expenses		(863,546)	(738,898)	(621,343)	(514,906)
Profit before tax	2	140,118	29,319	101,466	24,258
Income tax expense	3	(11,596)	(1,132)	-	-
Profit attributable to members of the entity		128,522	28,187	101,466	24,258

The above Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 31 May 2024

	Note	Economic Entity (Club & Patton's)		Parent Entity (Club)	
		2024 \$	2023 \$	2024 \$	2023 \$
Current assets					
Cash and cash equivalents	4	180,565	87,045	172,321	81,944
Trade and other receivables	5	154,559	63,330	80,933	14,332
Inventories	6	31,397	20,495	31,397	20,495
Other assets	7	49,291	54,274	-	6,960
Total current assets		415,812	225,144	284,651	123,731
Non-current assets					
Receivables	8	-	-	324,315	324,315
Property, plant and equipment	9	7,024,895	7,056,844	1,004,918	1,060,577
Investments	10	-	-	5,614,000	5,614,000
Total non-current assets		7,024,895	7,056,844	6,943,233	6,998,892
Total assets		7,440,707	7,281,988	7,227,884	7,122,623
Current liabilities					
Trade and other payables	11	144,116	99,794	48,187	29,982
Tax liabilities	13	18,172	4,968	16,269	3,350
Provisions	14	5,004	377	5,004	377
Total current liabilities		167,292	105,139	69,460	33,709
Non-current liabilities					
Borrowings	12	766,079	798,035	766,079	798,035
Total non-current liabilities		766,079	798,035	766,079	798,035
Total liabilities		933,371	903,174	835,539	831,744
Net assets		6,507,336	6,378,814	6,392,345	6,290,879
Equity					
Equity	15	-	-	-	-
Reserves	16	5,543,551	5,543,551	5,631,687	5,631,687
Retained earnings		963,785	835,263	760,658	659,192
Total Equity		6,507,336	6,378,814	6,392,345	6,290,879

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For year ended 31 May 2023

Note	Parent Entity (Club)			
	Retained	Asset	General	Total
	Earnings	Revaluation	Reserve	
	\$	\$	\$	\$
Balance at 1 June 2022	634,934	5,599,329	32,358	6,266,621
Profit attributable to members	24,258	-	-	24,258
Revaluation increment	-	-	-	-
Sub-total	24,258	-	-	24,258
Balance at 31 May 2023	659,192	5,599,329	32,358	6,290,879

For the year ended 31 May 2024

Note	Parent Entity (Club)			
	Retained	Asset	General	Total
	Earnings	Revaluation	Reserve	
	\$	\$	\$	\$
Balance at 1 June 2023	659,192	5,599,329	32,358	6,290,879
Profit attributable to members	101,466	-	-	101,466
Revaluation increment	-	-	-	-
Sub-total	101,466	-	-	101,466
Balance at 31 May 2024	760,658	5,599,329	32,358	6,392,345

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Changes in Equity (cont.)

For year ended 31 May 2023

Note	Economic Entity (Club & Patton's)			Total \$
	Retained Earnings \$	Asset Revaluation Reserve \$	General Reserve \$	
Balance at 1 June 2022	807,076	5,511,193	32,358	6,350,627
Profit attributable to members	28,187	-	-	28,187
Revaluation increment	-	-	-	-
Sub-total	28,187	-	-	28,187
Balance at 31 May 2023	835,263	5,511,193	32,358	6,378,814

For the year ended 31 May 2024

Note	Economic Entity (Club & Patton's)			Total \$
	Retained Earnings \$	Asset Revaluation Reserve \$	General Reserve \$	
Balance at 1 June 2023	835,263	5,511,193	32,358	6,378,814
Profit attributable to members	128,522	-	-	128,522
Revaluation increment	-	-	-	-
Sub-total	128,522	-	-	128,522
Balance at 31 May 2024	963,785	5,511,193	32,358	6,507,336

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the year ended 31 May 2024

	Note	Economic Entity (Club & Patton's)	
		2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		1,536,106	1,243,059
Payments to suppliers and employees		(1,332,619)	(1,270,586)
Interest received		163	161
Other receipts		43,317	41,705
Finance costs		(72,064)	(55,807)
Net cash (used in)/provided by operating activities	19	174,903	(41,468)
Cash flows from investing activities			
Payment for property, plant and equipment		(49,427)	(173,639)
Net cash (used in) investing activities		(49,427)	(173,639)
Cash flows from financing activities			
Proceeds from borrowings		-	352,160
Repayment of borrowings		(31,956)	(76,526)
Net cash provided by financing activities		(31,956)	275,634
Net increase/(decrease) in cash held		93,520	60,527
Cash at beginning of year		87,045	26,518
Cash at end of year	4	180,565	87,045

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to Financial Statements

For the year ended 31 May 2024

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 24 September 2024 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.)**a. Income tax (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.

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.)**c. Property, Plant and Equipment (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.

o. New Accounting Policies

There were no new accounting policies issued or adopted during the period.

Note 2: Profit from ordinary activities

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2024	2023	2024	2023
	\$	\$	\$	\$
Profit/(Loss) from ordinary activities before income tax has been determined after:				
a Expenses				
Depreciation of property, plant and equipment	81,376	54,562	77,519	50,617
Auditor remuneration	16,000	15,000	12,500	12,000
b Revenue and net gains				
Membership Fees	49,564	48,701	49,564	48,701

Note 3: Income tax expense

Operating profit before income tax	140,118	29,319	101,466	24,258
Prima facie income tax expense calculated 30% (2023: 30%)	42,035	8,796	25,367	6,065
Less income tax expense/(benefit) not brought to account at balance date	(30,439)	(7,664)	(25,367)	(6,065)
Total income tax expense	11,596	1,132	-	-

Note 4: Cash and cash equivalents

Cash on hand and at bank	180,565	87,045	172,321	81,944
	180,565	87,045	172,321	81,944

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	180,565	87,045	172,321	81,944
	180,565	87,045	172,321	81,944

Note 5: Trade and other receivables

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2024	2023	2024	2023
	\$	\$	\$	\$
Current				
Trade receivables	154,559	63,330	80,933	14,332
	154,559	63,330	80,933	14,332

Note 6: Inventories

Current				
Stock on hand	31,397	20,495	31,397	20,495
	31,397	20,495	31,397	20,495

Note 7: Other assets

Current				
Prepayments and other receivables	49,291	54,274	-	6,960
	49,291	54,274	-	6,960

Note 8: Receivables

Non-current				
Loan receivable - unsecured	-	-	324,315	324,315
	-	-	324,315	324,315

Note 9: Property, plant and equipment

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2024 \$	2023 \$	2024 \$	2023 \$
Land & buildings				
Freehold land and buildings at:				
Directors' valuation 2022	5,600,000	5,600,000	-	-
Redevelopment Project	380,184	373,209	-	-
Plus: additions	27,567	6,975	-	-
Total Land & buildings	<u>6,007,751</u>	<u>5,980,184</u>	<u>-</u>	<u>-</u>
(i) On 24 May 2022, freehold land and buildings held by Patton's were revalued by an independent valuer. The fair value of freehold land and buildings was determined to be \$5,600,000 (2023: \$5,600,000).				
(ii) The valuation was made in accordance with a policy of regular revaluation by the Directors to reflect the market value of its investments and also due to the Club increasing borrowings to fund wharf refurbishment.				
Leasehold improvements				
Leasehold improvements at cost	1,126,507	1,095,620	1,089,281	1,058,394
Plus: additions	-	30,887	-	30,887
Less: accumulated depreciation	(861,096)	(828,941)	(834,968)	(806,472)
Total Leasehold improvements	<u>265,411</u>	<u>297,566</u>	<u>254,313</u>	<u>282,809</u>
Furniture and fittings				
Furniture and fittings at cost	677,125	677,125	580,080	580,080
Plus: additions	4,910	-	4,910	-
Less: accumulated depreciation	(639,158)	(629,226)	(542,566)	(532,714)
Total Furniture and fittings	<u>42,877</u>	<u>47,899</u>	<u>42,424</u>	<u>47,366</u>
Plant and equipment				
Plant and equipment at cost	118,020	118,020	83,502	83,502
Plus: additions	16,950	-	16,950	-
Less: accumulated depreciation	(134,970)	(118,020)	(100,452)	(83,502)
Total Plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Motor boats				
Motor boats at cost	61,665	61,665	-	-
Less: accumulated depreciation	(60,991)	(60,872)	-	-
Total Motor boats	<u>674</u>	<u>793</u>	<u>-</u>	<u>-</u>
Wharf refurbishment				
Wharf refurbishment at cost	693,021	602,199	693,021	602,199
Plus: additions	-	90,822	-	90,822
Less: accumulated depreciation	(25,774)	(8,449)	(25,775)	(8,449)
Total Wharf refurbishment	<u>667,247</u>	<u>684,572</u>	<u>667,246</u>	<u>684,572</u>
Lift installation				
Lift installation at cost	48,955	4,000	48,955	4,000
Plus: additions	-	44,955	-	44,955
Less: accumulated depreciation	(8,020)	(3,125)	(8,020)	(3,125)
Total Lift installation	<u>40,935</u>	<u>45,830</u>	<u>40,935</u>	<u>45,830</u>
Total property, plant and equipment	<u>7,024,895</u>	<u>7,056,844</u>	<u>1,004,918</u>	<u>1,060,577</u>

Note 10: Investments

Shares held in subsidiary company	-	-	5,614,000	5,614,000
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(i) The basis of valuation of the Company's investment in its subsidiary company was fair market value as determined by the Directors.

Note 11: Trade and other payables

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2024	2023	2024	2023
	\$	\$	\$	\$
Current				
Trade payables	126,585	84,036	44,756	28,324
PAYG withholding payable	1,921	1,143	1,921	1,143
Rental Bond Received	14,100	14,100	-	-
Sundry payables and accrued expenses	1,510	515	1,510	515
	144,116	99,794	48,187	29,982

Note 12: Borrowings

Non-current				
Other persons – secured	766,079	798,035	766,079	798,035
	766,079	798,035	766,079	798,035
Total current and non-current secured liabilities:				
Other persons	766,079	798,035	766,079	798,035
	766,079	798,035	766,079	798,035

The loan facilities are secured by the following:

- First Registered Equitable Mortgage by Sydney Flying Squadron Limited;
- First Registered Equitable Mortgage by Patton's Slipways Pty Ltd; and
- First Registered Mortgage by Patton's Slipways Pty Ltd over Non-Residential Property located at 62 Willoughby Street, Kirribilli NSW 2061.

Note 13: Tax Liabilities

GST payable	6,978	3,836	16,269	3,350
Income tax payable	11,194	1,132	-	-
	18,172	4,968	16,269	3,350

Note 14: Provisions

Current				
Employee benefits	5,004	377	5,004	377

Note 15: Equity

a. Capital

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

Note 16: Reserves

	Economic Entity (Club & Patton's)		Parent Entity (Club)	
	2024	2023	2024	2023
	\$	\$	\$	\$
a. General Reserve				
Victor Everson Trust	<u>32,358</u>	<u>32,358</u>	<u>32,358</u>	<u>32,358</u>

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

b. Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

	<u>5,511,193</u>	<u>5,511,193</u>	<u>5,599,329</u>	<u>5,599,329</u>
Total Reserves	<u>5,543,551</u>	<u>5,543,551</u>	<u>5,631,687</u>	<u>5,631,687</u>

Note 17: Events after the balance sheet date

There have been no circumstances or 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.

Note 18: Contingent liabilities

Bank guarantees	766,079	798,035	766,079	798,035
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Note 19: Cash flow information

	Economic Entity (Club & Patton's)	
	2024	2023
	\$	\$
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	128,522	28,187
Non-cash flows in profit from ordinary activities:		
Depreciation	81,376	54,564
(Increase)/Decrease in Assets:		
Trade and other receivables	(91,229)	78,976
Inventories	(10,902)	6,734
Other assets	4,983	(9,892)
Increase/(Decrease) in Liabilities:		
Trade and other payables	44,322	(202,497)
Provisions	4,627	(2,508)
Other liabilities	13,204	4,968
Cash Flows from/(used in) operating activities	174,903	(41,468)

Note 20: Commitment for Capital Expenditure

Since balance date the Company has not entered into any commitments for capital expenditure.

Note 21: Company Details

The registered office and principal place of business of the Company is:

Sydney Flying Squadron Limited
76 McDougall Street
MILSONS POINT NSW 2061

Directors' declaration


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

The Directors of the Company declare that:

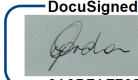
1. The financial statements and notes, as set out in pages 18 to 31 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the Company's financial position as at 31 May 2024 and of 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.

I certify that this is a true copy of the original.

Signed 
 Sam Danielli
 Principal
 A D Danielli Chartered Accountants

DocuSigned by:

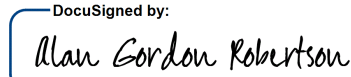


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Director: ROBERT GORDON

Dated this 24 September 2024

DocuSigned by:



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Director: ALAN ROBERTSON

Dated this 24 September 2024

Audit Report

ROBERTSON & GREENWOOD PTY LTD CHARTERED ACCOUNTANTS

MATHEW GEORGE

IAN ROBERTSON
CONSULTANT

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

Scope

We have audited the financial report, being the Directors Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of Sydney Flying Squadron Limited for the financial year ended 31 May 2024.

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 2024 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 2024 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.

Emphasis of Matter

Sydney Flying Squadron remains in negotiation on its Management and Catering Agreements with Flying Bear Pty Ltd. The terms of the draft agreements have been followed in the preparation of the financial statements.

Dated this 24th day of September, 2024


Mathew George
Registered Company Auditor
Robertson & Greenwood
Chartered Accountants

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

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

SYDNEY FLYING SQUADRON LIMITED
(ABN 70 000 487 230)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2024

	2024	2023
	\$	\$
Trading Income		
Bar Sales	917,967	773,807
Total Trading Income	917,967	773,807
Less: Cost of Sales		
Opening Stock	20,495	27,229
Cost of Bar Sales	586,824	509,974
	607,319	537,203
Less:		
Closing Stock	(31,397)	(20,495)
Cost of Sales	575,922	516,708
Gross Profit from Trading	342,045	257,099

SYDNEY FLYING SQUADRON LIMITED

(ACN 000 487 230)

PROFIT & LOSS STATEMENT (Cont.)**FOR THE YEAR ENDED 31 MAY 2024**

	2024	2023
	\$	\$
Income		
Gross Profit from Trading	342,045	257,099
Grant/Bequests Received	10,000	10,000
Management Fees	80,000	60,000
Interest Received	61	60
Membership Fees	49,564	48,701
Kitchen Rent	202,243	142,927
Other Income	38,896	20,377
Total income	722,809	539,164
Expenses		
Accountancy & Bookkeeping	69,450	60,000
Advertising and Promotion	1,875	2,408
Amalgamation Costs	33,608	-
Audit Fees	12,500	12,000
Annual Leave	4,627	(2,508)
Bank Fees and Charges	4,313	8,447
Boat Fuel	-	915
Cleaning & Rubbish Removal	40,516	32,404
Consultants Fees	5,544	7,828
Computer	5,145	6,449
Depreciation	77,519	50,618
Electricity & Gas	29,278	19,712
Events & Functions	-	273
General	21	3,233
Filing Fees	2,111	310
Insurances	80,262	65,200
Interest	64,366	49,629
Legal Fees	5,551	3,840
Marketing	8,627	23,917

SYDNEY FLYING SQUADRON LIMITED**(ACN 000 487 230)****PROFIT & LOSS STATEMENT (Cont.)****FOR THE YEAR ENDED 31 MAY 2024**

	2024	2023
	\$	\$
Expenses (continued)		
Office Expenses	699	1,545
Pest Control	2,873	3,073
Postage	-	218
Printing & Stationery	464	2,211
Rates & Land Taxes	43,388	32,796
Rent on Equipment, Land & Buildings & Rates	5,644	2,596
Repairs & Maintenance	37,940	54,752
Sailing Promotion & Expenses	11,407	6,643
Security	2,037	8,060
Subscriptions & Licenses	9,334	5,956
Superannuation	9,381	4,515
Telephone	1,471	1,580
Wages	51,392	46,286
Total Expenses	621,343	514,906
Profit from Ordinary Activities		
Before Income Tax	101,466	24,258

SYDNEY FLYING SQUADRON LIMITED
COMPILATION REPORT
FOR THE YEAR ENDED 31 MAY 2024

We have compiled the accompanying financial report of Sydney Flying Squadron Limited, which comprises the Balance Sheet as at 31 May 2024, Income Statement, Statement of Changes in Equity and Cash Flow Statements 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.



Sam Danieli
A D Danieli
Chartered Accountants

Dated this 24 September 2024

PATTON'S SLIPWAYS PTY LTD
(A.C.N. 000 070 271)
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2024

	2024	2023
	\$	\$
Income		
Interest Received	101	101
Rents and Outgoings Received	280,754	228,951
Total Income	280,855	229,052
Expenses		
Accounting	18,000	18,000
Audit Fees	3,500	3,000
Bank Fees and Charges	250	250
Consultants	2,928	8,093
Depreciation	3,857	3,946
Filing Fees	580	545
General Expenses	736	620
Insurance	80,175	75,455
Interest	7,698	6,179
Management Fees	80,000	60,000
Rates & Land Taxes	21,559	20,702
Rent – Waterways	17,090	18,514
Registration & License Fees	1,737	3,942
Repairs & Maintenance	3,440	4,151
Subscriptions	653	594
Total Expenses	242,203	223,991
Profit from Ordinary Activities Before Income Tax	38,652	5,061
Less Income Tax Expense	(11,596)	(1,132)
Profit from Ordinary Activities After Income Tax	27,056	3,929

PATTON'S SLIPWAYS PTY LTD
COMPILATION REPORT
FOR THE YEAR ENDED 31 MAY 2024

We have compiled the accompanying financial report of Patton's Slipways Pty Ltd. 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.



Sam Danieli
A D Danieli
Chartered Accountants

Dated this 24 September 2024

Registered Clubs Act Disclosures

Registered Clubs Regulations 1996 (the Regulations)

Provision of Information to Members

For the year ended 31 May 2024

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 | 1 |
- (c) No Board Member, Executive or other persons undertook any overseas travel connected with the Club business.
- (d) No loans were made to any employees during the year.
- (e) No contracts were entered into during the year to which Section 41 M of the *Registered Clubs Act 1976* applies.
- (f) No employee was a close relative of any member of the governing body of the Club or of a top executive of the Club.
- (g) No consulting fees equal to or more than \$10,000 were paid by the Club.
- (h) The total amount paid to consultants was \$5,544.
- (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 2024.
- (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