



Annual Report

2019/2020



Acknowledgement

I would like to acknowledge that we at the Keppel Bay Sailing Club, ply the waters that sustained the Woppaburra people of Konomie, Woppa and surrounding islands for thousands of years. And on the 26th May 1770, 250 years ago, HMB Endeavour anchored for a night in the newly named Keppel Bay. The diary of James Cook notices the evening fires of the original inhabitants – but also records why the anchorage was necessary. The bay waters were so shallow that the ship might have stuck on shoals at any time. History notes that in the pre-dawn next morning, the ship's boats found a safe passage for the bark between what we now know as North and Great Keppel Islands. But 2020 will be remembered for a global pandemic as dangerous as the 1920s Spanish flu, one hundred years earlier

Michael Hewson ~ Vice Commodore



NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of members of Keppel Bay Sailing Club Ltd. is to be held at the Keppel Bay Sailing Club Ltd's Clubhouse (Commodore Room), Anzac Parade, Yeppoon in the state of Queensland on Sunday 22nd November 2020 at 5pm.

AGENDA

1. Open the Meeting
2. Record any apologies
3. To receive and consider the Director's Report and Financial Report of the Club's operations for the 2019/2020 financial year.
4. Questions from members for the Board arising from the Annual Report.
5. To receive and consider the auditor's report on the financial affairs of the Club for the 2019/2020 financial year.
6. Questions from members for the auditor regarding preparation and content of the audit report, accounting policies adopted by the Club and the Auditor's independence in conducting the audit.
7. The election of Directors
To consider, and if thought fit, pass the following ordinary resolutions:
Resolution 1(a) "That **Sandra Byrt** is elected as a Director of KBSC".
Resolution 1(b) "That **Carl Brown** is elected as a Director of KBSC".
Resolution 1(c) "That **Jenna Madden** is elected as a Director of KBSC".
8. The election of members to the Sailing Committee
To consider, and if thought fit, pass the following ordinary resolutions as separate ordinary resolutions:
Resolution 2(a) "That **Michael Hewson** is elected to the Sailing Committee".
Resolution 2(b) "That **Jenna Madden** is elected to the Sailing Committee".
9. The appointment of Club Patron for 2020/2021
To consider, and if thought fit, pass the following ordinary resolution:
Resolution 3 "That **Keith Stover** is appointed as Club Patron".
10. Life Member Nomination
Nil nominations received
11. Close Meeting

Nathan Marshall

Acting General Manager

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BOARD OF DIRECTORS

Dan Curtis	Commodore
Michael Hewson	Vice Commodore
Lindsay Lodwick	Director
Sandra Byrt	Director
Karryn Johnson	Director
David Ware	Appointed Director
William Villet	Appointed Director

LIFE MEMBERS

Georgina Balchin*	Jim Biles*
Bob Burrows*	Warren Buttenshaw
Denis Cook	Eric Dagan*
Muriel Dagan*	Neil Dwyer
Bob Effeney	Paul Effeney
Carole Gifford	Jim Glover*
Gordon Neilsen*	Barbara Randell*
Roy Semple*	Val Sisley*
Daryl Skinner	Keith Stover

*DENOTES LIFE MEMBERS WHO ARE DECEASED

SAILING COMMITTEE

Michael Hewson	Vice Commodore
Damian Byrt	Rear Commodore
John Acworth	Committee Member
Francois Gallias	Committee Member
Derek Scantlebury	Committee Member
Blake Newton	Committee Member

MANAGEMENT

Nathan Marshall	Acting General Manager
Mick Rodgers	Facilities & Assistant Manager
Leonie Dooley	Finance Manager
Ella Sagnol	Sports Co-ordinator
Gemma Weinert	Marketing Manager
Cathee Zieball	Compliance & Training Officer

REGATTA COMMITTEE

Paul Effeney
Paul Florian
Carole Gifford
John Acworth

VENUE MANAGERS

Nathan Marshall	Krackers Bar & Grill
Rene Prior	Beach Club Café
Samantha Smith	Clubhouse
Mark Cappelletti	The Spinnaker
Tennielle Healy	Club Emu Park



Commodore's Report

Hasn't the 2019 – 2020 year been up and down. Some things have gone well and some not so much. We've survived the COVID-19 pandemic and are currently in a good position moving forwards.

What are the big-ticket items that have grabbed my and the Board's attention? Managing the Club through COVID-19 and dealing with the effects of Julie Strudwick's departure.

The effects of the COVID-19 pandemic has been significant for the world and the Australian community. Our KBSC community has been equally affected. Our sailing was stopped for months. Our clubs were closed. Our members and staff were uncertain what the future would bring.

I am very proud of the way our KBSC community worked together to get through that difficult period. I saw members supporting the club through the café, getting meals and drinks. I saw KBSC supporting our community by providing food and transport to people who needed it. I saw our staff pull together to make sure the Club was ready to re-open, whenever that happened. We had support from our suppliers who understood our cashflow issues and were patient. We had support from the Government with JobKeeper. We had support from staff and members who volunteered their time.



Commodore's Report

Julie's unexpected departure was a surprise that led to some significant changes in our Club's management. We can all be extremely proud of Nathan who stepped up to the role of Acting General Manager. We can all be extremely proud of the management team who stepped up to provide support and leadership. We can all be extremely proud of the staff who took this significant change to our KBSC family with grace. We can all be extremely proud of Julie's dedication, loyalty and management of our KBSC from Cyclone Marcia through Cyclone Debbie and then the bushfires and COVID-19. KBSC would not be where we are today without Julie's dedication and work.

Dan Curtis
Commodore



General Manager's Report

What a challenging and exciting past year it has been for us all at Keppel Bay Sailing Club. Along with the general ups and downs in the business, our Club stood with our community during the 2019 Fires and again with the entire world as we watched the COVID-19 Pandemic unfold.

Our battles saw our Management Team and staff step into unknown waters and ultimately succeed through situations that very nearly should and could have closed our doors. It is with great admiration and pride, I thank each and every person involved in our Club for their continued determination and passion in keeping our goals in sight and ensuring that Keppel Bay Sailing Club weathered the storms. I am proud of each individual that continues to stand behind the Keppel Bay Sailing Club logo, and delighted to say that we have come out the other side of the enforced closure, in a strong position to move forward into 2021.

With the support of the Board of Directors, I was humbled to be asked to step into the role as Acting General Manager in late May 2020. After only moving to the area in December 2019, my family and I settled into our community very quickly, and the 2020 ride has been an experience no-one could have envisaged. The Acting General Manager Role has been a real highlight of my career thus far - to be able to help guide the Club through our times of transition - both with the challenges of restrictions and change in Management and staff. At the time of writing this, we anticipate the arrival of a new General Manager, whom the Management team and I look forward to working closely with, ensuring the continued success of our club.

Nathan Marshall
Acting General Manager



The Year That Was...

October 2019 saw the annual Pinefest event held in our community. As in previous years Keppel Bay Sailing Club strongly supported the events. It was an absolute honour to sponsor and champion Pinefest Quest entrant Camille Gallais, a sailing team member with a passion for the ocean and all its creatures. Camille's motivation and determination saw her announced as the 2019 Pinefest Ambassador and the Charity Ambassador. Camille successfully raised over \$21000 for the Great Barrier Reef Foundation and the Yeppoon Lions. What an amazing achievement at such a young age! Thank all our members for supporting Camille.

November 2019 bought a very scary time for our community in Yeppoon and surrounding areas. The weather was perfect, not for sailing, not for bowling, but perfect for fires. And that is exactly what happened. Monday November 4th, 2019 staff travelled to work under a bleak smoke-filled sky. The Management team met and quickly realised the gravity of the situation. We were able to open Spinnaker on that day and immediately rallied to help our Rural Bush Fire Family. From there KBSC had the opportunity to support our community more by catering for the Community Relief workers that were brought in to assist those that had lost so much (providing breakfast, lunch and dinner for over 3 weeks). Over the following weeks KBSC supported our community in any way possible including coordinating a Thank You Party (November 24th) to acknowledge the hard work, dedication and commitment from those hero's in yellow and their families. In a mammoth effort from local entertainers and suppliers we as a community coordinated a great event that will be remembered for years to come.

Christmas as always is a wonderful time of year for KBSC. We get to thank our staff and celebrate the support we have received from the community with additional promotions in our gaming areas. We saw many Christmas parties and events held at our venues particularly this year focusing on families. We have been privileged over the last year to provide the community access to some great new up and coming talent and of course we have also been humbled to have our seasoned performers bless us with their fine tunes and entertainment. We have continued our support of our community by buying locally. Building our relationships with local suppliers has allowed KBSC to remain committed in keeping our community growing through financial injection in turn growing employment opportunities within our town.



The Year That Was...

Keeping our community in mind and focused on our members, our Sailing Department's (Ella and Conrad) came up with the CQ Club Challenge initiative. Incorporating fellow sister clubs at Bowen, Airlie Beach, Mackay and Gladstone, KBSC has established this program to engage and encourage all members to participate across the Central Queensland Region. This has increased opportunities for these clubs to build stronger relationships within the world of Sailing and within each community. KBSC has been excited to have a minimum of 8 juniors plus seniors attend the events that were able to run during 2019/2020. At times up to 20 representatives have attended these events to fly the flag for Keppel Bay Sailing Club.



We were excited to become the official Deed holders of the land that the "Clubhouse" resides on. The acquisition of this land allows KBSC to continue the progression of the Keppel Bay Sports Hub and Convention Centre development. 2020 – as always with the new year came new opportunities and challenges. We were excited to continue our training programs for our staff. Seeing several of them complete their Cert 3 and 4 in Hospitality has been a credit to both the staff involved and our training partners. We also welcomed new venue managers into the Club. Mark, Sam, Rene and Nathan give us new sets of eyes and ears to continue to grow the business. Then COVID-19 came and blew us and the rest of the world out of the water. A pandemic that no one could have prepared us for. Our team gathered on Monday the 23rd of March to hear the news that everyone dreaded but realised would have to come. Many were stood down with KBSC only able to keep on a skeleton staff. The weight of the situation and the thought of how to find a way through the troubling times ahead made it an extremely overwhelming time for all, particularly management and the Board of Directors. But as always KBSC will not give in, and with the determination of all involved we were able to battle our way through until we found ourselves almost on the other side and being able to reopen our venues to our community. During this time, we were able to put some staff through additional training. All staff completed COVID training to ensure that when we were back up and running, we were doing everything that was expected by the government.

Vice - Commodore Report

We will remember 2020 as a year like no other as COVID-19 circulated the globe. Along with the Club's businesses, the sailing program went into hibernation between mid-March and mid-July. That also meant that several advances the Sailing Committee and Sailing Department staff wanted to make in 2020 were suddenly not possible. Progress on the Clubhouse redevelopment was held up. The project will enter a re-scoping and a new consultation stage to utilise the approved Federal Government funding. Facilities suitable for the needs of the local sailing community, as well as the post-COVID-19 club business operating environment, need careful planning. As a result of no revenue in the period, the planned purchase of the first six of the RS Feva boats for the youth pathway was put on hold. A disappointing circumstance – but a purchase the Board remains committed to when the financial means allow.

As a club, we have to thank Ella Sagnol and Conrad Byrt, and the team of part-time instructors, for organising a frenetic sailing program when the Queensland State Government lifted health emergency restrictions during July. The JobKeeper program allowed the Club to keep its good people in place. And when it was time to go back to the sea – the sailors returned en masse to racing - with over twenty boats for the restart events in July.

Remarkably, the Regatta Committee, our life members and a raft of volunteers worked extraordinarily hard to make two substantial COVID-safe regattas in September 2020 a run-away success.



The opening of the season regatta saw the Club host the state championships for both the Arrow catamaran and the Impulse 4-metre sports dinghy classes. A hugely successful event, even if we couldn't do any formal socialisation to keep within COVID guidelines. We earned the hearty thanks of both class associations. And then in the September school holidays, Youth Camp and Champs came to town – with a record number of sailing entries for the event. An extraordinary result by any measure. The YCC took a lot of lead-up work to ensure the safety of youthful sailors and their families – as well as our volunteers and staff; our number one priority. The organisation of allocated rigging areas, for example, worked exceptionally well. Our thanks to Australian Sailing who sent staff to help with the event oversight and COVID safe sign-in administration.

Vice - Commodore Report

I would like to acknowledge with thanks the service that Donna Lodwick provided the sailing department looking after a range of administrative tasks. Donna had spent many years in various roles within the organisation – and we wish Donna well for her career change into young child education.

My closing reflection is around the challenges ahead. If KBSC is to be competitive in bidding for National and World level regatta hosts – then some form of building and facilities refurbishment is clearly needed. Perhaps a sailing training host for a mooted Olympic bid by a future Queensland State Government will not be out of reach. Any building works will mean the continuation of sail training and racing will require some different approaches in the medium term. I think too that into 2021, the Sailing Committee will need to invest some energy into planning an overhaul and/or replacement program for sports assets that have aged well to date.

My thanks to all the staff, sailors and families at KBSC – the local sea environment, the Club and its people have very few peers.

Michael Hewson

Vice Commodore



Sailing Report

Sailing at Keppel Bay Sailing Club is still continuing to grow on an upward trend with our training programs and discover sailing experiences continuing to be very popular within the community. Despite COVID-19 causing a shutdown of sailing during the months of April through to June, we have still managed to achieve foreseeable growth within our training programs. Tackers 1 received a total of 72 participants through the 2019/2020 sailing season which compares to last year's season of 76 participants, with an extra school holiday program that was cancelled due to COVID, we could have expected participation to reach the high 80's or low 90's for the year. This is also reflected in our tackers 2 program with 38 participants in the 2019/2020 season compared to 37 for the 2018/2019 season. Tackers 3 showed an increase in participation regardless of COVID with a total of 29 participants compared to 20 in the previous season.

Start sailing 1 has shown great improvement over the past couple of years with a record 37 participants over the last season. Due to COVID we were unable to run two scheduled start sailing courses, this however, effected start sailing 2 numbers quite dramatically with only seven participants partaking in the Start Sailing 2 this season. I would like to thank my sailing department team for their exceptional execution of our Start Sailing 1 program this season.

Keppel Bay Sailing Club has continued to perform well nationally across tackers and dingy training programs receiving top 10 placings across each quarter for this sailing season. We are looking forward to Australian Sailing releasing the end of year report to see where KBSC's final placing is for each training program. Along with the increase in our training centre programs, our sailing membership also increased, with a growth of sixty sailing members from last season. This is a continued result of our complimentary membership to the participants in our training centre programs.

In the last season we are proud to announce that KBSC has added windsurfing and "Out There Sailing" (program focused on Youth participation ages 12 – 17) as a part of our Discover Sailing Centre. In November, Lucas Johnson, Ella Sagnol & Conrad Byrt gained their windsurfing instructor accreditation through Australian Sailing.



Sailing Report

KBSC has then initiated a Wind Surfing program and Out There Sailing program. Both programs were well received, and we look forward to facilitating more programs in the upcoming season. This was all made possible with the purchase of six wind surfers. Across this sailing season we had 246 people participate in a Discover Sailing Experience with KBSC. This includes Come and Try Days, Discover Sailing Days and our new initiative Discover Sailing Sundays (previously known as Boat & Breakfast).

This year has seen big changes at the Causeway Lake with the purchase and installation of two shipping containers to run our Tackers programs. We want to acknowledge Sailability for their continued support over the years while we were running Tackers out of their shed. Upgrades to make these containers more user friendly will be implemented in the upcoming season. Staff and participants are excited to have their own space at the Causeway Lake.

The 2020 Youth Camps & Championships was a great success. We had a record number of attendants with 157 boats in total over the six days. We also broke the record for our Green Fleet program with 37 boats at the Causeway. The Youth Camp this year also bought a new sailing class to the event, the Foiling Kites. They were exciting to watch and Keppel Bay provided superb conditions for the class. We expect to see Kite Foiling become a usual appearance at the Youth Camp in years to come. With the possibility of KBSC hosting a Kite Foiling State Championships in the near future, KBSC is excited to continue working with the class in this space. This event would not be the success it is without the ongoing support of our volunteers both on and off the water!

Smooth Sailing!

Conrad Byrt
Head Coach



Financial Report

Community

The Club continues to provide support to the sports of Sailing and Bowls, Community Groups and Organisations through various avenues including, sponsorship, gift vouchers, free room hire, community grants program in conjunction with the Livingstone Shire Council and in-kind assistance. Although a number of events have been cancelled this year due to COVID-19 KBSC has continued to engage with the community and assist wherever possible. This support includes:

- Support to KBSC Sailing
- Lions, Rotary, Lioness, Probus, Bridge Club, Bingo – Free Room Hire
- Capricorn Helicopter Rescue
- Sailability Capricornia
- Yeppoon Bridge Club
- Cap Coast Community Events such as Great Australian Day Beach Party and Carols by the Beach
- Yeppoon Seagulls Rugby League Football Club
- Yeppoon Turf Club
- Support to Emu Park Bowls Club
- Support to Yeppoon Bowls Club
- Carol's Chance Fundraiser for Cancer
- Capricorn Village Festival
- Lions Pinefest
- Nihon Shotokan Karate Club
- Capricorn Soccer Club
- CapCoast CrossFit
- Thank you - Furies Community Day



Training

The Club has continued to focus on training and upskilling its employees by investing \$40,000 this year in staff development. In this financial year we have ten Apprentice Chefs enrolled in Certificate III Commercial Cookery and 16 School Based Trainees enrolled in Certificate III Hospitality. We also have a number of employees enrolled in Certificate IV and Diploma in Hospitality Management. These opportunities are completed in conjunction with Club Training Australia. Ensuring that our staff have the highest level of training to perform their role gives them higher confidence and in-turn delivers a greater experience for the members and customers at KBSC.

Financial Report

Financial Results

This year the Yeppoon Community has been faced with a number of challenges including bushfires, hailstorms and the COVID-19 pandemic. Although KBSC was not immune to these challenges we can say the impacts were manageable due to our tenacity and determination to succeed. Along with the rest of Australia our industry was severely affected with the forced closure from COVID-19 (5 venues were closed for up to 12 weeks). There was also damage and maintenance to property that saw our venues affected, which in turn affected our scheduled maintenance programs and their budgeted bottom line.

This saw a decline in Revenue compared to the previous year by 24% in Food & Beverage Sales and 34% in Gaming Revenue (Graph 1 & 2).

However due to a 23% decrease in Cost of Goods expenditure Gross Profit only decreased by 1% compared to last year (Graph 3).

EBITARD YTD was 6% considerably lower than the 13% that we commenced the year at (Graph 4).

Early 2020 saw the purchase of Lots 65 & 66 Anzac Parade settle, ensuring the Clubhouse has long term security. This procurement significantly increased our borrowings. Whereas the purchase of 10 Bowls Street (the block adjoining the southern boundary of Krackers Bar and Grill) significantly decreased our cash as this was paid out of cash holdings (Graph 5).

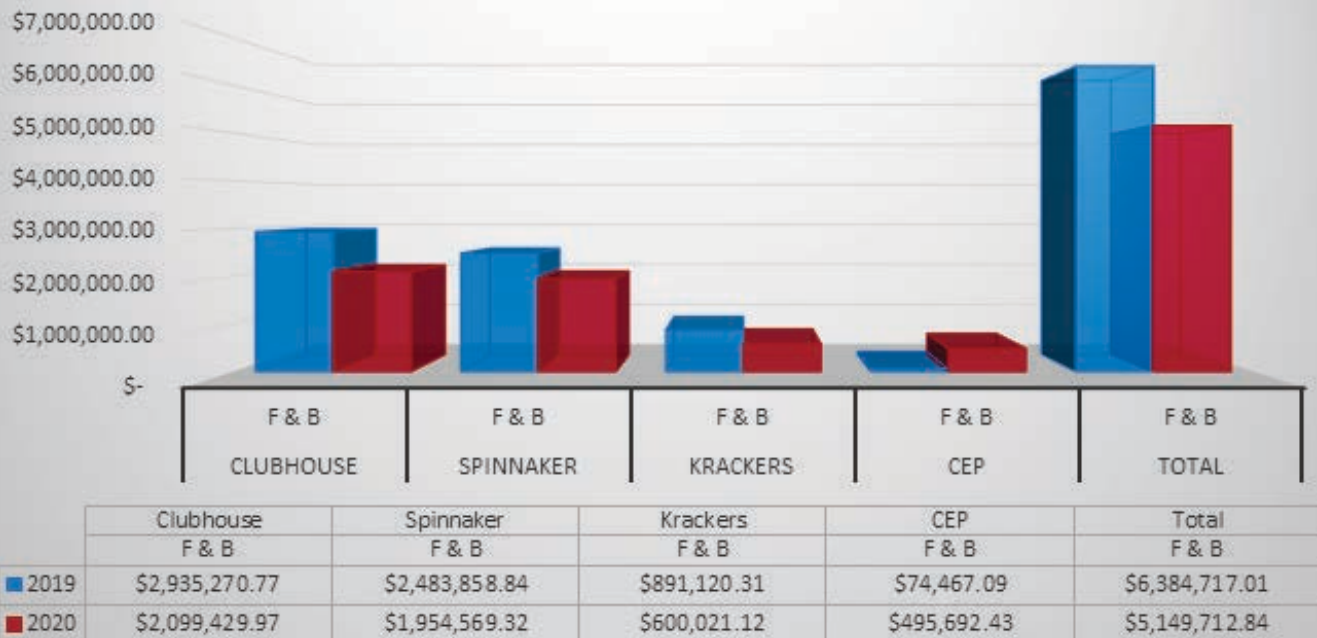
Equity decreased due to the deficit for the year however this was negated by prior year adjustments of GST paid not claimed. The Board engaged an external independent accounting firm to conduct a financial review of the past 2 to 3 years of KBSC finances. One of the findings of this was we were able to go back four years of BAS returns and claim GST on all Cash Prizes, Gaming Promotions, Bounty Points etc. This resulted in refunds from ATO totalling \$161,000. \$140,000 of this total was from prior years (Graph 6).



Financial Report

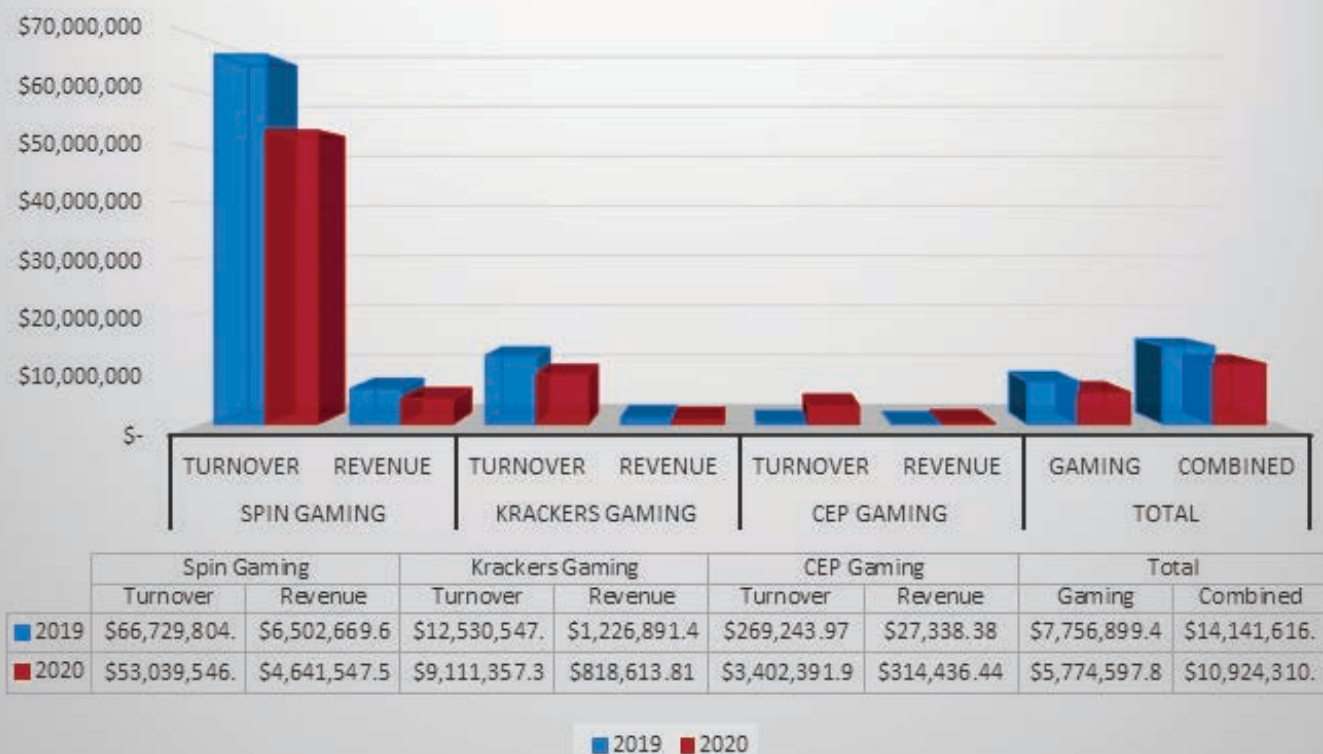
Graph 1

YTD F&B Comparison per Venue



Graph 2

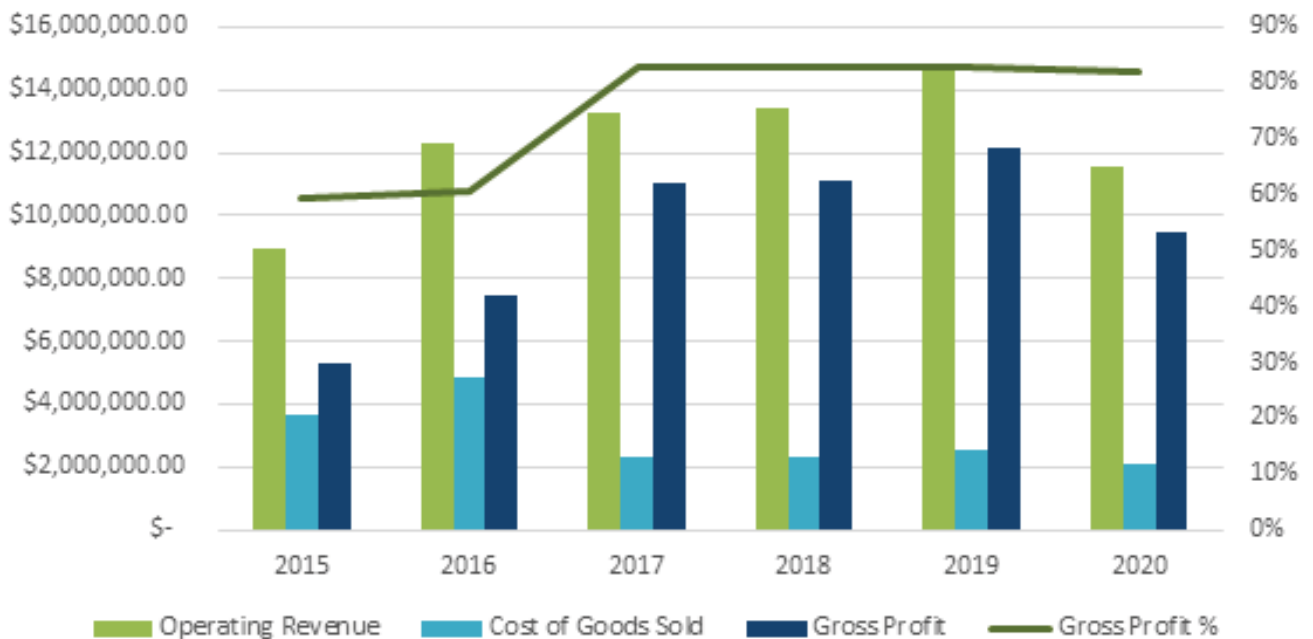
YTD Gaming Turnover & Revenue Comparison per Venue



Financial Report

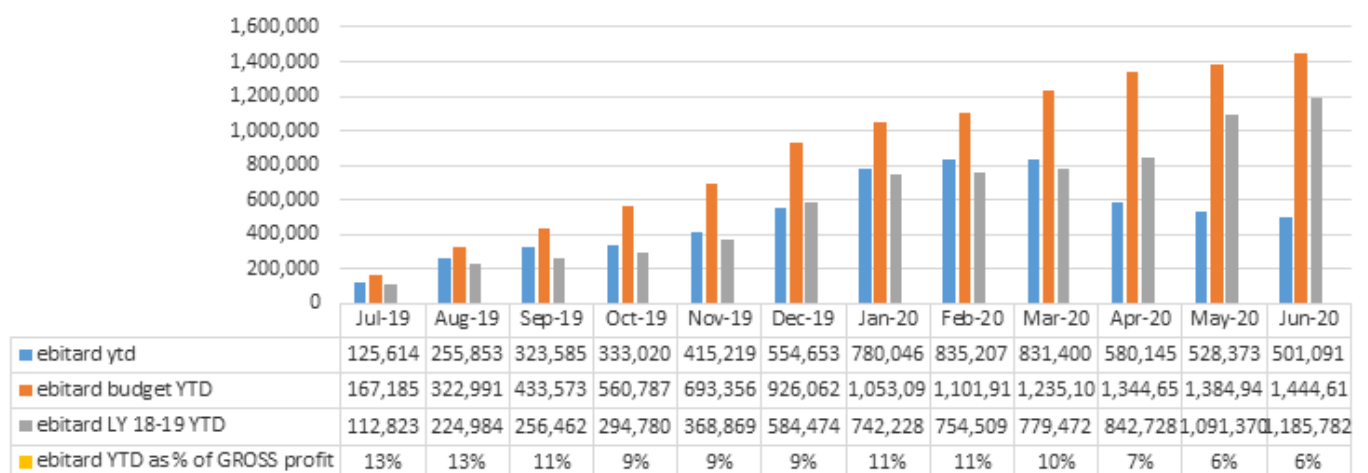
Graph 3

Gross Profit



Graph 4

EBITARD YTD - Please note this doesn't include Sailing



Financial Report

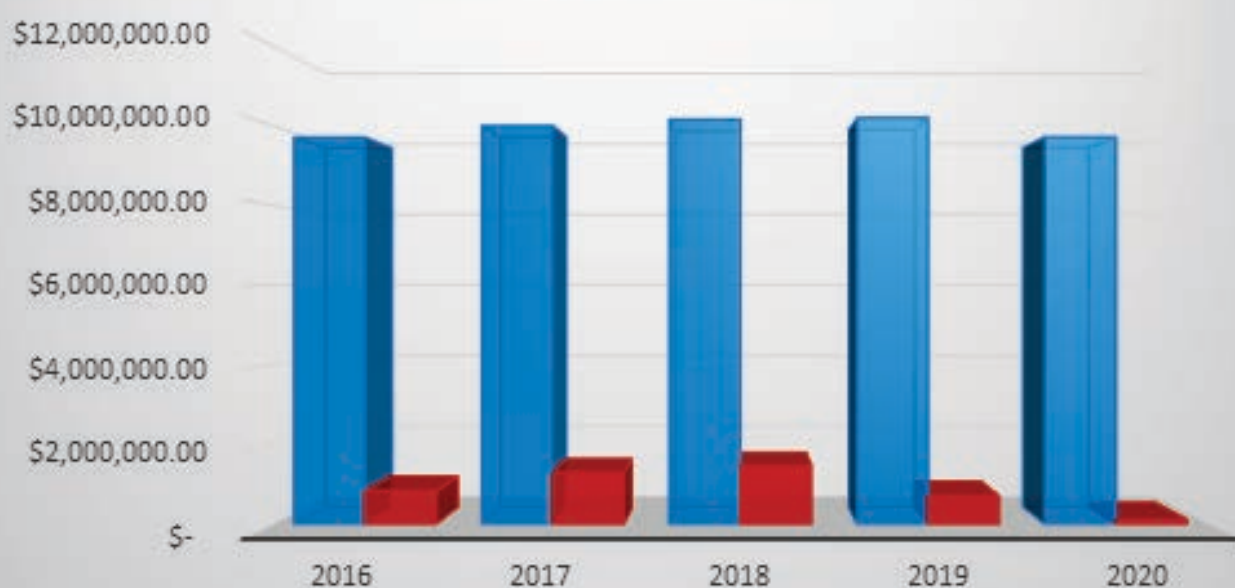
Graph 5

Net Borrowings



Graph 6

Changes in Equity and Cash



	2016	2017	2018	2019	2020
Changes in Equity	\$9,688,235.00	\$9,985,718.00	\$10,142,537.00	\$10,181,438.00	\$9,699,708.00
Changes in Cash	\$837,500.00	\$1,302,197.00	\$1,476,521.00	\$708,447.00	\$124,363.00

Financial Report

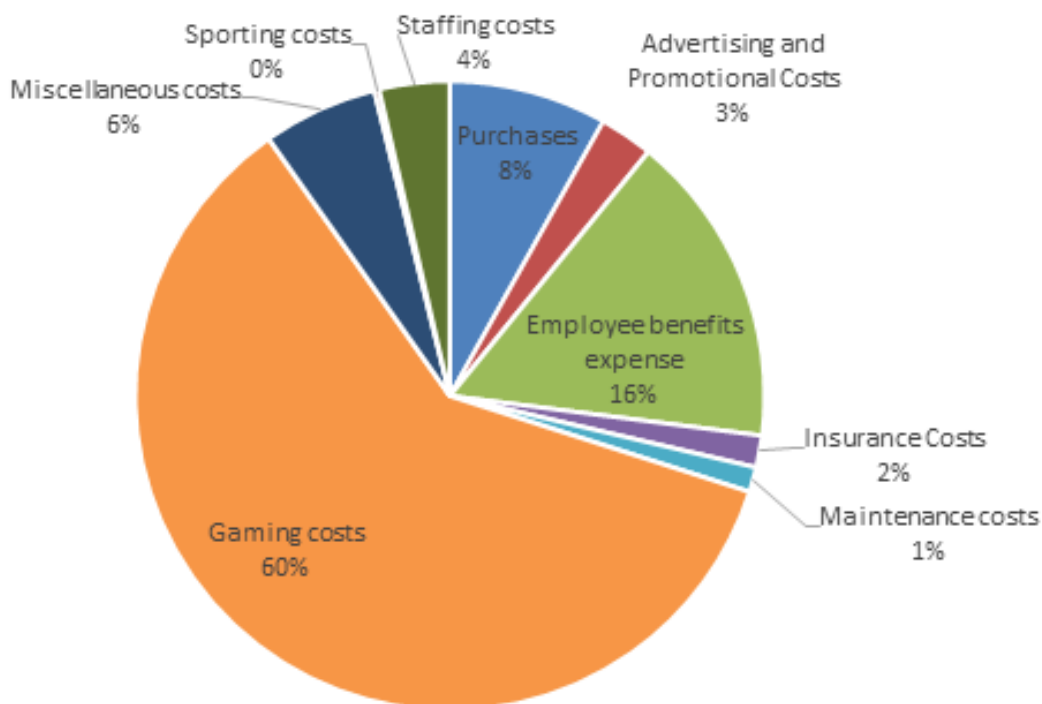
Overheads

Overheads have all decreased from last year except for insurance which increased by 107%. This is mainly due to fewer Insurance Companies willing to offer Property insurance along the Queensland coast and especially postcode 4703.

Decrease in Overheads 18/19 - 19/20

Advertising and Promotional	-22%
Employee benefits expense	-7%
Insurance Costs	107%
Maintenance costs	-23%
Gaming costs	-7%
Miscellaneous costs	-25%
Sporting costs	-6%
Staffing costs	4%

Overhead Actuals - 19/20



KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

FINANCIAL REPORT

FOR THE YEAR ENDED 30th JUNE 2020

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KEPPEL BAY SAILING CLUB LTD

ABN: 67 725 407 123

DIRECTORS' REPORT

Your Directors present their report on the entity for the financial year ended 30th June, 2020.

Directors

The names of each person who has been a Director of the entity during the year and at the date of this report are:

Dan Curtis
Karryn Johnson
William Villet

Michael Hewson
Lindsay Lodwick
Francois Gallais

Sandra Byrt
David Ware
Keith Stover

Principal Activities

The principal activity of the entity during the financial year was that of a Club to promote, encourage and conduct the sport of sailing and other sports in the Central Queensland region.

The entity's objectives are to:

- Promote and encourage the sport of sailing on Keppel Bay and elsewhere.
- Conduct and race sailing craft at Keppel Bay and at such other places as may from time to time be decided by the entity.
- Promote and encourage sport in the community.
- Conduct sporting events and competitions.
- Make and maintain provision to enable its members, guests and other approved persons to participate in sailing.
- Improve the sailing activities of its members and other approved persons by the provision of coaching and training.
- Encourage increased and wider participation in the sport of sailing by promoting the Club and the sport of amateur sailing.
- Provide food, refreshments, accommodation, entertainment and all things incidental to the preceding objects for the members, guest and other approved persons.
- Provide community support through making grants and providing sponsorship for events and activities.

To achieve these objectives, the entity has adopted the following strategies:

- Develop a master plan to accommodate future growth in the sporting membership base.
- Maintain and improve the standard of the current licenced facilities.

Information on Directors

Dan Curtis
Qualifications

Experience

Special Responsibilities

Commodore

Bachelor of Engineering (Naval Architecture), Master of Business (Complex Project Management), CEng, MRINA, MAIPM

President Canberra Outrigger Canoe Club (10yrs), President Canberra Dragon Boat Association (5yrs), Communications Director Australian Dragon Boat Federation, Director DRJ Consulting Capricornia. Director since October, 2018

Finance Committee and Facilities and Resources Committee

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****DIRECTORS' REPORT****Information on Directors (cont.)**

Michael Hewson	Vice Commodore - Elected October, 2019
Qualifications	CSC PhD MGIS GCTE BSc
Experience	Sailing Committee since September, 2018. Director since October, 2019. Convenor of the Q Chapter of the Australian Meteorology and Oceanography Society
Special Responsibilities	Sailing Committee
Sandra Byrt	Director
Qualifications	Diploma of Teaching (Secondary), Bachelor of Education
Experience	Director since 2014
Special Responsibilities	Facilities and Resources Committee
Karryn Johnson	Director
Qualifications	CPA, Bachelor of Business (Accounting), Commissioner of Declarations, MIML, GAICD
Experience	Company Secretarial Accountant, Business Management and Commodore December, 2015 to December, 2016. Director since December, 2016
Special Responsibilities	Finance Committee and Policy and By-Law Committee
Lindsay Lodwick	Director
Qualifications	Licensed Real Estate Agent and Auctioneer.
Experience	Community Organisations (3yrs). Director since January, 2019
Special Responsibilities	Facilities and Resources Committee
David Ware	Director - Appointed November, 2019
Qualifications	Bachelor of Education
Experience	Director since December, 2015
Special Responsibilities	Policy and By-Law Committee and Finance Committee
William Villet	Director - Appointed December, 2019. Resigned January, 2020
Francois Gallais	Vice Commodore - Resigned October, 2019
Qualifications	Master (MSc) Global Marketing, Staffordshire University
Experience	Sailing Committee Member and Director since 2015
Special Responsibilities	Policy and By-Law Committee and Sailing Committee
Keith Stover	Director - Resigned October, 2019
Qualifications	
Experience	Retired Sailing Coach. Director since 2019
Special Responsibilities	Policy and By-Law Committee

Meetings of Directors

During the financial year, 16 meetings of Directors were held. Attendance by each Director were as follows:

	<u>Number Eligible to Attend</u>	<u>Numbers Attended</u>
Dan Curtis	16	16
Michael Hewson	11	11
Sandra Byrt	16	15
Karryn Johnson	16	15
Lindsay Lodwick	16	14
David Ware	14	11
William Villet	1	1
Francois Gallais	5	5
Keith Stover	4	5
	3	

KEPPEL BAY SAILING CLUB LTD

ABN: 67 725 407 123

DIRECTORS' REPORT

Operating Results

During the year there were no significant changes in the state of affairs of the entity other than referred to in the accounts or notes thereto. The net surplus / (deficit) for the year after extraordinary items was:

2020	\$	(623,700)
2019	\$	163,901

Dividends Paid or Recommended

The entity's constitution prohibits dividends.

Review of Operations

The entity continues to provide sporting and recreational facilities in accordance with the terms of its constitution.

After Balance Date Events

There has been no matter or circumstance, other than referred to in the accounts or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in the financial years subsequent to this financial year.

Future Developments

In the opinion of the Directors, information regarding likely developments in the operations of the entity and the expected results of those operations in subsequent financial years, has already been disclosed to members.

Environmental Issues

The entity's operations are not regulated by any significant environmental regulation, under the law of the Commonwealth or of a State or Territory.

Indemnifying Officers of Auditors

The entity has not, during or since the financial year, in respect of any person who is, or has been, an officer or auditor of the entity or of a related body corporate:

- indemnified or made any relevant agreement for the indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings;

With the exception that the entity paid a premium to insure Directors against any possible liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their wilful breach of duty in relation to the entity.

DIRECTORS' REPORT

Proceedings On Behalf Of The Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not party to any such proceedings during the year.

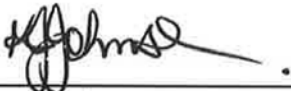
Directors' Benefits

With the exception of the above, during or since the financial year, no Director of the entity has received or become entitled to receive a benefit by reason of a contract made by the entity or a related corporation with a Director or with a firm of which he is a member or with a entity in which he has a substantial financial interest.

Signed in accordance with a resolution of the Board of Directors and on behalf of the Directors.



Dan Curtis
Commodore



Karryn Johnson
Director

YEPPOON QLD. 4703

Dated this 29th day of September, 2020

KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF KEPPEL BAY SAILING CLUB LTD

FOR THE YEAR ENDED 30th JUNE, 2020

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Keppel Bay Sailing Club Ltd. As the lead auditor for the audit of the Financial Report of Keppel Bay Sailing Ltd for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the audit independence requirements as set out in the *Corporations Act 2001*, in relation to the audit, and;
- (ii) any applicable code of professional conduct in relation to the audit.



RWM
Chartered Accountants



LEON C. NANTES
A Registered Company Auditor - 523666

23 Jeays Street
BOWEN HILLS QLD. 4006

Dated this 28th day of September, 2020

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30th JUNE 2020**

	Note	2020 \$	2019 \$
<u>Classification of Income and Expenses by Function</u>			
Revenue	2	25,019,731	27,965,968
Interest Income		61	536
Purchases and Other Consumables		(2,007,993)	(2,554,717)
Changes in Inventories		(86,839)	(1,569)
Advertising and Promotional Costs		(682,230)	(875,726)
Borrowing Costs Expense		(141,360)	(78,616)
Depreciation and Amortisation Expense		(662,799)	(644,531)
Employee Benefits Expense		(3,996,656)	(4,294,200)
Insurance Costs		(406,028)	(196,271)
Loss on Disposal of Assets		-	(17,241)
Maintenance Costs		(317,277)	(411,255)
Gaming Costs		(14,923,729)	(16,056,116)
Miscellaneous Costs		(116,255)	(917,841)
Operation Costs		(1,344,958)	(826,468)
Sporting Costs		(63,248)	(67,306)
Staffing Costs		(894,120)	(860,746)
		(623,700)	163,901
Income Tax Attributable to Operating Surplus / (Deficit)	1(a)	-	-
Net Surplus / (Deficit) from Ordinary Activities After Income Tax Expense Attributable to the Entity		(623,700)	163,901
Net Surplus / (Deficit) Attributable to Members of the Entity	12	(623,700)	163,901

The accompanying notes form part of these financial statements

KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2020

	Note	2020 \$	2019 \$
<u>Current Assets</u>			
Cash	3	124,363	708,447
Trade Receivables	4	215,849	23,261
Other Receivables	5	98,040	322,042
Inventories	6	81,121	167,960
Total Current Assets		519,373	1,221,710
<u>Non-Current Assets</u>			
Gaming Licences - at Cost	7	102,955	17,500
Gaming Licences - at Valuation	7	357,045	355,000
Property, Plant and Equipment	7	13,710,267	12,511,320
Total Non-Current Assets		14,170,267	12,883,820
Total Assets		14,689,640	14,105,530
<u>Current Liabilities</u>			
Payables	8	1,027,751	1,282,066
Borrowings	9	951,483	931,279
Provisions	10	352,552	313,918
Total Current Liabilities		2,331,786	2,527,263
<u>Non-Current Liabilities</u>			
Borrowings	9	2,547,223	1,299,069
Provisions	11	110,923	97,760
Total Non-Current Liabilities		2,658,146	1,396,829
Total Liabilities		4,989,932	3,924,092
Net Assets		9,699,708	10,181,438
<u>Shareholders' Equity</u>			
Capital, Reserves and Retained Surplus / (Deficit)	12	9,699,708	10,181,438
Total Shareholders' Equity		9,699,708	10,181,438

The accompanying notes form part of these financial statements

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****STATEMENT OF CHANGES IN EQUITY**
FOR THE YEAR ENDED 30th JUNE 2020

	Note	2020 \$	2019 \$
Retained Surplus / (Deficit) at the Beginning of the Year		7,283,226	8,689,883
Adjustment to Prior Year Asset Revaluation Reserve		-	(1,090,558)
Adjustment to Prior Year for Asset Deprecation Rate Correction		139,925	-
Reverse Club Land Held as an Asset		-	(480,000)
Net Surplus / (Deficit) Attributable to the Members of the Entity		<u>(623,700)</u>	<u>163,901</u>
Closing Retained Surplus / (Deficit)	12	6,799,451	7,283,226
Asset Revaluation Reserve - Gaming Machine Entitlements	7	357,045	355,000
Asset Revaluation Reserve - Krackers		1,322,074	1,322,074
Asset Revaluation Reserve - Spinnaker		<u>1,221,138</u>	<u>1,221,138</u>
Retained Surplus / (Deficit) at the End of the Year		<u>9,699,708</u>	<u>10,181,438</u>

The accompanying notes form part of these financial statements

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th JUNE 2020**

	Note	2020	2019
		\$	\$
<u>Cash Flows From Operating Activities</u>			
Receipts from Members, Guests and Visitors		24,992,214	14,773,636
Payments to Suppliers and Employees		(24,756,156)	(13,950,382)
Interest Income Received		61	536
Borrowing Costs		<u>(141,360)</u>	<u>(78,616)</u>
Net Cash Provided / (Used) in Operating Activities	18(b)	94,759	745,174
<u>Cash Flows From Investing Activities</u>			
Proceeds from Sale of Property, Plant and Equipment		-	-
Payment for Property, Plant and Equipment		<u>(1,947,201)</u>	<u>(2,105,260)</u>
Net Cash Provided / (Used) in Investing Activities		(1,947,201)	(2,105,260)
<u>Cash Flows From Financing Activities</u>			
Proceeds from Borrowings		2,155,295	1,674,230
Repayment of Borrowings		<u>(886,937)</u>	<u>(1,082,218)</u>
Net Cash Provided / (Used) in Financing Activities		1,268,358	592,012
Net Increase / (Decrease) in Cash Held		(584,084)	(768,074)
Cash at the Beginning of Financial Year		<u>708,447</u>	<u>1,476,521</u>
Cash at the End of the Financial Year	18(a)	<u>124,363</u>	<u>708,447</u>

The accompanying notes form part of these financial statements

KEPPEL BAY SAILING CLUB LTD

ABN: 67 725 407 123

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020

The financial statements cover Keppel Bay Sailing Club Ltd as an individual entity, incorporated and domiciled in Australia. Keppel Bay Sailing Club Ltd Limited is a Company Limited by Guarantee.

The financial statements were authorised for issue on 29 September, 2020 by the Directors of the entity.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:-

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Directors have prepared the financial statements on the basis that the entity is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The entity 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 *Corporations Act 2001* and the significant accounting policies disclosed below, which the Directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period 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 raised, as the entity is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

(b) Property, Plant and Equipment (PPE)

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is renewed annually by Directors 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 assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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 to the entity commencing from the time the asset is held ready 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 assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) 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.

KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income and expenditure statement.

(e) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled. Contributions are made by the entity to an employee superannuation fund are charged as expenses when incurred.

(f) Provisions

Provisions are recognised when the entity 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate 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.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statements are shown inclusive of GST.

(i) Inventories

Inventories are measured at the lower of cost and current replacement cost.

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

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)****(j) Leases**

At the inception of a contract, the Company assesses if the contract contains or is a lease under AASB 16; Leases. Where a lease exists, a right-of-use asset and a corresponding lease liability are recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (i.e. lease with remaining lease term of 12 months or less) and leases of low value assets will be 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 commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement day 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.

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 the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company does not act as a lessor in relation to lease contracts.

The Company didn't have any leases affected by the introduction of AASB 16 during the year.

	2020 \$	2019 \$
NOTE 2: CURRENT YEAR SURPLUS / (DEFICIT) BEFORE INCOME TAX		
<u>Revenue</u>		
Bar sales	2,123,992	2,464,347
Catering sales	3,025,686	3,920,366
Gaming revenue	18,619,681	20,982,084
Government grants	760,692	-
Other activities	489,680	599,171
	<u>25,019,731</u>	<u>27,965,968</u>

Expenses

Depreciation		
Buildings	108,315	101,456
Property, plant and equipment	554,484	543,075
Borrowing costs	141,360	78,616
Employee entitlements	3,996,656	4,294,200
Auditors' remuneration - audit services	18,000	17,000

NOTE 3: CASH AND CASH EQUIVALENTS

Cash on Hand and at Banks	<u>124,363</u>	<u>708,447</u>
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KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020

	2020 \$	2019 \$
NOTE 4: TRADE RECEIVABLES		
Debtors	5,849	23,261
Government grants - Job keeper	210,000	-
	<u>215,849</u>	<u>23,261</u>
NOTE 5: OTHER RECEIVABLES		
Prepayments - including insurance	<u>98,040</u>	<u>322,042</u>
NOTE 6: INVENTORIES		
Clubhouse	41,983	64,631
Club Emu Park	6,594	22,805
Krackers	2,859	16,970
Spinnaker	29,685	63,554
	<u>81,121</u>	<u>167,960</u>
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
Freehold land at valuation (2015)	5,168,462	3,620,000
Redevelopment costs	197,137	185,571
Rental properties	399,497	399,497
Less: Accumulated depreciation	<u>(7,578)</u>	<u>(1,143)</u>
	391,919	398,354
Buildings - At cost	6,092,562	5,965,781
CCYC Shed - At cost	64,673	64,673
Less: Accumulated depreciation	<u>(548,909)</u>	<u>(434,998)</u>
	5,608,326	5,595,456
Total Land and Buildings	11,365,844	9,799,381
Plant and equipment - At cost	1,715,263	1,693,474
Less: Accumulated depreciation	<u>(851,287)</u>	<u>(747,451)</u>
	863,976	946,023
Motor vehicles - At cost	154,169	153,020
Less: Accumulated depreciation	<u>(93,790)</u>	<u>(76,701)</u>
	60,379	76,319
Gaming machines - At cost	4,426,655	4,274,656
Less: Accumulated depreciation	<u>(3,006,587)</u>	<u>(2,585,059)</u>
	1,420,068	1,689,597
Total Property, Plant and Equipment	13,710,267	12,511,320

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020**

	2020 \$	2019 \$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT (Cont.)		
Gaming licences - At cost	102,955	17,500
Gaming licences - Revaluation increase	357,045	355,000
Total Intangible Assets - Gaming Licences	460,000	372,500
Total Fixed Assets	14,170,267	12,883,820

	Land and Buildings	Property, Plant and Equipment	Gaming Licences	Total
Opening balance	9,799,381	2,711,939	372,500	12,883,820
Additions	1,686,809	174,937	85,455	1,947,201
Revaluation reserve adjustments	-	-	2,045	2,045
Disposals	-	-	-	-
Depreciation expense	(120,346)	(542,453)	-	(662,799)
Carrying Amount at End of Year	11,365,844	2,344,423	460,000	14,170,267

NOTE 8: TRADE AND OTHER PAYABLES

Sundry creditors	796,061	1,103,366
Accrued expenses	741	29,616
GST payable / (receivable)	215,569	111,877
Simplay funds owing	-	-
Other creditors	15,380	37,207
	<u>1,027,751</u>	<u>1,282,066</u>

NOTE 9: BORROWINGS**Current**

Corporate credit card	-	7,913
Loan - Insurance funding	105,810	36,515
Loan - Bendigo bank	93,009	93,009
Loan - Commonwealth bank - equipment finance	272,664	313,842
Loan - Commonwealth bank - better business	480,000	480,000
	<u>951,483</u>	<u>931,279</u>

Non-Current

Loan - Bendigo bank	396,392	331,094
Loan - Commonwealth bank - equipment finance	27,973	263,150
Loan - Commonwealth bank - better business	2,122,858	704,825
	<u>2,547,223</u>	<u>1,299,069</u>

The Club has made additional repayments to the Commonwealth Bank Better Business loan during the year. As at June 30 the Club has an available redraw of \$69,098 from special repayments made.

KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020

	2020 \$	2019 \$
NOTE 10: CURRENT PROVISIONS		
Annual leave	199,975	195,616
Linked jackpots	120,414	103,441
Members' points	32,163	14,861
	<u>352,552</u>	<u>313,918</u>
NOTE 11: NON-CURRENT PROVISIONS		
Long service leave	<u>110,923</u>	<u>97,760</u>
NOTE 12: RETAINED EARNINGS		
Retained surplus / (deficit) at beginning of financial year	7,283,226	8,689,883
Prior period adjustment - asset revaluation reserve	-	(1,570,558)
Prior period adjustment - asset depreciation rate correction	139,925	-
Net surplus / (deficit) attributable to the members	<u>(623,700)</u>	<u>163,901</u>
Retained surplus / (deficit) at the end of the financial year	<u>6,799,451</u>	<u>7,283,226</u>

The entity owns a total of 184 gaming machine entitlements across three venues. The gaming machine entitlements have been revalued to \$2,500 each, for a total value of \$460,000. The Directors consider \$2,500 is a reasonably conservative value in the current market. The increase in value of \$357,045 (\$460,000 less \$102,955) is recognised as a revaluation reserve.

NOTE 13: SECURITY FOR LENDING FACILITIES

The borrowings are secured by:

- (a) Clubhouse - Located at Anzac Parade, Yeppoon.
- (b) Spinnaker - Non-residential property located at 36 - 38 Anzac Parade, Yeppoon
- (c) Krackers - Non-residential property located at 18 Bowls Street, Yeppoon
- (d) Residential property located at 10 Bowls Street, Yeppoon

NOTE 14: DIRECTORS' REMUNERATION AND RELATED PARTY TRANSACTIONS

All Directors acted in an honorary capacity. The names of the Directors who held office during the financial year are:

Dan Curtis
Karryn Johnson
William Villet

Michael Hewson
Lindsay Lodwick
Francois Gallais

Sandra Byrt
David Ware
Keith Stover

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no reimbursements to any Director during the financial year.

KEPPEL BAY SAILING CLUB LTD**ABN: 67 725 407 123****NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020****NOTE 15: SEGMENT INFORMATION**

The entity operates in the hospitality industry being sports and recreation industry where it provides dining, gaming and bar activities, the surplus of which support sailing and bowls activities.

NOTE 16: ENTITY DETAILS

The Registered Office and Principal Place of Business of the Entity is:

Anzac Parade
YEPPOON, QLD. 4703

NOTE 17: FINANCIAL INSTRUMENTS

- (a) The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

2020	Weighted Average Effective Interest	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Maturing 1 to 5 Years
Financial Assets	%	\$	\$	\$
Cash on hand and at banks	0.05%	124,363		
Financial Liabilities				
CBA equipment finance loan	5.99%		272,664	27,973
CBA facility loan	4.78%		480,000	2,122,858
Bendigo Bank facility loan	6.00%		93,009	396,392

2019	Weighted Average Effective Interest	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Maturing 1 to 5 Years
Financial Assets	%	\$	\$	\$
Cash on hand and at banks	0.08%	708,447		
Financial Liabilities				
CBA equipment finance loan	4.53%		313,842	263,150
CBA facility loan	4.53%		480,000	704,825
Bendigo Bank facility loan	5.05%		93,009	331,094

KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th JUNE 2020

		2020 \$	2019 \$
<hr/>			
(b) Credit Risk			
<p>The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes of the Financial Report.</p> <p>The entity does not have a material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.</p>			
(c) Net Fair Values			
<p>No financial assets or financial liabilities are readily traded on organised markets.</p>			
NOTE 18: CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
<p>For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flow is reconciled to the related items in the balance sheet as follows:</p>			
Cash	3	<u>124,363</u>	<u>708,447</u>
(b) Reconciliation of net cash provided by operating activities to operating surplus / (deficit) after income tax:			
Operating surplus / (deficit) after taxation		(623,700)	163,901
(Gain) / loss on disposal of non-current assets		-	-
Add: depreciation and amortisation of non-current assets		662,799	643,388
Less: prior period adjustment		139,925	1,599
<u>Changes in net assets and liabilities:</u>			
<u>(Increase) / decrease in:</u>			
Current inventories		86,839	1,569
Current receivables		(192,588)	106,992
Current prepayments		224,002	(322,042)
<u>Increase / (decrease) in:</u>			
Creditors and accruals		(254,315)	228,478
Provisions		<u>51,797</u>	<u>(78,711)</u>
Net cash provided by / (used in) operating activities		<u>94,759</u>	<u>745,174</u>

KEPPEL BAY SAILING CLUB LTD

ABN: 67 725 407 123

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Keppel Bay Sailing Club Ltd, the Directors declare that, in the Directors' opinion:

1. The financial statements and notes, as set out on pages 7 to 18, are in accordance with the *Corporations Act 2001* and:
 - a) comply with the Australian Accounting Standards applicable to the entity; and
 - b) give a true and fair view of the financial position of the entity as at 30 June, 2020, and of its performance for the year then ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. There are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors:



Dan Curtis
Commodore



Karryn Johnson
Director

YEPPOON QLD. 4703

Dated this 29th day of September, 2020

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

Report on the Audit of the Financial Report

Audit Opinion

We have audited the accompanying Financial Report, being a Special Purpose Financial Report, of Keppel Bay Sailing Club Ltd, as set out on pages 7 to 19, which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Profit or Loss and Other Comprehensive Income for the year then ended, Statement of Changes in Equity, Statement of Cash Flows, notes comprising a summary of significant accounting policies, other explanatory information, and the Directors' declaration.

In our opinion, except for the qualification paragraph below, the accompanying Financial Report represents fairly, in all material aspects, the financial position of the entity as at 30 June, 2020 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Qualified Opinion

The Club recorded a net deficit of \$623,700 for the year ended 30 June 2020 (2019 net surplus of \$163,901). Cash and cash equivalents as at 30 June 2020 was \$124,363 (2019: \$708,447). Due to the uncertainties from the COVID-19 pandemic, this may impact on the abilities for the Club to be profitable in the future.

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 entity 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.

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

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to the Note 1 of the Financial Report, which describes the basis of accounting. The Financial Report has been prepared by the Directors to satisfy the requirements of the entity's constitution and to meet the needs of members. As a result, the Financial Report may not be suitable for another purpose.

Directors' Responsibility for the Financial Report

The Directors of the entity are responsible for the preparation of the Financial Report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the requirements of the constitution and the needs of the members. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Report, the Directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
KEPPEL BAY SAILING CLUB LTD
ABN: 67 725 407 123

Report on the Audit of the Financial Report (cont.)

Auditors' Responsibility 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 the Financial Report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism through out 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, intention omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal controls 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use off 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the entity 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 representation.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the Financial Report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the Directors 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.



RWM
Chartered Accountants



LEON C. NANTES
A Registered Company Auditor - 523666

23 Jeays Street
BOWEN HILLS QLD. 4006

Dated this 29th day of September, 2020

As per the Constitution of Keppel Bay Sailing Club Ltd.:

Proxies:

1. A Member is entitled to appoint a proxy to attend and vote on a poll instead of that Member.
2. If the appointor wishes to direct the proxy how to vote, then the appointer should indicate this on the proxy form. Otherwise, the proxy may vote if and as the proxy chooses.
3. An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution or resolutions, and where the instrument if proxy so provides, the proxy is not entitled to vote on the resolution or resolutions, except as specified in the instrument.
4. If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority.

I, _____ (name)
of _____ (address) being a Member of Keppel Bay Sailing Club Ltd.
hereby appoint

_____ (Proxys name)

of _____ (Proxys address) as my proxy to vote for me and on my behalf
at the Annual General Meeting of the Club to be held on the 22nd day of November 2020, and at any
adjournment thereof.

If this proxy is signed under a power of attorney, the signatory declares that he has had no notice of revocation thereof.

I declare that my proxy shall vote as follows:

	Member's Name	M/Ship Number	Signature
Appointer			
Proxy Holder			

(Only persons who are Youth Sailing Members, Senior Sailing Members or Life Members are eligible.)

Item. 7. The Election of Directors

Please note 3 nominations have been received for the vacant positions on the Board of Directors. To pass the resolution the candidate must receive more than 50% of the votes cast in favour.

Resolution 1(a) "That Sandra Byrt is elected as Director of KBSC".

Nominee	For	Against	Abstain*
Sandra Byrt			

Resolution 1 (b) "That Carl Brown is elected as Director of KBSC".

Nominee	For	Against	Abstain*
Carl Brown			

Resolution 1 (c) "That Jenna Madden is elected as Director of KBSC".

Nominee	For	Against	Abstain*
Jenna Madden			

Item 8. The election of members to the Sailing Committee.

Resolution 2 (a) "That Michael Hewson is elected to the Sailing Committee".

Nominee	For	Against	Abstain*
Michael Hewson			

Resolution 2 (b) "That Jenna Madden is elected to the Sailing Committee".

Nominee	For	Against	Abstain*
Jenna Madden			

Item 9. The appointment of Club Patron for 2019/2020

Resolution 3 "That Keith Stover is appointed as Club Patron".

Nominee	For	Against	Abstain*
Keith Stover			

Declaration

SIGNED this _____ day of _____ 20__.

Proxy Forms must be placed in the locked box at the Keppel Bay Sailing Club Ltd. Clubhouse reception by 5pm on Friday 20th November 2020.



www.kbsc.com.au

Sailing | Clubhouse | Beach Club Cafe | The Spinnaker
Krackers Bar & Grill | Club Emu Park