

Annual Report 2022-2023

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OFFICE BEARERS

Office Bearers

GENERAL COMMITTEE

ROLE	NAME
Commodore	Georgie Silverwood
Vice Commodore	Scott Llewelyn
Rear Commodore	Mark Klemens
Secretary	Nikki Schwarz
Treasurer	Shaun Chalmers
Club Captain	Tim Collett
Committee	Adam Richards
Committee	Debra Kwasnicki
Committee	Howard Critchley
Committee	Richard Martin
Committee	Rollo Wright

OUR TEAM

ROLE	NAME
General Manager	Gavin Wall
Communications & Sponsorship	Hollie Hick
Finance	Deborah Hodgson
Accounts & Membership	Karen Harvey
House Manager	David Sherlock
Restaurant	Robert Skipper
Head Chef	Bernard McCarthy
Sailing	Ben Fels
Sailing Administration	Julia Mackinnon
Training	David White
Volunteers	Debra Kwasnicki

COMMODORE'S COMMENTS

Commodore's Comments

Having now completed my second full year as Commodore, I am pleased to provide you with the Annual Report for the 2023 financial year.

This past year has yet again come with a few challenges, most notably delays with the redevelopment project resulting in a rushed opening for the summer, and the contracted builder subsequently going into liquidation. This, in particular, was an unforeseen and challenging situation to work through, both in terms of determining an appropriate strategy to complete the building works, and the interim impact it had on our funding facilities. Through careful assessment and management of the risks this situation presented, the General Committee and Management were able to get the project back on track and complete the redevelopment, and I hope that you will agree that our new Clubhouse looks amazing. I wish to thank a few of our members that have gone above and beyond to bring this project home; firstly, Rollo Wright who has put so much time and energy into seeing this project through and Jono Long of Long Contracting who stepped in and filled the shoes of Builder, ensuring continuity by employing the outgoing Site Manager and delivering a high-quality finished product.

You will see in this Annual Report that the Club has returned a surplus, and our balance sheet remains in a reasonable position as we head into the 2023-24 financial year. Our next focus is to pay down the loan facility as quickly and responsibly as possible.

Operating a temporary Clubhouse was always going to be an expensive venture but as a Committee we were committed to continuing to offer hospitality services to our Members, albeit on a restricted scale. Getting back into the Clubhouse before Christmas was important for the Club and our Members, and we were able to enjoy the summer despite the facilities not being complete.

Our membership has remained stable, with the normal resignations and new member intakes almost offsetting each other. Our current total membership count sits at 4,721, of which 3,118 are full members. I am pleased to say that the Young Adults category continues to grow which is an important strategic priority for the Club. Further information in relation to our membership is on page 15 of this report.


You will have seen a few changes in the Management Team over the past 12 months with CEO Henry Dyer departing at the start of this calendar year as well as our Operations Manager Kieran Wicks and most recently F&B Manager Dan Mestan. I am delighted however that we have welcomed on-board Gavin Wall as our new General Manager, David Sherlock as the House Manager, Ainslee Duncan as Events Manager and Paul Patterson in Maintenance.

As always, we could not host the regattas and numerous Club events without our sponsors and I take this opportunity to thank them for their support throughout the year.

I would also like to extend a thank you to our General Committee, Sailing Committee and the many sub-committees within our Club. They work very hard to make sure we are one of the best sailing clubs in Australia, and I am very grateful for their support.

COMMODORE'S COMMENTS

Our Club Treasurer, Club Captain and General Manager will go into more detail on the Club achievements, which leaves me to just say thank you to all Members for your support, understanding and continued commitment to the Club over the past few years. I, and your General Committee look forward to smooth sailing in the year ahead.



Georgie Silverwood

Commodore

October 6, 2023

GENERAL MANAGER'S REPORT

General Manager's Report

I am thrilled to present my first General Managers report. The first few months here at the Club have been a great experience, filled with numerous opportunities to meet new Members and gain a deeper understanding of our Club's essence and the desires of our Members.

STRATEGIC HIGHLIGHTS

The most important component of any Club Strategy starts with our Membership. Accordingly, in May and June, I actively engaged in running a number of focus groups aimed at providing different user groups with a platform to express their thoughts on what is working well and areas where improvements are needed within the Club.

First and foremost, we are a Sailing Club and to that end, we have been working closely with the sailing team, Sailing Committee and the Couta Boat Association to evaluate our current offerings and explore avenues for growth across all sailing classes at the Club. We have been looking closely at our sailing calendar and finding opportunities to identify areas where we can support and enhance our current programs and introduce new people to on-water participation. Our aim is to increase participation and promote a vibrant sailing culture within our Club.

Another area of focus is our food and beverage offering. We are committed to enhancing the overall experience of our Members, and to that end, we are diligently working on developing a new and improved food and beverage offering. Our goal is to provide quality food, an exciting selection of wines, and exemplary service across a range of price points. Additionally, we are in the process of crafting new event packages catering to our Members as well as potential corporate customers. I hope many of you enjoyed our soft launch of the new Clubhouse, featuring updated menus in early September and took advantage of our expanded opening hours to include Thursday nights, ensuring our Members have more opportunities to enjoy the Club and our new food and beverage offerings.

Member engagement is of utmost importance to us, and we are dedicated to reinvigorating our volunteer opportunities and engagement initiatives. It's important that our Members feel valued and connected to the Club. To achieve this, we launched a number of member-focused events and functions to encourage camaraderie and a sense of belonging. We also invite Members to get involved in volunteering, whether regularly throughout the sailing season or on a more ad hoc basis like at the Waszp Worlds coming up in December.

Moreover, we warmly welcome our Members to utilise our lounge space, even during periods when the food and beverage department is closed. Whether for work or relaxation, the Members' Lounge is open for our Members' enjoyment Tuesdays - Sundays.

Our commitment to preserving our Club's heritage is paramount. I hope you are pleased with the work of the heritage group work as displayed across the new Clubhouse. The aim is to create an environment that embodies the unique spirit of our Sailing Club.

OPERATING HIGHLIGHTS

The Team gained access to the new Clubhouse late in December and proceeded to bump in and start the Summer season within a week, a big challenge for all! I would like to take this opportunity to thank the Operational Team on their commitment and dedication to getting the Club up and ready for the Season.

GENERAL MANAGER'S REPORT

The next challenge arose when our builder went into voluntary administration, which saw all works come to a halt and our finance facility frozen. Once again, the Committee and Management Team rose to the challenge and got things back on track, something that could not have been done however without our Membership coming to the fore and paying their annual subscriptions early.

Our first of the Member engagement events Christmas in July was sadly interrupted by our on-going plumbing woes but the Bastille Day Dinner was a sellout. What I hope to be a more regular feature, Band Night, was a huge success being able to take advantage of the new enclosed 'Western Deck' function space meant more room for dancing.

LOOKING AHEAD

I look towards continuing to revitalise our Club, taking full advantage of our new facilities and being able to provide a haven for sailing enthusiasts and a place that meets the desires and needs of our diverse membership base.



Gavin Wall
General Manager
October 6, 2023

CLUB CAPTAIN'S REPORT

Club Captain's Report

It was nice to be back in the clubhouse for the start of our Sailing Season, and there has certainly been a lot achieved on land and water since that time.

COUTA BOAT RACES

The season started early for some who took their Couta Boats to Sydney for the Wattle Cup and Gaffers Day on Sydney Harbour back in October. That was followed by the Division One Nationals on Pittwater. It was an incredible adventure that created firm friendships and memories for all involved.

Opening Day was delayed a few weeks to allow the fleet to return from Sydney and bring the Clubhouse to completion. As the fleet battled for the Wooden Boat Shop Series, we saw the deck finally reopen and prepared for the first full season in three years.

Summer definitely saw some brilliant sailing although the weather was not always kind. The carsales Portsea Cup was raced a few hours early to take advantage of a wind window. KPMG Day was too windy to put up sails and turned into a motor cruise. However, the weather was perfect for the Pommery Lady Skippers Day which saw a record 38 boats, 200 sailors and spectators and some very close competition.

Our youth sailors had ample opportunity to shine with the Acacia Energy Next Gen Regatta and carsales Twilights. We are now seeing younger sailors out every week with the Couta Boat fleet and the stellar performance of Margarita and Jessamine is testament to their skills.

Another highlight of the season was the Division Two National Titles held at Queenscliff. A big fleet raced across the waters in a dying breeze and ripping tide. That was followed by a series of local races and dinner at 360Q. Great connections were made with QCYC and QLYC and we are now planning for an annual event on the dark side of the bay.

Sadly, the weather prevented the return of the Mud Island Race but this will definitely be on the calendar next season. One of the priorities of the sailing committee has been to provide a wider variety of races to meet the needs of sailors across all our fleets.

OFF THE BEACH SAILING

The junior sailing program has been popular this year and it is great to see big fleets on the water every Sunday and enthusiastic family support on land. We also had 21 of our boats compete in the Opti State Titles in Mornington and 15 families head to the Opti Nationals on Pittwater.

The Club hosted a number of regattas for our dinghy sailors. These included the Victorian Youth Championships and the Wazsp State Titles. They provided good practice for the Wazsp World Titles we are hosting this coming December.

Keeping juniors involved past the Opti stage and growing the dinghy fleet is an ongoing priority for the club. We are now seeing more Wazps at the club and the beginning of a 29'r fleet. The Next Gen committee are also working on some exciting teams' plans racing for our youth sailors.

THANK YOU

Sailing remains the beating heart of the Club. Thanks to our full-time sailing team Ben Fels, David White and Julia MacKinnon. Also, our regular volunteer race officers Peter Osbourne, Deb Kwasnicki, John Philpot, Anne Philpot, Kerry

CLUB CAPTAIN'S REPORT

McNamara, Anne Heal, Serena Doyle, Bret Levenspiel, Michelle Levenspiel, Bruce Heal, Siobhan Kelley, Les Mengoni, Chris Clapp, Kevin Hall and Maree Deeth.

After three years my time as Club Captain comes to an end. I have enjoyed every minute of the experience and thank everyone for their support. I trust you will join me in welcoming the new Club Captain Harry Mighell. As one of our top dinghy and Cota Boat sailors I cannot imagine anyone more qualified for the position.

Tim Collett



Club Captain

October 6, 2023

Sailing Committee 2022-23:

- Tim Collett
- James Mighell
- Tom Trotman
- Peter Osbourne
- Andrew Skinner
- Drew Marget
- Sally Law
- Rhys Tucker
- Deb Kwasnicki
- Nick Sankey
- Scott Llewelyn

TREASURER'S REPORT

Treasurer's Report

OVERVIEW

I am pleased to present my fifth Treasurer's report to Sorrento Sailing, Couta Boat Club (SSCBC, the Club) Members. SSCBC reported a statutory surplus of \$418k for the 12 months ending 30 June 2023 (2023). Please note the comparative period result of \$85k deficit presented in the financial statements and below comprises the 15 months to June 2022 (2022).

The 2023 year was highly challenging operationally and financially as the Club managed delivery of the redevelopment project whilst continuing sailing and training programs and food and beverage operations. Multiple factors contributed to extensive building program delays. Mercifully, occupancy of the partially complete clubhouse was granted just in time for the busy summer holiday period which enabled the operation of profitable bar, dining room and beach club outlets. It was a remarkable achievement of the team to bump in and ramp up operations in such a short timeframe.

In parallel with achieving occupancy prior to Christmas, sustaining capital investments were made with the acquisition of a Highfield Patrol 660 to our support vessel fleet and essential jetty refurbishment works.

Building works resumed in February which detracted from amenity and necessitated regular cleaning and movement of furniture, impacting both revenue and cost on the downside.

The annus horribilis was confirmed in April when Lloyd Group entered administration, building works ceased and our finance facility was frozen with material drawdowns pending. To ensure sufficient operating cash flow, the General Committee made the prudent decision to invoice 2023/24 subscriptions early which Members supported overwhelmingly as evidenced by the payment profile. Note that receipts for 2023/24 subscriptions and building levy are treated as unearned income and do not contribute to revenue in 2023.

The 2023 year concluded with a number of positive developments. Operating liquidity was stable, security deposits on the building contract were claimed and legacy exposures to Lloyd Group were finalised. Long Contracting was appointed to conclude building works and the bank unfroze facilities and processed pending drawdowns.

At 30 June 2023, the finance facility was drawn to \$2.8m. As final claims are processed, club debt is projected to peak at \$3.9m. An illustrative pathway for repayment is outlined later in this report.

OPERATING UNIT PERFORMANCE

Set out in the table and commentary below is a summary of the relative performance of each operating unit within the Club.

TREASURER'S REPORT

\$000s	2023	2022 (15 mths)	Var
Net club fees	2,609	2,140	469
Members services	(141)	(213)	72
Food and beverage	(347)	(282)	(65)
Sailing	(240)	(261)	21
Training centre	(103)	(143)	40
Communications and sponsorship	70	39	31
Maintenance	(396)	(461)	65
Net general and administration	(653)	(530)	(123)
Operating unit surplus/(deficit) before depreciation	799	290	509
Depreciation	(381)	(374)	(6)
Reported surplus/deficit	418	(85)	503

Club Fees includes subscriptions, join fees and levies. The increase is largely driven by the introduction of the building levy which raised \$410k. Join fees of \$207k were consistent with the prior year with the balance of the increase attributable to subscription yield and minor membership growth.

Member services costs decreased compared to 2022 due to fewer events during the redevelopment period. Additionally, costs for the membership manager position were allocated to general and administration in 2023 and no longer captured in this operating unit.

Food and beverage reported a deficit of \$347k. This reflected a number of factors including the cost of retaining our team through the redevelopment period, operating the temporary facility and associated inefficiencies, costs to bump in and start up the clubhouse when occupancy was granted, inflation which eroded food and beverage margins and inefficient rostering. Whilst there were multiple one off-factors the Committee recognise that reported losses in food and beverage in 2022 and 2023 are not sustainable. The Committee, Management and the food and beverage team have implemented initiatives to improve performance and the impact is observable in current trading. A favourable surplus is projected in 2024 as patronage improves and the facility is utilised for functions.

Sailing and Training costs represent wages for our paid and casual on water team. Year on year expenses were consistent (note lower costs in 2023 reflects the 12 month reporting period compared with 15 months in 2022).

Communications and sponsorship improved due to the return of sponsor events following COVID and new sponsors.

Maintenance costs reported in 2023 are broadly consistent with the prior year. The prior year represented 15 months of costs and if adjusted to 12 months the comparable 2022 is \$368k.

Net general and administration reported increased costs due multiple factors including the allocation of membership manager costs to this unit, general inflation, higher insurance premia, legal costs to manage the Lloyd insolvency and interest on debt.

TREASURER'S REPORT

UNDERLYING EBITDA

\$000s	2023	2022	Var
Reported surplus/deficit	418	(85)	503
Add back			
Net interest	82	(3)	85
Depreciation	381	374	7
Reported EBITDA	881	286	595
Joining fees and other deferred income	(207)	(231)	24
Building levy	(410)		
Net COVID related support and expenditure	0	(291)	291
Underlying EBITDA	264	(236)	500

Underlying EBITDA is an important metric to assess the extent to which Club operations are funded by subscription income only. Pleasingly this metric reported a surplus of \$264k, an increase on both 2022 (c.\$236k on a 12 month basis) and 2021 (\$198k). It is critical that the underlying EBITDA surplus is increased in 2024 and beyond to generate cash to service and repay debt and invest in our support vessel fleet and other assets to sustain and grow sailing activity. Improved performance of the food and beverage division has the potential to materially increase underlying EBITDA. Favourable food and beverage results are observable in July to September 2023 financial results providing an optimistic outlook for the 2024 financial year.

CAPITAL EXPENDITURE

\$000s	2023
IT	9
Support fleet	86
Food & Beverage	48
General Building and Grounds	7
Jetty Refurbishment	94
Other	4
Capital expenditure (ex redevelopment)	248
Building Works	6,540
Catering Equipment & Furniture	207
Office Furniture & Wifi	19
Project Management & Administration	231
Design Consultants	194
Redevelopment expenditure	7,192
Total capital expenditure	7,441

Capital expenditure in 2023 totaled \$7.441m, the majority of which related to the clubhouse redevelopment project. In addition, the following key investments were made to sustain water-based operations:

- Highfield Patrol 660 acquisition. The rubber inflatable support vessels are favored by our on-water stakeholders as they are more versatile and practical. Note that one of the aluminum vessels was sold for near book value.
- Jetty refurbishment works. Club staff and contractors worked closely with the Wooden Boat Shop to undertake essential maintenance works to the Club jetty.

TREASURER'S REPORT

CASH AND DEBT POSITION

At 30 June 2023 the cash on hand balance was \$1.208k (2022: \$3.066k) and club debt was \$2.829k. Our debt facility has a limit of \$4.0m. Liquidity is sufficient to fund redevelopment to completion and club operations for the year with headroom.

REDEVELOPMENT & FUNDING

As outlined in regular Member communications the redevelopment project encountered multiple challenges. The financial impact is twofold, a material budget overrun and delayed program completion date which reduced operational income. The Committee and Management implemented the following (not exhaustive) proactive and sensible initiatives to ensure financial sustainability whilst continuing to deliver sailing and other programs:

- cost control in all departments;
- non-essential capex deferred;
- sale of surplus assets (e.g. Tally);
- renewed focus on fundraising including donations;
- early payment of subscriptions and levies; and
- securing an increase in the finance facility.

The redevelopment project is now effectively complete with minor interior works and landscaping outstanding. The table below presents total costs incurred on the project from inception to September 2023.

Class	\$00k	2017-21 (4 Years)	2021-22	2022-23	2023-24 YTD	Total
Building Works			\$ 430.37	\$ 6,539.75	\$ 662.36	\$ 7,632.48
Catering Equipment & Furniture			\$ 8.01	\$ 207.30	\$ 7.20	\$ 222.50
Design Consultants	\$	470.65	\$ 338.38	\$ 194.48	\$ 13.00	\$ 1,016.51
Project Management & Administration	\$	87.64	\$ 83.32	\$ 231.35	\$ 31.68	\$ 433.99
General - Furniture			\$	7.53	\$	\$ 7.53
	\$	558.29	\$ 860.08	\$ 7,180.40	\$ 714.24	\$ 9,313.01

Total project costs materially exceeded the budget established at the inception of the project. Note that this table also includes costs for an earlier scheme. The latent site conditions and market conditions which drove the overrun could not have been foreseen when the decision to proceed was taken. Had that decision not been taken in January 2022 and the project delayed it is probable that subsequent tender prices would have rendered the scheme unachievable. This would have resulted in a large write-off of sunk costs and a likely redesign to a facility of smaller scale, reduced functionality, lower quality specification and additional years until completion. The delivered project is a world class facility proven at recent sailing and social events with outstanding functional performance. This asset provides SSCBC with a foundation for financial and operational success in the near, medium and long term.

REPAYMENT OF CLUB DEBT

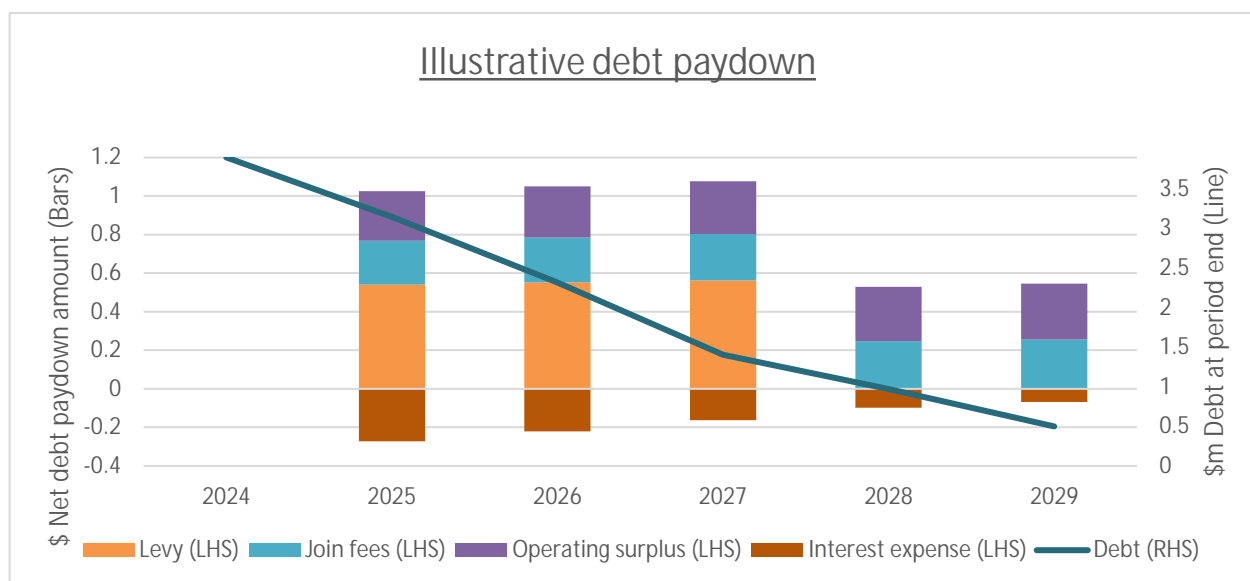
Prompt repayment of the Debt must be a primary objective of the Club. The key sources of funding to repay debt are:

- Building levies
- Join fees for new members;
- Operating surpluses; and
- Donations and fundraising.

TREASURER'S REPORT

Set out below is an illustrative debt pay down chart based on the following assumptions:

- Club debt is \$3.9m at June 30 2024;
- Building levies are in place for a further three years (total five years of levies) and retained at the 2023/24 rate;
- New members join fees of \$220k in 2025 increasing at 3% per year. This can be achieved largely through member churn with low or nil increase in membership numbers. Should the club have capacity for net membership growth, income from join fees could be further increased to expedite repayment;
- An operational surplus of \$250k in 2025 (after sustaining capex) increasing at 3% per year;
- Nil fundraising or donations assumed for conservatism (albeit fundraising activities will occur); and
- Interest expense of 7%.



As shown by the chart debt at 30 June 2029 (five years from end of 2024) would be under \$0.5m under the outlined scenario. Fundraising has the potential to materially improve this profile and the General Committee is currently working on multiple initiatives on this front. The purpose of this analysis is to demonstrate that repayment within an acceptable timeframe is feasible under a scenario of supportable assumptions. I note this analysis is illustrative only and does not represent a commitment around building levies. Determining levies will be a matter for the Committee and Treasurer at future junctions.

CONCLUSION

I am stepping down as Treasurer and from General Committee at this AGM as my family has recently moved internationally. During my time as Treasurer the Club has evolved significantly with many initiatives implemented to support the evolution of the Club, particularly in the finance department with systems and personnel. These initiatives provided the foundation to establish an in-house food and beverage capability, navigate COVID, grow membership and deliver a challenging and ambitious redevelopment.

It has been an honour to serve on the General Committee Member and as Treasurer for the past seven and five years respectively. I thank my Committee Colleagues, club staff and particularly our Finance Manager Deborah Hodgson for their unwavering support throughout.

Notwithstanding the debt repayment task which lays ahead, the Club is in a sound position and poised to flourish. I am delighted that Andrew Scott has nominated for General Committee and Treasurer and as the only candidate will be

TREASURER'S REPORT

confirmed at this AGM. I have known Andrew personally and professionally for over 10 years and confident he will serve the Club with competence and professionalism.

Now a resident of New York, I will not be able to attend SSCBC as frequently but look forward to visiting when I am in Australia, getting on the water and enjoying a drink with Members at the bar.

A handwritten signature in black ink, appearing to be 'SC', with a long horizontal line extending to the right.

Shaun Chalmers
Treasurer
October 6, 2023

FINANCIAL SUMMARY

Financial Summary

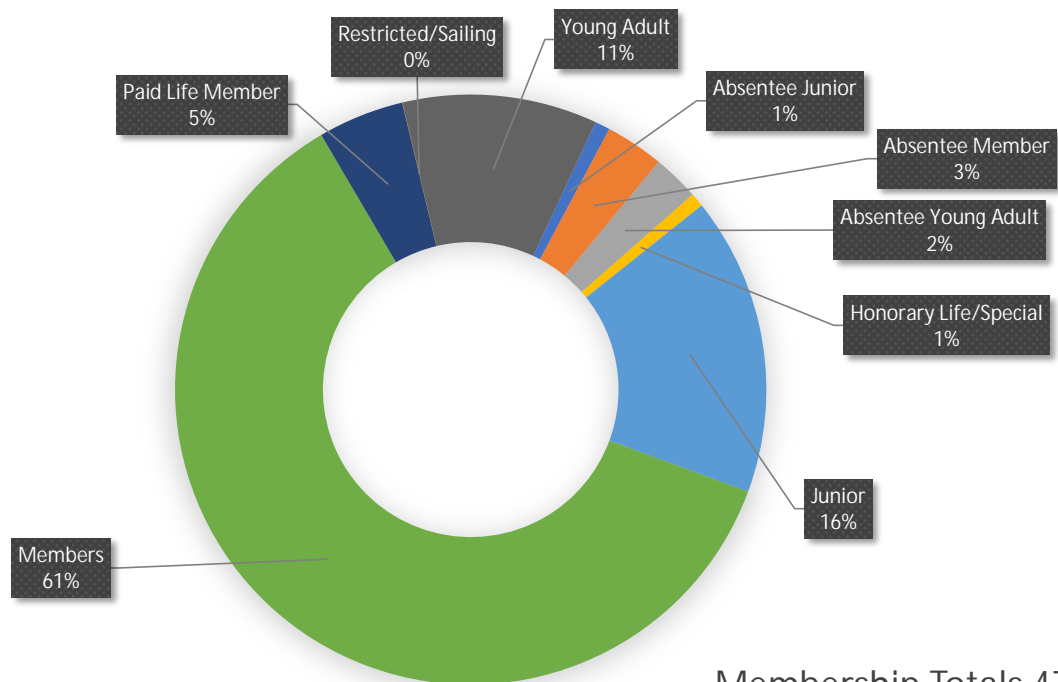
The 2022-23 financial year included five months of trading in the Temporary Club House and then once we could occupy the Club House, albeit not completed, which did restrict trading to a small extent.

The voluntary administration by Lloyd Construction resulted in our loan facility being put on hold but the support of our Members when asked supported the cash flow until the loan facility could be reinstated.

The Treasurer's report speaks to the Financial Statements; below are a few key statistics which add some of the 'colour' to our accounts.

MEMBERSHIP

Membership as at 30 June 2023 sat at a total of 4,721 Members (based on 'head count'). The increase over 2022 (4,549) is largely attributable to Young Adult Members. The graph below shows the split of membership by category.



Membership Totals 4721

FINANCIAL SUMMARY

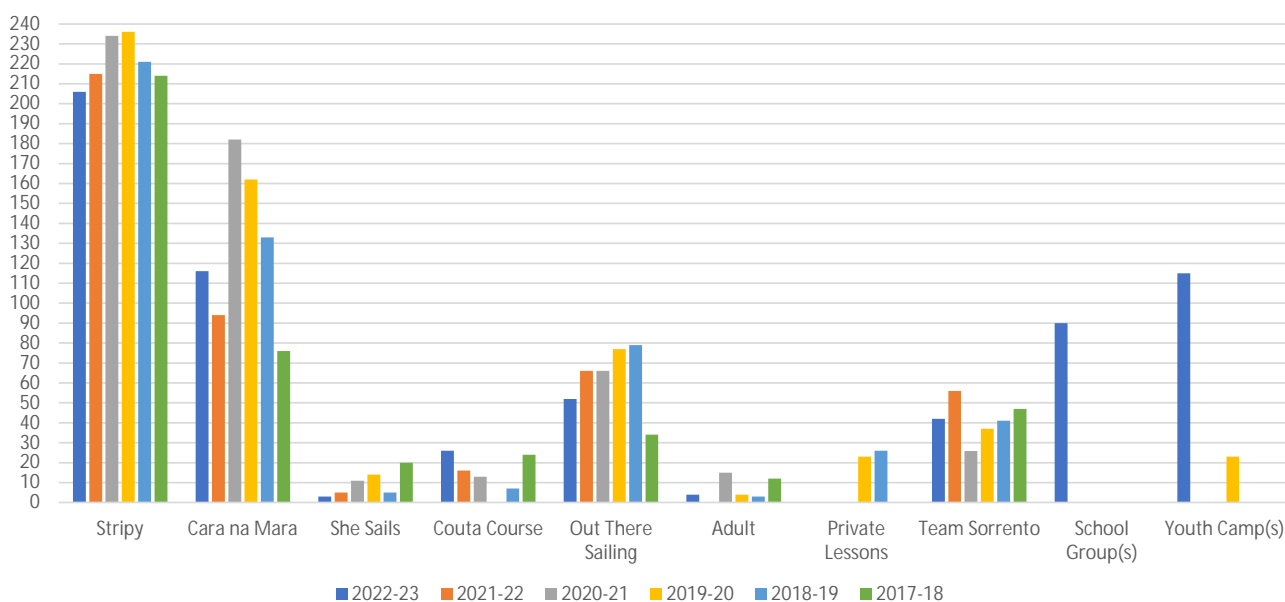
SAILING CENTRE

The new Sailing Centre and staff room is brilliant, even though it is not yet 100% complete, the vibe and flow over summer was great. The input into course set up by Julia Mackinnon has been great and is very much appreciated.

Early season course bookings were slow to gain traction, possibly as a result of the uncertainty around the Clubhouse opening. This did allow for our seasonal instructors to find their feet and refresh themselves. At the end of the season though we had to add in two additional Stripy courses to cater for demand.

The Sailing Centre had a total of 654 participants in its various courses during the 2022-23 Sailing Season – a leap on the previous year of 452. The factors behind this being no COVID issues and 115 participants in the Victorian Youth Camp.

The graph below breaks the participants up across the various courses on offer and shows a comparison against the previous four years.



Our Junior program is still our greatest strength and the youth program is still the area we can improve on the most. The partnership with state associations (Opti, Laser, Waszp and Team Racing) is vital to our sailing strategy and growing our fleet.

The Junior and ILCA 4 results at regatta's are arguably the strongest the club has ever produced, with the Optimist Team Racing Nationals (all four Team Sorrento sailors), Male and Female National Champion in the Optimist, 3 places on a worlds team and the ILCA 4 National Titles.

These sailors were supported by what is now 3 National Optimist Coaches in Jack Lewis, Peter McCann and David White.

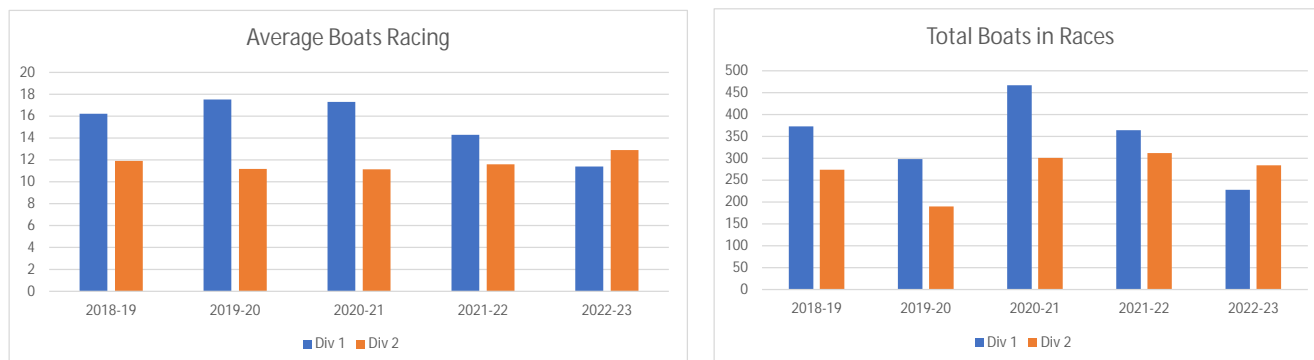
One challenge that has come up from success is the balancing act of Club sailing and High Performance with conflicting goals, a difficult thing to balance. To counter this we have instigated constant communication with sailors and parents to ensure we are all on a similar page.

Our Next Gen sailors have been active via: Couta Boat Sailing; Wing foiling; Waszp, and 2K Sailing. It is great that this group also took out a Nationals Titles at 2K Sailing in Tasmania and are planning on competing at the event again this coming April.

FINANCIAL SUMMARY

SAILING

Aggregate Coutu Boat participation decreased overall and in Division 1, although there was continued strong growth in Division 2 where teams find this boat easier to sail and easier to find crew.



The format of the aggregate is being enhanced in the coming season to make it easier for boats to be in contention for the aggregate for more of the season.

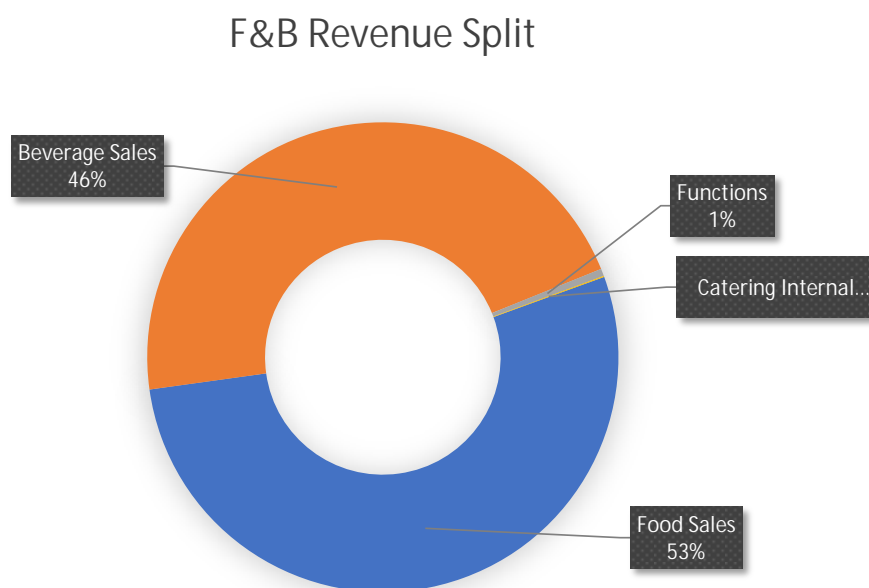
The largest racing events were those which had accompanying events associated with them, Lady Skippers being the biggest at 37 boats, with Portsea Cup, Next Gen and the Last Passage aggregate before the presentation seeing very good turn outs. Winter Series sailing recovered assisted by having a clubhouse, mixed racing formats and crews combining to get more boats on the water.

The opportunity for the coming season is to entice more boats to sail more often and the Aggregate Series is being reset to encourage this along with some simpler, yet engaging racing formats.

FINANCIAL SUMMARY

FOOD AND BEVERAGE

The following graph shows the percentage split of Food and Beverage revenue: where Club Events represents Member events e.g. presentation night etc.; Catering Internal is the food and beverage supplied to regattas and volunteer packs; and Functions are external events such as weddings. The largest portion of food and beverage sales represent revenue from Members and guests.



COMMUNICATIONS

We have approximately 3k followers across our social media platforms: Instagram and Facebook. We have had a small gain in followers over the last financial year but we are looking at ways of further engaging with our followers through our platforms. Even though our reach (views of content) on these platforms decreased on Facebook and Instagram (19% and 29% respectively) compared to the previous financial year, we still have 256k and 260k reach respectively across the two platforms. We will continue to profile our activities on both platforms to engage our followers.

Our electronic newsletter, eTidings, emailed to Members weekly, has a readership of approximately 60%. The food & beverage newsletter, also emailed to Members weekly, is slightly higher at an average of 66% and is now sent out earlier in the week to inform Members of the coming weekend's specials to give them further notice and make plans.

Our Member magazine, Tidings, is mailed to Members once per year, around July / August, to report on the previous season and Club activities, as well as providing an overview of the coming season, including sailing, events, volunteer news, Committee reports and sponsor news.

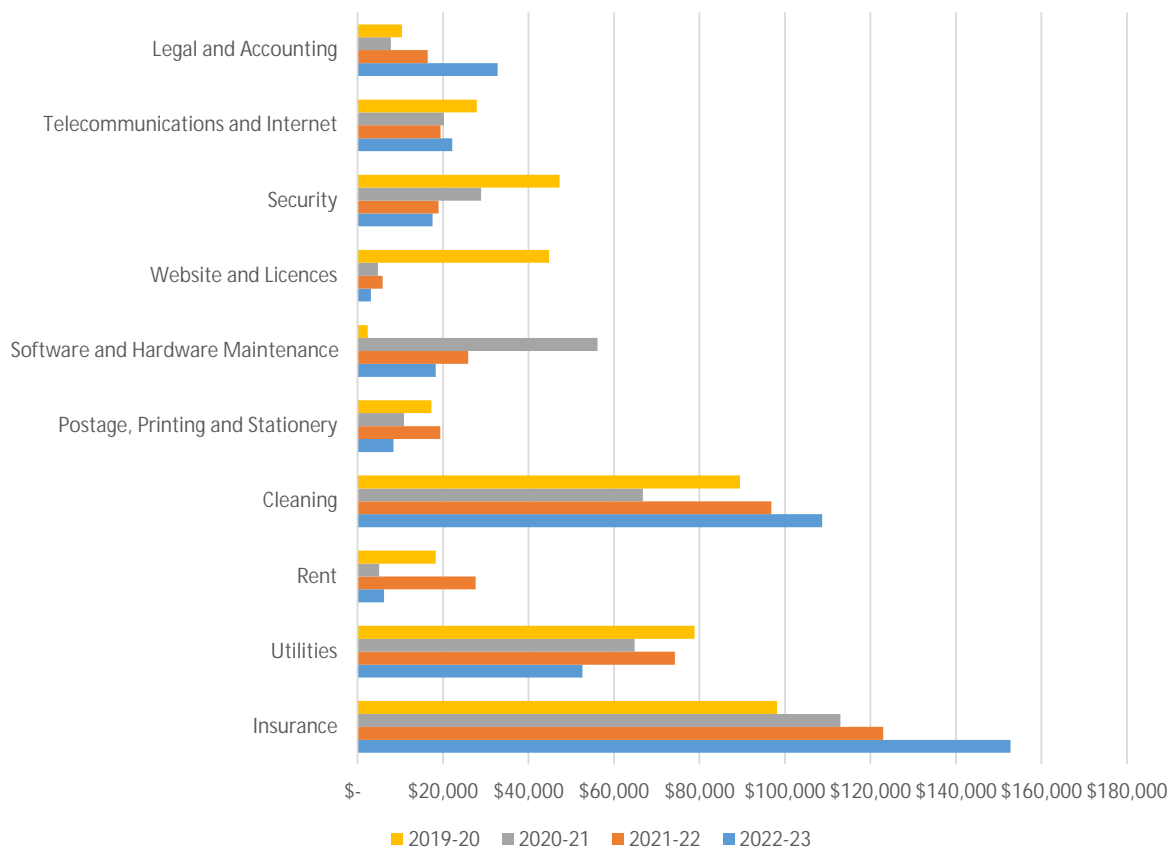
In terms of our website, the boat cam and boat for sale pages still remain the most visited. News & Events is the next most visited page on our site, so Members and visitors are going to the News section to keep up with what's on.

Just a reminder, if you change your physical address or email, please let us know so we can update our records and keep you in the loop with what is happening at your Club.

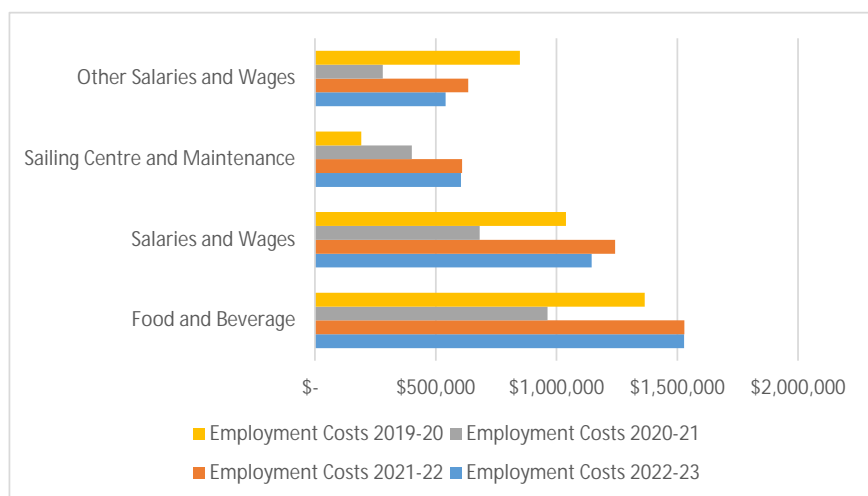
FINANCIAL SUMMARY

EXPENDITURE

The charts below shows a comparison of the major administrative expenditure of the Club. It is important to remember that the 2021-22 financial year was for a 15-month period and that during that time many of the Club's normal administration expenditure items where not incurred, for instance insurance during construction did not include Industrial and Special Risks (Building) as the club was then covered by Builders Works insurance.



The following graph shows the employment costs for the Club.



Sorrento Sailing Couta Boat Club Inc.

Financial Statements

For the Period Ended 30 June 2023

FINANCIAL SUMMARY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Period Ended 30 June 2023

		2023	2022
	Note		<i>15 Months ending 30 June 2022</i>
		\$	\$
Sales revenue	3	5,482,393	5,297,550
Cost of sales		-2,291,467	-2,251,300
Gross profit		<u>3,190,926</u>	<u>3,046,249</u>
Finance income		16,281	8,860
Other income		103,523	10,177
Administrative expenses		-863,881	-884,388
Depreciation expenses		-380,620	-374,289
Department expenses		-1,513,005	-1,870,559
Other expenses		-36,431	-14,650
Finance expenses		-98,390	-5,910
Profit/(loss) for the year		<u>418,404</u>	<u>-84,509</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>418,404</u>	<u>-84,509</u>

FINANCIAL SUMMARY

STATEMENT OF FINANCIAL POSITION

As At 30 June 2023

	Note	2023	2022
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,207,841	3,065,986
Trade and other receivables	6	19,739	43,827
Inventories	7	49,606	23,202
Other assets	9	156,561	90,020
TOTAL CURRENT ASSETS		1,433,748	3,223,035
NON-CURRENT ASSETS			
Right-of-use asset	10	68,996	89,800
Property, plant and equipment	8	12,193,660	5,173,203
TOTAL NON-CURRENT ASSETS		12,262,656	5,263,003
TOTAL ASSETS		13,696,404	8,486,039
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	460,364	69,780
Borrowings	12	329,487	-
Lease liabilities	15	5,013	5,013
Employee benefits	13	256,237	171,775
Other liabilities	14	1,714,244	253,658
TOTAL CURRENT LIABILITIES		2,765,344	500,226
NON-CURRENT LIABILITIES			
Lease liabilities	15	71,639	89,640
Borrowings	12	2,499,686	-
Other liabilities	14	2,999,739	2,954,581
TOTAL NON-CURRENT LIABILITIES		5,571,064	3,044,221
TOTAL LIABILITIES		8,336,409	3,544,447
NET ASSETS		5,359,995	4,941,591
EQUITY			
Reserves		37,433	37,433
Retained earnings		5,322,562	4,904,158
TOTAL EQUITY		5,359,995	4,941,591

FINANCIAL SUMMARY

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2022	4,904,158	37,433	4,941,591
Surplus attributable to members	418,404	-	418,404
Balance at 30 June 2023	5,322,562	37,433	5,359,995

2022

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2021	4,988,667	37,433	5,026,100
Deficit attributable to members	-84,509	-	-84,509
Balance at 30 June 2022	4,904,158	37,433	4,941,591

FINANCIAL SUMMARY

STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from members		6,006,944	5,761,116
Payments to employees and suppliers		-3,317,404	-5,541,124
Interest received		16,281	8,898
Finance costs		-98,390	-5,910
Net cash provided by/(used in) operating activities	19	<u>2,607,432</u>	<u>222,980</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		60,741	23,136
Purchase of property, plant and equipment		-7,353,196	-1,272,932
Net cash provided by/(used in) investing activities		<u>-7,292,455</u>	<u>-1,249,796</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		2,829,173	-
Lease repayments		-2,295	-6,195
Net cash provided by/(used in) financing activities		<u>2,826,878</u>	<u>-6,195</u>
Net increase/(decrease) in cash and cash equivalents held		-1,858,145	-1,033,011
Cash and cash equivalents at beginning of year		<u>3,065,986</u>	<u>4,098,997</u>
Cash and cash equivalents at end of financial year	5	<u>1,207,841</u>	<u>3,065,986</u>

FINANCIAL SUMMARY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

1. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Associations Incorporation Reform Act 2012* and Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board. The Association is a not-for-profit entity for financial reporting purposes under Australian Account Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

2. Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

At inception of a contract, Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by Association where Association is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. The right-of-use assets comprise the initial measurement of the corresponding lease

FINANCIAL SUMMARY

liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost, less accumulated depreciation and impairment losses.

(c) Leases

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(d) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from the sale of goods and services 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.

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Admission fees are brought to account as revenue over the same time period as the average tenure of membership (assumed to be 20 years).

Life memberships and life locker use rights are brought to account as revenue over the expected use period which is based on life expectancy.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Other revenue is recognised when the right to receive the revenue has been established.

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations

FINANCIAL SUMMARY

3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Sale of goods

Revenue from sale of goods is recognised when the goods are physically transferred to the customer.

Member subscriptions, admission fees, merchandise and gallery, and sponsorship and advertising

Income from these sources is recognised when the income is earned which is usually when the service is performed.

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

(g) Property, plant and equipment

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

The carrying amount of the jetty is reviewed annually by the committee to ensure it is not in excess of the recoverable amount of the asset. 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.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available 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. The depreciation rates used for each class of depreciable asset are shown below:

FINANCIAL SUMMARY

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant, Equipment and Furniture	10%-33.3%
Water Storage & Treatment	2.5%-3%
Jetty	5%
Boats	7.5%-20%
Moorings	2.5%
Motor Vehicles	22.5%-33.3%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Cash and cash equivalents

Cash on hand includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

FINANCIAL SUMMARY

3. Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue		
- sale of goods and services	2,924,590	2,761,674
- membership fees	2,022,889	1,970,898
- admission fees	182,991	207,076
- life memberships and lockers	45,897	47,336
- other income	306,025	310,566
Total Revenue	5,482,393	5,297,550

4. Result for the Year

The result for the year includes the following specific expenses:

Employee benefit expenses	514,537	505,450
Net gain/(loss) on disposal of property, plant and equipment	103,523	
Superannuation contributions expenses	15,792	27,320
Bad debts expenses	0	36,411

5. Cash and Cash Equivalents

Cash at bank and in hand	1,207,841	3,065,986
Short-term deposits	0	0
	1,207,841	3,065,986

6. Trade and Other Receivables

CURRENT		
Trade receivables	19,739	43,827
Total current trade and other receivables	19,739	43,827

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting data is the fair value of each class of receivable in the financial statements.

FINANCIAL SUMMARY

7. Inventories

	2023	2022
	\$	\$
CURRENT		
At cost:	49,606	23,202
Inventory	<u>49,606</u>	<u>23,202</u>

8. Property, plant and equipment

Buildings		
At cost	12,354,150	4,031,578
Accumulated depreciation	-1,554,544	-1,475,942
Total buildings	<u>10,799,606</u>	<u>2,555,636</u>
Capital works in progress		
At cost	0	1,391,186
Plant and equipment		
At directors' valuation	397,282	350,000
At cost	2,827,454	2,667,695
Accumulated depreciation	-1,830,682	-1,791,314
Total plant and equipment	<u>1,394,054</u>	<u>1,226,381</u>
Total property, plant and equipment	<u>12,193,660</u>	<u>5,173,203</u>

(a) Movements in carrying amounts or property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

FINANCIAL SUMMARY

9. Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments - Insurance	147,972	50,109
Prepayments - Other	8,672	39,911
Accrued income	-83	0
	<u>156,561</u>	<u>90,020</u>

10. Right of Use Assets

Right-of-use asset	91,339	109,699
Accumulated depreciation	-22,343	-19,899
	<u>68,996</u>	<u>89,800</u>
Statement of Profit or Loss and Other Comprehensive Income		
Depreciation - right-of-use assets	5,098	6,195
Interest expense on lease liabilities	0	5,910

11. Trade and Other Payables

Current		
Trade payables	91,503	40,545
GST payable	127,069	-61,073
Sundry payables and accrued expenses	241,793	90,308
	<u>460,365</u>	<u>69,780</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12. Borrowings

NAB Loan Facility Current	329,487
NAB Loan Facility Non Current	2,499,686
	<u>2,829,173</u>

13. Provisions

CURRENT		
Provision for annual leave	85,230	112,458
Provision for long service leave	52,579	31,576
Provision for time in lieu	118,428	27,741
	<u>256,237</u>	<u>171,775</u>

FINANCIAL SUMMARY

14. Other Liabilities

	2023	2022
	\$	\$
CURRENT		
Deposits for lockers and life memberships	42,645	44,174
Admission fees	182,191	168,861
Prepaid subscriptions	1,452,728	23,873
Other deferred income	36,680	16,750
Total	1,714,244	253,658
NON-CURRENT		
Deposits for lockers and life memberships	795,274	836,390
Unearned sponsorship fees	64,000	64,000
Admission fees	2,140,465	2,054,191
Total	2,999,739	2,954,581

15. Lease Liabilities

Represented by:

- lease liabilities - current	5,013	5,013
- lease liabilities - non-current	71,639	89,640
Total	76,652	94,653

16. Financial Risk Management

The Association is exposed to a variety of financial risks through its use of financial instruments.

The Association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Association is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Association are:

- Trade receivables
- Cash at bank
- Trade and other payables

FINANCIAL SUMMARY

Net fair values

Fair value estimation

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions used have been described in the relevant areas in the Notes to the Financial Statements. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices.

Net fair values are approximated by their carrying values of each category of financial instruments and have been disclosed in the Statement of Financial Position and in the Notes to the Financial Statements.

17. Key Management Personnel Remuneration

The total remuneration paid to the key management personnel of Sorrento Sailing Couta Boat Club Inc. during the year is \$199,093.59 (2022: \$228,310.33 – 15 months).

18. Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2023. (30 June: None).

19. Cash Flow Information

	2023	2022
	\$	\$
Net result for the year	418,404	-84,509
Non-cash flows in profit:		
- depreciation and amortisation	380,620	374,289
- net (gain)/loss on disposal of property, plant and equipment	-103,523	-10,177
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	24,088	-11,562
- (increase)/decrease in prepayments	-66,542	14,343
- (increase)/decrease in inventories	-26,404	79,182
- increase/(decrease) in income in advance	1,505,744	229,000
- increase/(decrease) in trade and other payables	390,583	-383,152
- increase/(decrease) in provisions	84,462	15,566
Cashflows from operations	2,607,432	222,980

FINANCIAL SUMMARY

20. Events after the end of the Reporting Period

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

21. Statutory Information

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

Sorrento Sailing Couts Boat Club Inc.

3154 Point Nepean Rd

Sorrento VIC 3943

FINANCIAL SUMMARY

STATEMENT BY MEMBERS OF COMMITTEE

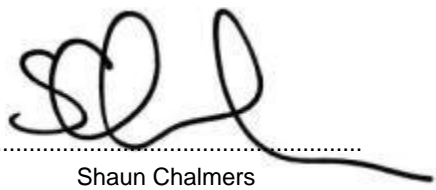
In accordance with a resolution of the committee of Sorrento Sailing Couta Boat Club, the members of the committee declare that the financial statements and notes as set out on pages 20 to 34:

1. give a true and fair view of the financial position of Sorrento Sailing Couta Boat Club as at 30 June 2023 and its performance for the period ended on that date in accordance with Australian Accounting Standards - Reduced Disclosures and the Associations Incorporation Reform Act 2012.
2. at the date of this statement, there are reasonable grounds to believe that Sorrento Sailing Couta Boat Club Inc will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:

Commodore

Georgina Silverwood

Treasurer

Shaun Chalmers

Dated 6 October 2023

Sorrento Sailing Couta Boat Club Inc.

Independent Audit Report to the members of Sorrento Sailing Couta Boat Club Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sorrento Sailing Couta Boat Club Inc. (the Association), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance and its cash flows for the period then ended; and
- (ii) complying with the Associations Incorporation Reform Act 2012 and the Australian Accounting Standards – Simplified Disclosures.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report (continued)* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Independent Audit Report to the members of Sorrento Sailing Couta Boat Club Inc.

Auditor's Responsibilities for the Audit of the Financial Report (continued)


As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial reporter, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ACCRU MELBOURNE (AUDIT) PTY LTD



C J FLYNN
Director

6 October 2023

CONTACT US

Contact Us

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