

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
ABN 65 794 385 995

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
ABN 65 794 385 995

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DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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COMMITTEE'S REPORT

Your Committee Members submit the financial report of Dinah Beach Cruising Yacht Association Incorporated for the year ended 30 June 2022.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Joy Eggenhuizen	Commodore
Bob Colman	Vice Commodore
Lewis Roberts	Rear Commodore
Adam Gollow	Secretary (appointed May 2022)
Ian McKerrow	Treasurer
Jim Grierson	Public Officer
Dave Birse	Member (appointed November 2021)
Greg Smith	Member (appointed November 2021)
Sharelle Peek	Member
Grant Flavel	Member (appointed May 2022)

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Association during the financial year were to provide cruising yacht facilities and support to members of the Association.

Significant Changes

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

Operating Result

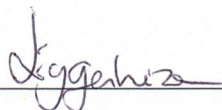
The loss of the Association for the financial year ended 30 June 2022 was \$16,534
(2021: surplus of \$33,152).

Subsequent Events

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 members of the committee.

Committee member:



Committee member:



Dated this 29th day of September 2022

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Income			
Trading gross surplus	2a	581,991	481,630
Other Income	2b	515,779	495,245
TOTAL INCOME		1,097,770	976,875
Expenses			
Accounting fees		38,534	32,244
Admin Expenses	3b	162,648	122,066
Ambon Race General Expenses		-	74
Audit fees		7,000	7,000
Bank charges		9,418	7,404
Bar expenses		29,948	64,430
Compliance costs			8,750
Depreciation		102,505	95,199
Employment	3a	335,168	316,992
Entertainment expense		102,572	94,153
Insurance		53,594	43,977
Rent, rates and taxes		17,977	12,057
Repairs and maintenance		241,649	107,270
Wet and dry season expenses		13,084	32,107
Total Expenditure		1,114,304	943,723
Net Surplus/(Loss)		(16,534)	33,152
TOTAL SURPLUS/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE ENTITY		(16,534)	33,152

The accompanying notes form part of these financial statements.

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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STATEMENT OF FINANCIAL POSITIONS AS AT 30 JUNE 2022

	Note	2022	2021
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash on hand	4	766,883	756,819
Accounts receivable and other debtors	5	39,742	9,454
Inventories on hand	6	31,156	22,552
Other Current assets	7	73,531	62,440
TOTAL CURRENT ASSETS		911,312	851,265
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,336,238	1,375,395
TOTAL NON-CURRENT ASSETS		1,336,238	1,375,395
TOTAL ASSETS		2,247,550	2,226,660
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	143,198	107,392
Employee provisions	10	14,120	14,977
TOTAL CURRENT LIABILITIES		157,318	122,369
NON-CURRENT LIABILITIES			
Employee provisions	10	17,245	14,781
TOTAL NON-CURRENT LIABILITIES		17,245	14,781
TOTAL LIABILITIES		174,563	137,150
NET ASSETS		2,072,987	2,089,510
MEMBERS' FUNDS			
Retained surplus	11	2,072,987	2,089,510
TOTAL MEMBERS' FUNDS		2,072,987	2,089,510

The accompanying notes from part of these financial statements

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2022

	Retained Surplus
	<hr/>
BALANCE at 1 July 2020	<u>2,050,654</u>
Net surplus for the year	<hr/> 38,856
Balance at 30 June 2021	<u>2,089,510</u>
Balance at 1 July 2021	<u>2,089,510</u>
Prior period adjustment	11
Net surplus/(Loss) for the year	<hr/> <u>(16,534)</u>
Balance at 30 June 2022	<u>2,072,987</u>

The accompanying notes from part of these financial statements

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
ABN 65 794 385 995

STATEMENT OF CASH FLOWS AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,594,168	1,466,778
Payments to suppliers and employees		(1,523,466)	(1,345,814)
Interest received		2,907	3
Net cash provided by operating activities	14	73,609	120,967
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(63,545)	(15,110)
Net cash used in investing activities		(63,545)	(15,110)
CASH FLOWS FORM FINANCING ACTIVITIES			
Payment of borrowings		-	-
Advances of borrowings		-	-
Net cash provided by/(used in) financing activities		-	-
Net increase/(decrease) in cash held		10,064	105,857
Cash on hand at beginning of financial year		756,819	650,962
Cash on hand at end of financial year	4	766,883	756,819

The accompanying notes form part of these financial statements

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
ABN 65 794 385 995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements cover Dinah Beach Cruising Yacht Association Inc. as an individual entity which is an association incorporated pursuant to the *Northern Territory of Australia Associations Act*.

Basis of Preparation

The Committee Members have prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared to meet the requirements of the Associations Act Northern Territory.

The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Associations Act NT and the significant accounting policies described below, which the Committee Members have determined are appropriate to meet the needs of Members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

a. Income Tax

No provision for income tax has been recognised as the Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

b. Property, Plant and Equipment (PPE)

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

Property Improvements

Property improvements are measured on the cost basis less accumulated depreciation and any impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and any impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by Committee Members, to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

In the event the carrying amount of property plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (c) for details of impairment).

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life 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.

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Class of Fixed Assets	Depreciation Rate
Property and improvements	5 - 37.5%
Plant and equipment	2.5 - 20 %

c. Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

d. Employee Provisions

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 provisions have been measured at the amounts expected to be paid when liability is settled.

Contributions are made by the Association to employees' superannuation funds and are charged as an expense when incurred.

Short-term employee benefits

Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position. Other benefits such as annual leave and long service leave are recognised as employee provisions.

Other long-term employee benefits

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

Provision is made for employees leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period which the employees rendered the related service.

The Association, based on past experience regarding levels of service reached by employees, records long service leave entitlements once an employee reaches 5 years of service with the Association.

e. Cash and Cash Equivalents

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

f. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from customers for goods and services performed in the ordinary course of business and from Members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

g. Inventories

Inventories comprising snacks, tobacco and beverages (alcoholic and non - alcoholic) are held for sale and are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

h. Revenue and Other Income

Non-reciprocal grant revenue is recognised in the profit or loss when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the Association is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and fundraising income are recognised as income upon receipt.

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

Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

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

i. 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 Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

j. Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the Association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statement

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

l. Prior period adjustment

An adjustment of \$5,704 was made to the opening retained surplus at 1 July 2021, as a result of transactions recorded in MYOB after the audited financial report was distributed and before the ledger was rolled over into the new year. These transactions related to COVID-19 rebates for water usage as well as credit notes provided by one the Association's suppliers.

m. Economic dependence

The future operations of the Association are dependent upon the achievement of operating surpluses, positive operating cash flows and the continued support of its Members and the Local Community. The Association has no reason to believe that it will not continue to receive the support of its Members and the Local Community in the foreseeable future and that it will not be able to generate operating surpluses and positive cash flows.

NOTE 2: REVENUE AND OTHER INCOME

	2022 \$	2021 \$
(a) Trading revenue		
Sale of goods		
Bar Sales	1,081,296	971,536
Less: Cost of sales		
Opening Stock	22,552	24,212
Purchases	507,909	488,245
Closing Stock	(31,156)	(22,552)
Total Cost of Sales	499,305	489,906
Gross Profit	581,991	481,630
(b) Other revenue		
Boat park / rental income	270,983	222,834
Other income	44,831	81,625
Membership subscriptions	45,942	42,351
Ambon entry fee		-
T-shirt and hats income		-
Wet season & dry season race revenue (incl sponsorship)	48,045	30,945
Grants and COVID-19 subsidies	103,070	117,487
Interest	2,907	3
Total Other Income	515,779	495,245
Total Trading Gross Surplus and Other Income	1,097,770	976,875

NOTE 3: EXPENSES

(a) Employment expenses

Salaries and wages	294,812	280,782
Superannuation	29,017	25,554
Other staffing expenses	11,339	10,656
Total Employment Expenses	335,168	316,992

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

NOTE 3: EXPENSES (CONT'D)

(b) Administrative expense

Advertising and promotion	28,571	-
Cleaning expense	22,592	24,338
Committee expense	1,598	253
Doubtful debts expense	(1,582)	-
Equipment	3,414	-
Freight and courier expense	1,019	548
General administration	6,561	8,501
General equipment hire	1,939	286
Internet and telephone expense	4,295	4,210
License fee	1,070	1,461
Memberships and subscriptions	3,073	763
Printing and stationery	4,534	4,311
Security and safety costs	9,416	13,537
Software	5,289	3,928
Viking funeral expenses	-	-
Waste disposal	15,062	11,109
Water expenses	14,514	12,767
General electricity expense	10,723	9,577
Other electricity expense	30,560	26,477
Total Administrative expense	162,648	122,066

NOTE 4: CASH AND CASH EQUIVALENTS

	2022	2021
Cash on hand	8,581	4,906
Cash at bank - operational bank accounts	405,541	401,913
Term Deposit	352,761	350,000
Total Cash and Cash Equivalents	766,883	756,819

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

CURRENT

Accounts receivable	39,742	11,036
Less: Provision for doubtful debts	-	(1,582)
Total Account Receivable	39,742	9,454

NOTE 6: INVENTORY

CURRENT

Inventories on hand - at cost	31,156	22,552
Total Inventories	31,156	22,552

Inventories comprise snacks, tobacco, beverages (alcoholic and non- alcoholic) at 30 June 2022 and 2021.

NOTE 7: OTHER CURRENT ASSETS.

CURRENT

Accrued income	-	3,636
Prepaid insurance and rates	73,531	58,804
Total other current assets	73,531	62,440

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Buildings and Improvements

Buildings and improvements at cost	2,116,700	2,082,020,
Less: Accumulated depreciation	<u>(783,471)</u>	<u>(708,736)</u>
Total Buildings and Improvements	<u>1,333,229</u>	<u>1,373,284</u>

Furniture and Equipment

Furniture and Equipment at cost	542,924	514,049
Less: Accumulated depreciation	<u>(539,915)</u>	<u>(511,938)</u>
Total Furniture and Equipment	<u>3,009</u>	<u>2,211</u>

Total property, plant and equipment	<u>1,336,238</u>	<u>1,375,395</u>
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The association occupies the land situated at Lot 6457 Town of Darwin, under a crown lease from the Northern Territory Government, commencing from 8 November 1996, for its principal business activities. The lease term is held in perpetuity.

NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES

	2022	2021
	\$	\$
CURRENT		
Trade payables	114,772	82,931
Accruals	-	-
Sundry creditors and other payables	35,416	29,998
GST payables (net)	(6,990)	(5,537)
Total Accounts and Other Payables	<u>143,198</u>	<u>107,392</u>

NOTE 10: EMPLOYEE PROVISIONS

CURRENT

Provision for annual leave	14,120	14,975
Total Current Employee Provisions	<u>14,120</u>	<u>14,975</u>

NON-CURRENT

Provision for long service leave	17,245	14,781
Total Non- Current Employee Provisions	<u>17,245</u>	<u>14,781</u>
Total Employee Provisions	<u>31,365</u>	<u>29,758</u>

The Association does not expect the full amount of the annual leave entitlements to be settled within the next 12 months however, the amount must be classified as a current liability because the Association does not have an unconditional right to defer settlement of the amount in the event employees wish to use their leave entitlements.

NOTE 11: RETAINED SURPLUS

Opening surplus at 1 July 2021	2,089,510	2,054,654
Prior period adjustment	11	5,704
Surplus/(Loss) for the year	<u>(16,534)</u>	<u>33,152</u>
Closing Balance as at 30 June 2022	<u>2,072,987</u>	<u>2,089,510</u>

NOTE 12: EVENTS AFTER THE REPORTING PERIOD

The Committee is not aware of any significant events since 30 June 2022 and up to the date of this financial report (2021: Nil).0

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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NOTE 13.: COMMITMENTS AND CONTINGENCIES

The Committee does not have any significant leasing or capital commitments at 30 June 2022 (2021: Nil).

The Committee is not aware of any contingent liabilities as at 30 June 2022 (2021: Nil).

NOTE 14: CASH FLOW RECONCILIATION

Reconciliation of cash flow from operating activities with net current year surplus:

Current year surplus/(Loss):	(16,534)	33,152
Non-cash flows in current year surplus:		
Depreciation	102,712	95,199
Provision of doubtful debts	(1,582)	(9,801)
Changes in assets and liabilities:		
(Increase)/ decrease in account receivables and other receivable	(28,706)	5,729
(increase)/ decrease in inventories on hand	(8,604)	1,660
(increase)/ decrease in other current assets	(11,091)	(61,069)
Increase/ (decrease) in accounts payable and other payables	35,807	47,497
Increase/ (decrease) in employee provisions	1,607	2,895
Net cash flows from operating activities	73,609	120,967

NOTE 15: ASSOCIATION DETAILS

The registered office and principal place of business of the Association is
68 Frances Bay Drive, Darwin, Northern Territory 0800

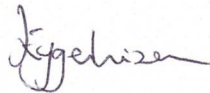
DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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In our opinion:

- (a) The accompanying financial report, being a special purpose financial report, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2022 and the results of the Association for the year ended on that date;
- (b) The accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (c) There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

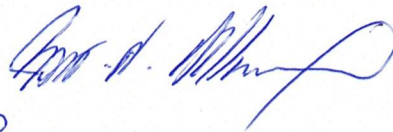
This declaration is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Committee member:



Date: 29.9.22

Committee member:



Date: 29.9.22

DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED
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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED

Report on the Audit of the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of Dinah Beach Cruising Yacht Association Incorporated, which comprises the balance sheet as at 30 June 2022, the statement of income and expenditure for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the association council.

Qualified Opinion

In our opinion, except for the effects on the financial statements of the matter referred to in the basis for qualification paragraph, the financial report of Australian Dinah Beach Cruising Yacht Association Incorporated presents a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of Dinah Beach Cruising Yacht Association Incorporated as at 30 June 2022 and the results of its operations for the financial year then ended.

Basis for Qualified Opinion

1. Completeness of Income

Significant sources of income include sales, commissions, promotional support and other income for Dinah Beach Cruising Yacht Association Incorporated. It is impracticable to establish control over the collection of these items prior to their entry into the financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to these items had to be restricted to the amounts recorded in the financial records. We are therefore unable to express an opinion on the completeness of income for Australian Dinah Beach Cruising Yacht Association Incorporated.

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

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist Dinah Beach Cruising Yacht Association Incorporated to comply with the financial reporting provisions of *Associations Act (NT) 2003*. As a result, the financial report may not be suitable for another purpose.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 1 of the financial report, which describes prior period adjustments. An adjustment of \$5,704 was made to the opening retained surplus as a result of transactions recorded in the ledger after the audited accounts were distributed. These transactions related to COVID-19 rebates received for water usage as well as credit notes provided by one of the Association's suppliers in the previous year.

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 section of our report. We are independent of the Association in accordance with 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.

Committee's Responsibility for the Financial Report

The committee 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 Act (NT) 2003* is appropriate to meet the needs of the members.

The committee responsibility also includes such internal control as the council determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee members are 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 the committee members either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Financial Report

Our objectives are to obtain 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.

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 of 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 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 committee.
- Conclude on the appropriateness of the Association'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 committee'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 report or, 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 or 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.

ABSOLUTE ACCOUNTING AND AUDIT
GPO Box 1313
Darwin NT 0801



PASQUALINA M. GILMOUR
CPA

Dated this 30th day of September 2022

29 September 2022

Mrs Pasqualina Gilmour
Absolute Accounting and Audit
GPO Box 1313
Darwin NT 0801

Dear Mrs Gilmour

This representation letter is provided in connection with your audit of the financial statements of Dinah Beach Cruising Yacht Association Incorporation for the year ended 30 June 2022 for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Association as at 30 June 2022 and of the financial performance for the year then ended in accordance with the *Northern Territory of Australia Associations Act* and the accounting policies described in Note 1 to the financial statements.

We have made appropriate inquiries of committee members of the Association with the relevant knowledge and experience. Accordingly, we confirm, to the best of our knowledge and belief, (having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves) the following representations:

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial report.

- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- Any communication from Licensing NT, Department of Attorney-General and Justice concerning potential noncompliance with or deficiencies in financial reporting practices.
- In our opinion, there are reasonable grounds to believe that the Association is a going concern and will continue as a going concern for at least 12 months from the date of this letter.
- We have provided you with all requested information, explanations and assistance for the purposes of the audit
- We have provided you with all information required by the *Northern Territory of Australia Associations Act*.
- We have kept all other records and registers required by the *Northern Territory of Australia Associations Act*.

Financial Report

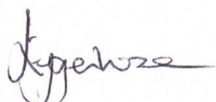
- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report in accordance with the Northern Territory of Australia and the accounting policies disclosed in Note 1 to the financial report; in particular the financial statements present fairly in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value and recoverable amount, are reasonable and supportable.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware and related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of *Northern Territory of Australia Associations Act*.
- All events subsequent to the date of the financial report which require adjustment or disclosure have been adjusted or disclosed in the financial report.
- The Association does not have any pending or threatened litigation and/or claims.
- We believe the effects of uncorrected financial statement misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
- We have reviewed the list of corrected misstatements and have satisfied ourselves that these misstatements should be corrected in the Association's financial report.

Independence

- We are not aware of any act or omission on the part of the Association that does or may impact on your ability to comply with your independence obligations as auditor of the Association.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully



Joy Eggenhuizen
DBCYA Commodore

Dated: 29th September 2022



Ian McKerrow
DBCYA Treasurer

Dated: 29 September 2022