



YACHTING
NEW SOUTH WALES

2015 / 2016
Annual Report

Regional Managers Report

I would like to start this report with a quick note of thanks. Firstly thanks to every club officer, official, and staff member that I have met so far. Everyone, bar none, has been extremely enthusiastic to welcome me on board in this new role. For those members that I have not yet met personally I am looking forward to meeting with you in the near future.

Secondly thank you to every club in working with YNSW, Yachting Australia and now Australian Sailing as we have gone through the transition under the One Sailing project. I appreciate the patience of our members whilst we work through this transition.

Thirdly I would like to say thank you to all of the members of the YNSW Board. They have been able to clearly articulate and achieve the best possible outcomes for YNSW members during the transitional period when One Sailing project was being implemented. The YNSW Board has demonstrated its ability to provide leadership through a challenging period.

Now that the One Sailing project has been completed the role of the YNSW Board remains as an important overseeing role of Australian Sailing and its function in delivering services to YNSW members. I would strongly encourage that if any YNSW members have any issue with the service that they are receiving from Australian Sailing that they raise it either directly with me or with the YNSW Board. For me it's vitally important that we get this relationship between Australian Sailing, the YNSW Board and the YNSW members right and that everyone's expectations are met.

As a sailor for many years I always struggled to get a good handle on where responsibility on a variety of issues sat with YA or YNSW. Following on from the implementation of One Sailing its now crystal clear, there is one national organisation, Australian Sailing responsible for the delivery of sailing services across the country. It's important to reiterate that the key benefit to members of the change are:

1. A strong national governance mechanism;
2. Enabling efficient management of resources;
3. Improving consistency, effectiveness and relevance of services provided to stakeholders.

Here in NSW these changes have freed up me and my team from large amounts of administrative activity enabling us to spend more time with Clubs and Classes and improve the development and delivery of services. Reflecting on my relatively brief time in the role of Regional Manager I am heartened by what I see within our sailing community here in NSW. There is an extremely strong community spirit within all clubs largely driven by the tireless work of a huge army of volunteers working within every club. I would like to extend a special thankyou to all of the volunteers for their endless drive and enthusiasm. Without them our sport would not be in as good shape it is in today.

I have also received very positive feedback on the change of the name. Sailing is our sport and now Australian Sailing is our name.

Being the new kid on the block at Australian Sailing I am aware that there is much that can be done to improve the delivery of services to clubs, eliminate bureaucratic processes clubs use and make it easier for clubs to do what they do best....growing sailing and the number of sailors alike. Having said that, in the short time that I have been on-board at Australian Sailing it's pretty clear to see the very strong focus internally on implementing change and a desire to do things better. So if there are things that we can do better please let us know, but please accept that some changes may have a higher priority than others.

With the Olympics just finished it would be remiss to not mention the fantastic efforts of the Australian Sailing Teams' performance in Rio. Whilst success at an Olympic, international and national level has a lot to do with the performance of the individual skipper and their crews, its equally important that we continue to encourage participation across all facets of sailing, be it a child discovering the beauty and freedom of sailing in a dinghy for the first time, school students engaging in the cut and parry of match or teams racing or the intrepid adventurers heading offshore for the first time. Without a continued focus on increasing participation in sailing, we will stop growing and achieving the phenomenal results Australians have delivered in recent years. Looking forward the NSW Youth Championships in October and Sail Sydney in December events have been keystone regattas for many Olympic and World champion on their path to success. But equally these events are about participation and giving everyone the chance to experience high level, large scale regatta sailing and most importantly have fun.

With the One Sailing Project now finished our next focus is all about building the capability and capacity of sailing. With what I have seen in the last few months I am confident that at the end of next year, sailing within NSW and across the country will be in an even stronger position than it is today.

Declan Brennan
Regional Manager NSW and ACT
Australian Sailing Ltd

YACHTING NEW SOUTH WALES INCORPORATED
ABN 32 642 142 038

FINANCIAL REPORT FOR THE YEAR ENDED 30 June 2016

BOARD OF DIRECTORS REPORT

The Board of Director's submit the financial report of the Yachting New South Wales Incorporated (The Association) for the year ended 30 June 2016.

Board of Directors

The Directors who have held office during the financial year:

Richard Hudson	President
David Berryman	Vice President
Campbell McKay	Treasurer
Anthony Dunn	Director
Christian Brook	Director
Nicky Bethwaite	Director
Angela Catterns	Director

Principal Activities

The principal activities of the association during the financial year were the promotion and administration of yachting activities in New South Wales.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The Comprehensive loss for the year ended 30 June 2016 amounted to \$(140,169), which was a decrease of \$(183,750) on the year ended 30 June 2015 (Profit \$43,581).

Significant Events after the Balance Date

During the financial year the Association entered into the One Sailing Implementation Agreement (The Agreement) with Australian Sailing Ltd (ASL). Whereby ASL is to deliver services normally undertaken by the Association. Consequently all revenue and expenses normally accounted for by the Association will now be accounted for directly by ASL. The effect of The Agreement will be that the Association's Financial Statements for the year ending 30 June 2017 will be significantly different to those in this report. One exception to the above is in relation to membership subscriptions. To remain compliant with the Association's constitution, membership subscription income will continue to be collected by the Association, but then directly on paid to ASL. This treatment will not have any net impact on the Association, but will continue until the Association's constitution is altered to allow club fees to be collected directly by ASL. Other than the above no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

Signed in accordance with a resolution of the Board Director's.



Richard Hudson: President

Dated this 7th Day of September 2016

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue			
Administration Income		-	36,272
Club Development		27,605	5,961
Events Income		142,059	130,668
Grants		55,000	67,800
Interest Income		4,913	9,431
Membership Subscriptions		770,969	789,500
Partnership and Sponsorship Income		8,703	22,615
Sundry Income		399	3,005
Traning Income		59,508	82,335
Youth Development Income		40,465	44,980
Total Revenues		1,109,621	1,192,567
Expenses			
Administration Costs		55,073	91,890
Auditors Remuneration - Audit		7,200	6,000
Club Development		13,577	8,993
Depreciation		8,710	13,622
Employee Benefits - Provisions		23,904	67,760
Employee Benefits - Salaries		185,882	287,685
Employee Benefits - Superannuation		19,229	31,640
Events		115,653	131,795
Governance and Management		30,765	62,528
One Sailing Service Fees		176,310	-
Loss on Disposal Fixed Asset		22,634	1,581
Participation Costs		-	7,543
Training Costs		34,946	47,946
YA Subscription Fees		325,649	324,942
Youth Development Costs		50,777	65,061
Total Expenses		1,070,309	1,148,986
Current Year Profit/(Loss)		39,312	43,581
Other Comprehensive Expense	10	179,481	-
Total Comprehensive (Loss) for the year		(140,169)	43,581

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and Cash Equivalents	2	263,795	462,256
Trade and Other Receivables	3	4,931	28,141
Prepayments and Accrued Income	4	-	108,846
Total Current Assets		<u>268,726</u>	<u>599,244</u>
Non-Current Assets			
Property, Plant And Equipment	5	-	31,344
Total Non-Current Assets		<u>-</u>	<u>31,344</u>
Total Assets		<u>268,726</u>	<u>630,588</u>
Current Liabilities			
Trade Creditors and Other Payables	6	31,426	178,836
Provisions	7	-	63,640
Total Current Liabilities		<u>31,426</u>	<u>242,476</u>
Non-Current Liabilities			
Provisions	7	-	10,643
Total Non-Current Liabilities		<u>-</u>	<u>10,643</u>
Total Liabilities		<u>31,426</u>	<u>253,119</u>
Net Assets		<u>237,300</u>	<u>377,469</u>
Accumulated Funds			
Accumulated Funds	8	237,300	377,469
Total Funds		<u>237,300</u>	<u>377,469</u>

STATEMENT OF CHANGES IN MEMBERS FUNDS FOR THE YEAR ENDED 30 JUNE 2016

Balance as at 1 July 2014	333,888
Surplus/(Deficit) Attributable to the Association	43,581
Balance as at 30 June 2015	<u>377,469</u>
Surplus/(Deficit) Attributable to the Association	(140,169)
Balance as at 30 June 2016	<u>237,300</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
Cash Flows From Operating Activities		\$	\$
Receipts From Operations		1,259,229	1,327,816
Payments To Suppliers and Employees		(1,462,603)	(1,356,722)
Interest Received		4,913	9,431
Net Cash Flows From Operating Activities	9	<u>(198,461)</u>	<u>(19,475)</u>
Cash Flows (Used In) Investing Activities			
Purchase of Property Plant And Equipment		-	(9,622)
Proceeds from Disposal of Fixed Assets		-	11,818
Net Cash Flows (Used In) Investing Activities		<u>-</u>	<u>2,196</u>
Net Increase/(Decrease) In cash Held		(198,461)	(17,279)
Cash at beginning of year		462,256	479,535
Cash at end of year	2	<u>263,795</u>	<u>462,256</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 1. Statement of Significant Accounting Policies

Yachting NSW Incorporated is not a reporting entity because the Board of Directors is of the opinion that there are unlikely to exist users who are unable to command the preparation of financial reports tailored to satisfy all of their information needs. Therefore this financial report is a "Special Purpose Financial Report" that has been prepared solely to satisfy the financial reporting requirements of the Board, its members and Associations Incorporation Act NSW 2009.

The Association is a Not for Profit entity for the purposes of reporting under the Australian Accounting Standards

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements. Unless otherwise stated, the accounting policies have been consistently applied.

Reporting Basis and Conventions

The financial statements have been prepared on an accruals basis, other than as stated below, and is based on historical costs modified by the revaluation of financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied.

a) Reporting Basis - Membership Subscriptions

Notwithstanding the use of accrual accounting in the preparation of these financial statements. Membership subscriptions are recorded on a cash received basis. This income has been historically recorded using a cash accounting method as the fees received from membership subscriptions are non refundable. The Directors have elected to continue to apply cash accounting for such income to ensure consistency with prior year reporting. The normal term for annual membership subscriptions is the year ending 30 September.

Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are carried at either cost or at independent or association's valuation, less any accumulated depreciation or amortisation applicable.

Depreciation

Property, plant and equipment are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

Depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset

Motor Vehicle 25%

Computer Equipment 25%

Yachting Equipment 10% - 40%

Plant and Equipment 20%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Impairment

The assets carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's carrying account is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Profit and loss on disposal are determined by comparing proceeds with the carrying amount. These amounts are included in the income statement.

Trade and Other Receivables

Recognition

Trade Receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollected amounts.

An allowance for doubtful debts is made when there is objective evidence that the Association will not be able to collect the debts. Bad debts are written off when identified.

Trade and Other Payables

Recognition

Trade and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid and arise when the Association becomes obliged to make future payments in respect of the purchase of these goods and services.

Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at their nominal amount.

Income Tax

The Association is exempt from Income Tax under section 23(g) of the Income Tax Assessment Act.

Provisions

Provisions are recognised when the association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Cash and Cash Equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specification criteria must also be met before revenue is recognised:

Sale of Goods or Services

Revenue from the sale of goods or services is recognised upon the delivery of goods or services to customers.

Grants

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Interest

Control of the right to receive the interest payment.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and service tax, except:

Where the amount of GST incurred is not recoverable from the Australian Tax Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of the expense.

Receivables and payables 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.

Critical Accounting Estimates and Judgments

In preparing this financial report, the directors were required to make estimates and assumptions. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Comparative Figures

Where required comparative figures have been adjusted to conform to changes made in the presentation for the current financial year

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 2. Cash and Cash Equivalents		
Cash at Bank - Operating Account	7,896	76,195
Cash at Bank - Online Saver Account	255,899	386,062
Total Cash and Cash Equivalents	<u>263,795</u>	<u>462,256</u>
Note 3. Trade and Other Receivables		
Trade Debtors	690	25,270
Less Doubtful Debts Provision	-	(1,370)
Total Trade Debtors	<u>690</u>	<u>23,900</u>
Other Receivables		
Security Deposits	4,241	4,241
Total Other Receivables	<u>4,241</u>	<u>4,241</u>
Total Trade and Other Receivables	<u>4,931</u>	<u>28,141</u>
Note 4. Prepayments and Accrued Income		
Prepaid YA Subscriptions	-	81,565
Prepaid Expenses	-	27,281
Total Prepayments and Accrued Income	<u>-</u>	<u>108,846</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 5. Property, Plant and Equipment		
Plant & Equipment		
Plant & Equipment at Cost	-	7,729
PE Accum Depreciation	-	(3,896)
Total Plant & Equipment	<u>-</u>	<u>3,833</u>
Computer Equipment		
Computer Equipment at Cost	-	22,544
CE Accum Depreciation	-	(13,828)
Total Computer Equipment	<u>-</u>	<u>8,716</u>
Yachting Equipment		
Yachting Equipment at Cost	-	51,559
YE Accum Depreciation	-	(32,764)
Total Yachting Equipment	<u>-</u>	<u>18,794</u>
Motor Vehicles		
Motor Vehicles at Cost	-	40,569
MV Accum Depreciation	-	(40,569)
Total Motor Vehicles	<u>-</u>	<u>-</u>
Total Property, Plant and Equipment	<u>-</u>	<u>31,344</u>

Note 6. Trade Creditors and Other Payables

Trade Creditors	1,320	19,908
GST Payable	(1,682)	7,171
Accruals	5,700	19,309
Deferred income	26,088	132,447
Total Trade and Other Payables	<u>31,426</u>	<u>178,836</u>

Note 7. Provisions

Provision for Employee Entitlements	-	63,640
Provision for Long Service Leave	-	10,643
Total Provisions	<u>-</u>	<u>74,283</u>
Analysis of Total Provisions		
Current	-	63,640
Non-Current	-	10,643

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$

Note 8. Accumulated Funds

Accumulated Funds at the beginning of the Year	377,469	333,888
Profit/(Loss) Attributable to the Association	(140,169)	43,581
Accumulated Funds at the End of the Year	<u>237,300</u>	<u>377,469</u>

Note 9. Cash Flow Information

Reconciliation of Cash Flows from Operations with Net Profit

Net Profit/(Loss)	(140,169)	43,581
Non-Cash flows		
Depreciation	8,710	13,622
Loss on Disposal Fixed Assets	22,634	1,581
Changes In Assets And Liabilities		
Decrease/ (Increase) In Receivables	23,211	26,366
Decrease/ (Increase) In Prepayments	108,846	(10,830)
(Decrease)/ Increase In Payables	(147,410)	(98,465)
(Decrease)/ Increase In Provisions	(74,283)	4,670
Net Cash Flow from Operations	<u>(198,461)</u>	<u>(19,475)</u>

Note 10. Other Comprehensive Expense

During the financial year the Association entered into an agreement with Australian Sailing Ltd (ASL) to deliver all services normally undertaken by the Association. Consequently all revenue and expenses normally accounted for by the Association will be accounted for by ASL. The directors have agreed to write off to the Profit and Loss Account prepaid expenses totalling \$179,481 for the period post June 30 2016 that would normally have been offset by revenues collected in that subsequent period.

Note 11. Significant Events after the Balance Date

During the financial year the Association entered into the One Sailing Implementation Agreement (The Agreement) with Australian Sailing Ltd (ASL). Whereby ASL is to deliver services normally undertaken by the Association. Consequently all revenue and expenses normally accounted for by the Association will now be accounted for directly by ASL. The effect of The Agreement will be that the Association's Financial Statements for the year ending 30 June 2017 will be significantly different to those in this report.

One exception to the above is in relation to membership subscriptions. To remain compliant with the Association's constitution, membership subscription income will continue to be collected by the Association, but then directly on paid to ASL. This treatment will not have any net impact on the Association, but will continue until the Association's constitution is altered to allow club fees to be collected directly by ASL. Other than the above no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

STATEMENT BY THE BOARD OF DIRECTORS

The Board has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements

In the opinion of the Board the financial statements as set out on pages 3 to 12:

1. Presents a true and fair view of the financial position of Yachting New South Wales Incorporated as at 30 June 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Yachting New South Wales Incorporated will be able to pay its debts as and when they fall due.

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

President - Richard Hudson

A handwritten signature in black ink, appearing to read 'Richard Hudson', written in a cursive style.

Dated this 7th Day of September 2016

**INDEPENDENT AUDIT REPORT
YACHTING NEW SOUTH WALES INC.
A.B.N 32 642 142 038**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report of Yachting New South Wales Incorporated (the association) which comprises the statement of financial position as at 30 June 2016, the statement of profit and loss and other comprehensive income, statement of changes in members funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the Board of Directors.

Board of Director's Responsibility for the Financial Report

The Board of Directors of the association is responsible for the preparation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporations Act NSW 2009 and is appropriate to meet the needs of members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 entity's preparation and fair presentation 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 board as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Basis of Accounting and Restriction on Distribution

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporations Act NSW 2009. As a result, the financial report may not be suitable for another purpose.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects the financial position of Yachting New South Wales Incorporated as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporations Act NSW 2009

Signed



Edward Psaltis
Principal. Registered Company Auditor Number 156240
E Psaltis & Co
Chartered Accountants

Dated this 7th day of September , 2016