# DINAH BEACH CRUISING YACHT ASSOCIATION INC. 

ABN: 65794385995

Special Purpose Financial Report For The Year Ended
30 June 2016
DINAH BEACH CRUISING YACHT ASSOCIATION INC.
ABN: 65794385995
Financial Report For The Year Ended 30 June 2016
CONTENTS ..... Page
Committee's Report ..... 1
Statement of Profit or Loss and Other Comprehensive Income ..... 2
Statement of Financial Position ..... 3
Statement of Changes in Equity ..... 4
Statement of Cash Flows ..... 5
Notes to the Financial Statements ..... 6
Statement by Members of the Committee ..... 15
Independent Auditor's Report ..... 16

## DINAH BEACH CRUISING YACHT ASSOCIATION INC.

## ABN: 65794385995

COMMITTEE REPORT
Your commiltee members submit the financial report of the Dinah Beach Cruising Yacht Association Inc. for the financial year ended 30 June 2016.

Commiltee Members
The names of commiltee members throughout the year and at the date of this report are:

```
James Grlerson - Commodore
Glen Stanford - Vice Commadore
Llza Bowers - Vice Commodore (Reslgned 17/04/2016)
Sarah Meldrum - Rear Commodore
James Smith - Publlc Offlcer
Guy Andrew - Treasurer
Tony Waldron - Secretary (Appointed from 15/05/2016, Secretary from 19/06/2016)
Russell Cralg - Secrefary (Resigned 19/02/2016)
Alan Bush
Colin Freeman
Sue Corry - (Resigned 17/04/2016)
Lex Sllvester - (Appointed from 27/03/2016)
Ray Jarrelt - ( Appointed from 15/05/2016)
```


## Principal Activitles

The principal activities of the Association during the finencial year were to provide crulsing facilites and support for cruising to members of the assoclatlon.

## Slgnificant Changes

No significant changes in the nature of these activities occurred during the year.
Operating Result

The surplus after providing for income tax amounted to $\$ 48,416$ (2015: Surplus of $\$ 98,984$ )
Signed in accordance with a resolution of the Members of the Committee.


Dated thls

day of
Seplember
2016

# DINAH BEACH GRUISING YACHT ASSOCIATION INC, <br> ABN: 65794385995 <br> STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INGOME FOR THE YEAR ENDED 30 JUNE 2016 

|  | Note | 2016 | 2015 |
| :---: | :---: | :---: | :---: |
|  |  | \$ | \$ |
| Trading gross surplus | 2 | 452,467 | 407,363 |
| Other income | 2 | 427,006 | 373,653 |
| Total Income |  | 879,473 | 781,016 |
| Employment expenses | 3 a | 295,171 | 212,937 |
| Accounting fees |  | 34,018 | 30,598 |
| Depreciation expense |  | 47,871 | 35,657 |
| Audit fees |  | 6,000 | 7,500 |
| Doubtful debts expense |  | 17,701 | - |
| Bank charges |  | 4,517 | 3,827 |
| Administration expenses | 3 b | 183,776 | 143,754 |
| Repairs and maintenance |  | 85,846 | 83,063 |
| Electricity |  | 54,970 | 51,329 |
| Insurance |  | 33,720 | 30,459 |
| Ambon Race General Expenses |  | 18,321 | 26,622 |
| Inventory written off |  | 1,000 | - |
| Raffle Expenses |  | 10,411 | 22,521 |
| Rates and taxes |  | 19,080 | 18,194 |
| Wet season expenses |  | 13,884 | 9,436 |
| Telephone |  | 4,771 | 6,155 |
| Total Expenditure |  | 831,057 | 682,052 |
| Net Surplus |  | 48,416 | 98,964 |

The accompanying notes form part of this financial report.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

|  | Note | 2016 | 2015 |
| :---: | :---: | :---: | :---: |
|  |  | \$ | \$ |
| ASSETS |  |  |  |
| CURRENT ASSETS |  |  |  |
| Cash and bank | 4 | 1,011,879 | 939,750 |
| Accounts receivable and other debtors | 5 | 15,095 | 27,945 |
| Inventories on hand | 6 | 26,787 | 23,684 |
| Other current assets | 7 | 845 | 557 |
| TOTAL CURRENT ASSETS |  | 1,054,607 | 991,936 |
| NON-CURRENT ASSETS |  |  |  |
| Property, plant and equipment | 8 | 1,014,662 | 1,040,613 |
| TOTAL NON-CURRENT ASSETS |  | 1,014,662 | 1,040,613 |
| TOTAL ASSETS |  | 2,069,268 | 2,032,549 |
| LIABILITIES |  |  |  |
| CURRENT LIABILITIES |  |  |  |
| Accounts payable and other payables | 9 | 39,996 | 40,204 |
| Employee provisions | 10 | 8,387 | 1,170 |
| Current tax liabilities |  | 8,255 | 6,961 |
| TOTAL CURRENT LIABILITIES |  | 56,638 | 48,335 |
| NON-CURRENT LIABILITIES |  |  |  |
| Accounts payable and other payables | 9 | - | 20,000 |
| TOTAL NON-CURRENT LIABILITIES |  | - | 20,000 |
| TOTAL LIABILITIES |  | 56,638 | 68,335 |
| NET ASSETS |  | 2,012,630 | 1,964,214 |
| EQUITY |  |  |  |
| Accumulated surplus |  | 2,012,630 | 1,964,214 |
| TOTAL EQUITY |  | 2,012,630 | 1,964,214 |

The accompanying notes form part of this financial report.

DINAH BEACH CRUISING YACHT ASSOCIATION INC.
ABN: 65794385995
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

|  | Accumulated Surplus | Total |
| :---: | :---: | :---: |
|  | \$ | \$ |
| Balance at 1 July 2014 | 1,865,250 | 1,865,250 |
| Comprehensive income |  |  |
| Net surplus for the year | 98,964 | 98,964 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income attributable to members of the entity | 98,964 | 98,964 |
| Balance at 30 June 2015 | 1,964,214 | 1,964,214 |
| Balance at 1 July 2015 |  |  |
| Comprehensive income |  |  |
| Net surplus for the year | 48,416 | 48,416 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income attributable to members of the entity | 48,416 | 48,416 |
| Balance at 30 June 2016 | 2,012,630 | 2,012,630 |

The accompanying notes form part of this financial report.

# DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995 <br> STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2016 

| Note | 2016 | 2015 |
| :---: | :---: | :---: |
|  | $\$$ | $\$$ |

CASH FLOWS FROM OPERATING ACTIVITIES

| Receipts from customers |  | 874,083 | 1193396 |
| :---: | :---: | :---: | :---: |
| Payments to suppliers and employees |  | $(777,986)$ | $(1,055,767)$ |
| Interest received |  | 17,952 | 18,842 |
| Net cash provided by operating activities | 13 | 114,049 | 156,471 |
| CASH FLOWS FROM INVESTING ACTIVITIES |  |  |  |
| Purchase of property, plant and equipment |  | $(41,920)$ | $(33,907)$ |
| Net cash (used in) investing activities |  | $(41,920)$ | $(33,907)$ |
| Net increase in cash held |  | 72,129 | 122,564 |
| Cash on hand at beginning of financial year |  | 939,750 | 817,186 |
| Cash on hand at the end of financial year | 4 | 1,011,879 | 939,750 |

The accompanying notes form part of this financial report.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995

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

The financial report covers Dinah Beach Cruising Yacht Association Inc. as an individual entity. Dinah Beach Cruising Yacht Association Inc. is an association incorporated in Northern Territory and operating pursuant to the Associations Act (NT).

The financial statements were authorised for issue on_09 September 2016 by the members of the committee.

Note 1
Summary of Significant Accounting Policies

## Basis of Preparation

These special purpose financial report has been prepared in accordance with the Associations Act NT and Australian Accounting Standards and interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting 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 report, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-curent assets, financial assets and financial liabilities. The amounts presented in the financial report has been rounded to the nearest dollar.

## Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.
(b) Inventories on hand

Inventories held for sale are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.
Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

## (c) Property, Plant and Equipment

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

## Buildings

Freehold buildings are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of the building is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note $1(\mathrm{~g})$ for details of impairment).

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

## Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note $1(\mathrm{~g})$ for details of impairment).

The cost of fixed assets constructed by the association includes the cost of materiais, direct labour, borrowing costs and an appropiate proportion of fixed and variable overheads.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC. ABN: 65794385995

 NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016
## Notes to the financial report continued:

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

## 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 assets are:

| Class of Fixed Asset | Depreciation Rate |
| :--- | ---: |
| Buildings | $1-10 \%$ |
| Plant and equipment | $5-35 \%$ |
| Office equipment | $5-35 \%$ |

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.
Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

## (d) Financial Instruments

## Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

## Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.
Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with . a consequential recognition of income or expense in profit or loss.

## (i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains and losses) recognised included in profit or loss.

## (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

## (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JYNE 2016

## Notes to the financial report continued:

## (iv) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

## Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).
In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Imparment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

## Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.
(e) Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an assel may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.
Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

## (f) Employee Provisions

## Short-term employee benefits

Provision is made for the Association's obligation for 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, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the sfatement of financial position.

# DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995 

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

## Notes to the financial report continued:

## Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reportingperiod market yields on government bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of obligations of other long-term employee benefit-obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

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.
(g) Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, other shori-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## (h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note $1(f)$ for further discussion on the determination of impairment losses.

## (i) Revenue and Other Income

Non-reciprocal grant revenue is recognisedprofit or loss when the association obtains control of the grant and 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 it 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 statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
All revenue is stated net of the amount of goods and services tax.

## (j) 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 statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.
(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC.

ABN: 65794385995
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

## Notes to the financial report continued:

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 statements.

## (I) 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 days of recognition of the liability.
(m) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.
(n) Critical Accounting Estimates and Judgements .

The committee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

## Key Estimates

(i) Impairment-General

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

## Key Judgements

(iii) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements eamed during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.
(o) New Accounting Standards for Application in Future Periods

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatory applicable to the association and their potential impact on the association when adopted in future periods is discussed below:

AASB 9: Financial Instruments (December 2010) and associated amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the association on initial application of AASB 9 and associated amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9 , the application of such accounting would be largely prospective.

Although members of the committee anticipate that the adoption of AASB 9 may have an impact on the association's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

DINAH BEACH CRUISING YACHT ASSOCIATION INC.
ABN: 65794385995

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

Notes to the financial report continued:
Note 2. Revenue and Other

|  | $\begin{gathered} 30 \text { June } 2016 \\ \$ \end{gathered}$ | $\begin{gathered} 30 \text { June } 2015 \\ \$ \end{gathered}$ |
| :---: | :---: | :---: |
| Trading revenue |  |  |
| - sale of goods |  |  |
| - Bar sales | 925,388 | 819,434 |
| - Less: Cost of sales |  |  |
| - Opening stock | 23,684 | 15,424 |
| - Purchases | 477,024 | 420,331 |
| - Closing stock | $(27,787)$ | $(23,684)$ |
| Total cost of sales | 472,921 | 412,071 |
| Trading gross surplus | 452,467 | 407,363 |
| Other revenue |  |  |
| - Boat park/ Gallery rental income | 269,340 | 258,565 |
| - Other income | 51,643 | 55,360 |
| - Membership subscriptions | 23,535 | 27,269 |
| - Ambon entry fee | 20,200 | - |
| - Wet season race revenue | 17,816 | 13,617 |
| - Grant income | 24,545 | - |
| - Interest | 19,927 | 18,842 |
|  | 427,006 | 373,653 |
| Total trading gross surplus and other income | 879,473 | 781,016 |
| Note 3 Expenses |  |  |
| a. Employment expenses | $\begin{gathered} 30 \text { June } 2016 \\ \$ \end{gathered}$ | $\begin{gathered} 30 \text { June } 2015 \\ \$ \end{gathered}$ |
| Salaries and wages | 264,920 | 194,090 |
| Superannuation | 24,787 | 17,701 |
| - Other staffing expenses | 5,464 | 1,146 |
| Total of employment expenses | 295,171 | 212,937 |

Salaries and wages by fucntion

| Year 2015 | General Management/ admin | Bar | Groundswork | Total |
| :---: | :---: | :---: | :---: | :---: |
| - Bar staff | - | 154,292 | - | 154,292 |
| GM | 26,622 | 11,409 | - | 38,031 |
| - Yardie | - | - | 1,768 | 1,768 |
| Total | 26,622 | 165,701 | 1,768 | 194,090 |
| Year 2016 |  |  |  |  |
| - Bar staff | 5,017 | 133,460 | - | 138,476 |
| GM | 65,750 | 28,179 | - | 93,929 |
| - Yardie | - | - | 32,515 | 32,515 |
| Total | 70,767 | 161,638 | 32,515 | 264,920 |

b. Administrative expense

- General administration

|  | General administration | 3,543 | 4,377 |
| :---: | :---: | :---: | :---: |
|  | Advertising and promotion | 2,883 | 4,954 |
|  | Entertainment expenses | 58,026 | 47,612 |
|  | Waste disposal | 18,694 | 33,385 |
|  | Security costs | 10,652 | 8,330 |
|  | Internet expense | 6,355 | 2,161 |
|  | Cleaning | 15,639 | 5,796 |
| - | Committee expenses | 3,549 | 3,471 |
|  | Computer expenses | 1,072 | 2,588 |
|  | Pest control | 581 | 1,936 |
| - | Sponsorship | 2,500 | 1,891 |
|  | Viking funeral expenses | 4,895 | 665 |
|  | Sundry expenses | 28,869 | 5,464 |
|  | Printing and stationary | 7,426 | 4,377 |
| - | Water expenses | 13,688 | 15,336 |

## DINAH BEACH CRUISING YACHT ASSOCIATION INC.

ABN: 65794385995
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

Notes to the financial report continued:

## - Software <br> - Subscriptions and Licensing fees

| 1,098 | - |
| ---: | ---: |
| 4,308 | 1,411 |
| 183,776 | 143,754 |


| Note 4 Cash and Bank |  |  |
| :---: | :---: | :---: |
|  | $\begin{gathered} 30 \text { June } 2016 \\ \$ \end{gathered}$ | $\begin{gathered} 30 \text { June } 2015 \\ \$ \end{gathered}$ |
| Cash on hand | 16,047 | 9,329 |
| Operational accounts | 233,645 | 216,186 |
| Term deposits | 762,187 | 714,235 |
| Total Cash and bank | 1,011,879 | 939,750 |

The effective interest rate on short-term bank deposits was $3 \%$ p.a 2016. These deposits have an average maturity of 90 days.

Note 5 Accounts Receivable and Other Debtors


## DINAH BEACH CRUISING YACHT ASSOCIATION INC.

## ABN: 65794385995

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

Notes to the financial report continued: Note 8 Property, Plant and Equipment

|  | $\begin{gathered} 30 \text { June } 2016 \\ \$ \end{gathered}$ | $\begin{gathered} 30 \text { June } 2015 \\ \$ \end{gathered}$ |
| :---: | :---: | :---: |
| Buildings And Improvements |  |  |
| At cost | 1,425,840 | 1,426,841 |
| Less: accumulated depreciation | $(452,671)$ | $(412,922)$ |
| Total buildings and improvement | 973,169 | 1,013,919 |
| Plant and equipment |  |  |
| At cost | 448,934 | 426,014 |
| Less: accumulated depreciation | $(407,442)$ | (399,320) |
| Total plant and equipment | 41,492 | 26,694 |
| Total property, plant and equipment | 1,014,662 | 1,040,613 |

Note 9 Accounts Payable and Other Payables

|  | 30 June 2016 | 30 June 2015 |
| :--- | ---: | ---: |
| CURRENT | $\$$ | $\$$ |
| Trade payables | 6,064 | 3,725 |
| Sundry creditors and other payables | 33,932 | 36,479 |
| NON-CURRENT | 39,996 | 40,204 |
| Landfills payables |  |  |
|  |  | $-\quad 20,000$ |

The average credit period on accounts payable and other payables is 1 month. No interest is payable on outstanding payables during this period.

Note 10 Employee Provisions

| 30 June 2016 \$ | $\begin{gathered} 30 \text { June } 2015 \\ \$ \end{gathered}$ |
| :---: | :---: |
| 8,387 | 1,170 |
| 8,387 | 1,170 |
| - | - |
|  | - |
| 8,387 | 1,170 |
|  | \$ |
|  | 1,170 |
|  | 7,217 |
|  | - |
|  | 8,387 |

Employee Provisions - Annual Leave Entitlements
The provision for employee benefits represents amounts accrued for annual leave. Based on past experience, the association expects the full amount of annual leave 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 the seitlement of the amount in the event employees wish to use their leave entitiements.

## DINAH BEACH CRUISING YACHT ASSOCIATION INC.

ABN: 65794385995

## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

Notes to the financial report continued:
Note 11 Contingent Liabilities and Contingent Assets

There were no contingent liabilities and capital commitments as at 30 June 2016(30 June 2015: $\$ \mathrm{nil}$ )
Claims:
Note 12. Events after the Reporting Period
The committee is not aware of any significant events since the end of the reporting period.

| Note 13 Cash Flow Information |  |  |
| :---: | :---: | :---: |
|  | 30 June 2016 | 30 June 2015 |
|  | \$ | \$ |
| Reconciliation of cash flow from |  |  |
| Current year surplus | 48,416 | 98,964 |
| Cash flows excluded from current year |  |  |
| Non-cash flows in current year surplus: |  |  |
| - Depreciation expense | 47,871 | 35,657 |
| - Provision for doubtful debts | 17,701 | - |
| - Inventory write off | 1,000 | - |
| Changes in assets and liabilities |  |  |
| - (Increase) in accounts receivable and other debtors | $(4,851)$ | $(11,155)$ |
| - (Increase) in prepayments | (288) | 30,306 |
| - (Increase)in inventories on hand | $(4,103)$ | $(8,260)$ |
| - Decrease) in accounts payable and other payables | (208) | 10,959 |
| - Increase in employee provisions | 7,217 | - |
| - Increase in current tax liabilities | 1,294 | - |
|  | 114,049 | 156,471 |

Note 14 Association Details
The registered office of the association is:
Dinah Beach Cruising Yacht Association Inc.
PO Box 1506, Darwin NT 0801
The principal place of business is:
Dinah Beach Cruising Yacht Association Inc.
PO Box 1506, Darwin NT 0801

## DINAH BEACH CRUISING YACHT ASSOCIATION INC. <br> ABN: 65794385995 <br> STATEMENT BY MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2016

The Commiltee has delermined that the Association is nol a reporting enlity and that this special purpose financlal report is prepared in accordence with the accounting pollcles stated In note 1 to the nnancial report.

In the opinion of the Committee, the accompanying financial report:
(1) Presenis fairy the financial positton of the Dinah Beah Cruising, Yacht Association lne, as at 30 June 2016 and lts performance for the year ended on that date;
(2). At the date of this statement, there are reasonable grounds to belleve that the Associallon will be able to pay lts debts as and when they fall due.

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


Glen Slanford - Vica commodore
Dated 09 September 2016


Dated 09 September 2016

## INDEPENDENT AUDITOR'S REPORT <br> TO THE DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED

## Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Dinah Beach Cruising Yacht Association Incorporated ('the Association'), which comprises the statement of financial position as at 30 June 2016, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information, and the declaration by the board.

## Committee's Responsibility for the Financial Report

The committee members of Dinah Beach Cruising Yacht Association Incorporated are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Act (NT), and is appropriate to meet the needs of the members. The committee members' responsibility also includes such internal control as the committee members 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.

## Auditor's Responsibility

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

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

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

## Independence

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DINAH BEACH CRUISING YACHT ASSOCIATION INCORPORATED (CONT)

## Opinion

In our opinion, the financial report is prepared in accordance with the accounting policies in Note 1 to the financial report and the requirements of the Associations Incorporation Act (NT) including:
i) giving a true and fair view of the entity's financial position as at 30 June 2016 and of its performance and cash flows for the year ended on that date;
ii) complying with Australian Accounting Standards to the extent described in Note 1

We have obtained all of the information and explanations required from the Association.

## Other Matters

The financial report of the Association for the year ended 30 June 2015 was audited by another auditor who expressed a qualified audit opinion on the financial report on 14 August 2015.

## Basis of Accounting

Without modifying our opinion, we draw your attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Dinah Beach Cruising Yacht Association Incorporated to meet the requirements of the Associations Incorporation Act (NT), the financial report may not be suitable for another purpose.

Nexia Edwards Marshall NT Chartered Accountants


Barry Hansen
Registered Company Auditor
Dated


Darwin
Northern Territroy

