

**YACHTING VICTORIA INC.**

**VIC A0012136F**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

## **YACHTING VICTORIA INC.**

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**YACHTING VICTORIA INC.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	30 June 2015 \$	30 June 2014 \$
Revenue	2	2,301,223	2,247,205
Cost of sales		(57,881)	(40,597)
<b>Gross surplus</b>		<b>2,243,342</b>	<b>2,206,608</b>
Other income	3	14,072	31,912
Employee expenses		(997,324)	(1,037,008)
Depreciation expenses		(61,116)	(65,072)
Administration expenses		(1,257,885)	(1,188,785)
<b>Results from operating activities</b>		<b>(58,911)</b>	<b>(52,345)</b>
Finance income	4	8,345	9,044
<b>Net finance income</b>		<b>8,345</b>	<b>9,044</b>
<b>(Deficit)/surplus before income tax</b>		<b>(50,566)</b>	<b>(43,301)</b>
Income tax expense		-	-
<b>(Deficit)/surplus for the year attributable to members of the Association</b>		<b>(50,566)</b>	<b>(43,301)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive (loss)/income for the year attributable to members of the Association</b>		<b>(50,566)</b>	<b>(43,301)</b>

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes of the financial statements set out on pages 7 to 15.

**YACHTING VICTORIA INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

	Note	30 June 2015	30 June 2014
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	168,049	242,626
Trade and other receivables	7	125,159	91,701
Inventories	8	11,504	19,672
<b>TOTAL CURRENT ASSETS</b>		<b>304,712</b>	<b>353,999</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	9	186,583	178,247
<b>TOTAL NON-CURRENT ASSETS</b>		<b>186,583</b>	<b>178,247</b>
<b>TOTAL ASSETS</b>		<b>491,295</b>	<b>532,246</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	118,672	95,744
Employee benefits	11	100,251	73,203
Deferred income	12	9,603	53,032
<b>TOTAL CURRENT LIABILITIES</b>		<b>228,526</b>	<b>221,979</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	11	7,011	3,943
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,011</b>	<b>3,943</b>
<b>TOTAL LIABILITIES</b>		<b>235,537</b>	<b>225,922</b>
<b>NET ASSETS</b>		<b>255,758</b>	<b>306,324</b>
<b>EQUITY</b>			
Retained earnings		255,758	306,324
<b>TOTAL EQUITY</b>		<b>255,758</b>	<b>306,324</b>

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 7 to 15.

**YACHTING VICTORIA INC.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Retained Earnings \$	Total Equity \$
Balance 1 July 2013	349,625	349,625
Deficit for the year	(43,301)	(43,301)
Total comprehensive income for the year	-	-
<b>Balance 30 June 2014</b>	<b>306,324</b>	<b>306,324</b>
Balance 1 July 2014	306,324	306,324
Deficit for the year	(50,566)	(50,566)
Total comprehensive income for the year	-	-
<b>Balance 30 June 2015</b>	<b>255,758</b>	<b>255,758</b>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 7 to 15.

**YACHTING VICTORIA INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	30 June 2015	30 June 2014
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers, grants and sponsorships		2,224,336	2,302,445
Payments to suppliers, employees and others		(2,251,878)	(2,273,129)
<b>Net cash from / (used in) operating activities</b>	<b>13</b>	<b>(27,542)</b>	<b>29,316</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		30,480	57,584
Payments for property, plant and equipment		(85,860)	(97,476)
Interest received		8,345	9,044
<b>Net cash from / (used in) investing activities</b>		<b>(47,035)</b>	<b>(30,848)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net cash from / (used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(74,577)</b>	<b>(1,532)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>242,626</b>	<b>244,158</b>
<b>Cash and cash equivalents at end of year</b>	<b>6</b>	<b>168,049</b>	<b>242,626</b>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 7 to 15.

## YACHTING VICTORIA INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

#### NOTE 1: STATEMENT OF ACCOUNTING POLICIES

##### (a) Statement of compliance

Yachting Victoria Incorporated (the "Association") is an Association domiciled in Australia. The address of the Association's registered office is 77 Beach Road Sandringham VIC 3191. The Association is a not-for-profit entity and primarily is involved in promoting and encouraging participation in sailing and boating, assisting members in their development and delivering major sailing and boating events.

In the opinion of the Executive Committee, the Association is not a reporting entity. The financial report is prepared as a special purpose financial report for distribution to members and for the sole purpose of fulfilling the requirements of the Associations Incorporation Reform Act 2012 (Victoria). The members of the Association have confirmed they do not rely on these accounts to meet their information needs.

The special purpose financial report has been prepared in accordance with the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASB's") adopted by the Australian Accounting Standards Board ("AASB"). The accounting policies adopted in preparing the financial statements have been consistently applied to all periods presented.

The financial report does not include the disclosure requirements of all AASB's except for the following minimum requirements:

- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes In Accounting Estimates and Errors*
- AASB 1031 *Materiality*
- AASB 1048 *Interpretation and Application of Standards*
- AASB 1054 *Australian Additional Disclosures*

The financial statements were approved by the Executive Committee on the 21<sup>st</sup> of September 2015.

##### (b) Basis of Preparation

These financial statements are prepared on the historical cost basis and is presented in Australian Dollars, which is the Association's functional currency.

There are no standards and amendments available for early adoption that are relevant to the Association.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Association.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### (c) Income tax

The Association's income is exempt from tax under section 50-45 items 9-1 of the Income Tax Assessment Act 1997, as the Association's objective is to promote and encourage the participation in sailing and boating and its business is not carried out for the purpose of profit or gain for its individual members.

**YACHTING VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Continued)**

**(d) Plant and equipment**

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Executive Committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal.

**Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each item of plant and equipment. Each item of plant and equipment is depreciated over its useful life to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets in the current and prior year are as follows:

Asset class	Depreciation rates	
	2015	2014
Plant and equipment	13-50%	13-50%
Fixtures and Fittings	20%	20%
Sailing equipment	13-50%	13-50%
Motor vehicles	25%	25%
Powered boats	20%	20%

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.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(e) Impairment**

At each reporting date, the Association reviews the carrying values of its tangible 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 recognised in profit or loss.

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

**(g) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and short-term deposits, and are carried at the face value of the amounts deposited or held.



**YACHTING VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Continued)**

**(h) Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less allowance for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

**(i) Employee entitlements**

*Wages, salaries and annual leave*

The provisions for employee entitlements which consist of wages, salaries and annual leave represent the amount, which the Association has a present obligation to pay resulting from employees' services, provided up to the balance date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates and include related on-costs.

*Long service leave*

The liability for employees' entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the Association resulting from employee's services provided up to balance date. The discount rate used is the yield rate at the reporting date of government bonds that have maturity dates approximating the terms of the Association's obligations.

In determining the liability for employee entitlements, consideration has been given to the Association's experience with staff departures. The provision includes related on-costs.

**(j) Provisions**

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(k) Revenue**

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature without any cash consideration are not recognised as revenues.

Members' subscription fees collected on behalf of Yachting Australia Inc. are recognised on a gross basis in profit or loss, as and when they become receivable.

Revenue received that relates to future periods is recognised as deferred income.

Grants are recognised initially as deferred revenue on receipt and as revenue in profit or loss during the period in which the Association satisfies the conditions pertaining to the grants. Grants that compensate the Association for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

**(l) 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. In these circumstances, the GST is recognised as

**YACHTING VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Continued)**

**(l) Goods and services tax (GST) (Continued)**

part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

**(m) Trade and other payables**

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

**(n) Leases**

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

At inception of an arrangement, the Association determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- the arrangement contains a right to use the asset or assets.

**(o) Rounding Off**

Amounts in the Association's financial report have been rounded off to the nearest dollar, unless otherwise stated.

**(p) New standards and Interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Association.

**YACHTING VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
<b>NOTE 2: REVENUE</b>		
Sale of goods		349
Membership subscription revenue	745,168	726,590
Grant revenue	578,487	618,892
Entry fee revenue	194,566	145,841
Sponsorship revenue	192,231	108,759
Training course revenue	467,411	521,245
Other revenue from operating activities	123,360	125,529
	<u>2,301,223</u>	<u>2,247,205</u>
<b>NOTE 3: OTHER INCOME</b>		
Net gain on sale of plant and equipment	14,072	31,912
	<u>14,072</u>	<u>31,912</u>
<b>NOTE 4: FINANCE INCOME</b>		
Interest income on bank deposits	8,345	9,044
	<u>8,345</u>	<u>9,044</u>
<b>NOTE 5: AUDITORS' REMUNERATION</b>		
Auditors of the Association:		
<i>KPMG Australia</i>		
Audit and review of financial reports	7,000	7,000
Other assurance services	1,000	1,000
	<u>8,000</u>	<u>8,000</u>
<b>NOTE 6: CASH AND CASH EQUIVALENTS</b>		
Cash at bank	26,733	39,494
Short-term deposits	139,316	201,132
Petty cash	2,000	2,000
	<u>168,049</u>	<u>242,626</u>
<b>NOTE 7: TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	72,447	67,322
Sundry receivables	52,712	24,379
	<u>125,159</u>	<u>91,701</u>

Trade receivables are shown net of impairment losses. Impairment losses on trade receivables recognised in the current year amount to nil (2014: nil).

**YACHTING VICTORIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
<b>NOTE 8: INVENTORIES</b>		
Finished goods	11,504	19,672
	<u>11,504</u>	<u>19,672</u>

**NOTE 9: PLANT AND EQUIPMENT**

	Cost		Accumulated Depreciation		Carrying Value	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Plant and Equipment	86,155	79,061	67,964	56,770	18,191	22,291
Sailing Equipment	261,276	256,622	105,620	113,143	155,656	143,479
Motor Vehicles	99,722	99,722	99,722	99,722	-	-
Powered Boats	63,464	59,464	50,728	46,987	12,736	12,477
<b>Total</b>	<b>510,617</b>	<b>494,869</b>	<b>324,034</b>	<b>316,622</b>	<b>186,583</b>	<b>178,247</b>

**YACHTING VICTORIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
<b>NOTE 9: PLANT AND EQUIPMENT (continued)</b>		
<b>Reconcillations:</b>		
Reconcillations of the carrying values for each class of plant and equipment are set out below:		
<b>Plant and Equipment</b>		
Carrying value at beginning of year	22,291	27,947
Additions	7,095	4,043
Disposals		-
Depreciation	(11,195)	(9,699)
Carrying value at end of year	<u>18,191</u>	<u>22,291</u>
<b>Sailing Equipment</b>		
Carrying value at beginning of year	143,479	132,896
Additions	74,765	83,623
Disposals	(16,408)	(25,672)
Depreciation	(46,180)	(47,368)
Carrying value at end of year	<u>155,656</u>	<u>143,479</u>
<b>Motor Vehicles</b>		
Carrying value at beginning of year	-	-
Additions	-	-
Disposals	-	-
Depreciation	-	-
Carrying value at end of year	<u>-</u>	<u>-</u>
<b>Powered Boats</b>		
Carrying value at beginning of year	12,477	10,672
Additions	4,000	9,810
Disposals	-	-
Depreciation	(3,741)	(8,005)
Carrying value at end of year	<u>12,736</u>	<u>12,477</u>

**YACHTING VICTORIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	\$	\$
<b>NOTE 10: TRADE AND OTHER PAYABLES</b>		
Trade payables	92,717	60,178
Other payables	25,955	35,566
	<u>118,672</u>	<u>95,744</u>
<b>NOTE 11: EMPLOYEE BENEFITS</b>		
<b>CURRENT</b>		
Liability for annual leave	30,253	18,037
Liability for long service leave	69,998	55,166
	<u>100,251</u>	<u>73,203</u>
<b>NON CURRENT</b>		
Liability for long service leave	7,011	3,943
	<u>7,011</u>	<u>3,943</u>
	<u>107,262</u>	<u>77,146</u>
<b>NOTE 12: DEFERRED INCOME</b>		
Deferred income	9,603	53,032
	<u>9,603</u>	<u>53,032</u>
<b>NOTE 13: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Deficit) / surplus for the year	(50,566)	(43,301)
Depreciation	61,116	65,072
Interest received	(8,345)	(9,044)
Gain on disposal of assets	(14,072)	(31,912)
Operating (deficit) / surplus before changes in working capital	<u>(11,867)</u>	<u>(19,185)</u>
<i>Changes in assets and liabilities</i>		
Decrease / (increase) in trade and other receivables	(33,458)	29,439
Decrease / (increase) in inventory	8,168	173
(Decrease) / Increase in trade and other payables	22,928	(9,864)
Increase / (decrease) in deferred income	(43,429)	25,801
Increase / (decrease) in employee benefits provisions	30,116	2,952
Net cash inflows / (outflows) from operations	<u>(27,542)</u>	<u>29,316</u>

**YACHTING VICTORIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**NOTE 14: OPERATING LEASES**

**Leases as lessee**

Non-cancellable operating lease rentals are payable as follows:

	30 June 2015	30 June 2014
	\$	\$
Less than one year	-	12,221
Between one and five years	-	-
More than five years	-	-
	<u>-</u>	<u>12,221</u>

The Association leases a number of office and building facilities under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are increased every year to reflect market rentals. Some leases provide for additional rent payments that are based on changes in a local price index.

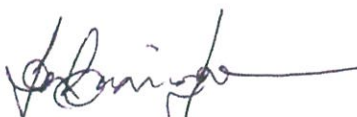
One of the leased properties has been sublet by the Association. The lease and sublease expired in February 2015 and is currently under negotiation.

During the year an amount of \$20,687 (2014: \$20,687) was recognised as an expense in profit or loss in respect of non-cancellable operating leases. An amount of \$14,158 (2014: \$14,158) was recognised as other income in respect of subleases.

## EXECUTIVE COMMITTEE'S DECLARATION


1. In the opinion of the Executive Committee of Yachting Victoria Inc
- (a) Yachting Victoria Inc. is not a reporting entity.
  - (b) the financial statement and notes, set out on pages 3 to 15
    - (i) present fairly the financial position of Yachting Victoria Inc. at 30 June 2015 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date in accordance with the statement of compliance and basis of preparation described in Note 1, and
    - (ii) comply with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1 and the Associations Incorporation Reform Act 2012 (Victoria), and
  - (c) there are reasonable grounds to believe that Yachting Victoria Inc. will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Executive Committee.



Ian Cunningham

President



Cherry Birch

Treasurer

Dated at Melbourne this 21<sup>st</sup> day of September 2015





## **Independent audit report to the members of Yachting Victoria Inc.**

### **Report on the financial report**

We have audited the accompanying financial report, being a special purpose financial report, of Yachting Victoria Inc. (the Association), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information.

#### *Executive Committee's responsibility for the financial report*

The Executive Committee of the Association are responsible for the preparation and fair presentation of the special purpose financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 and is appropriate to meet the needs of the members. The Executive Committee's responsibility also includes such internal control as they determine 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 Association'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 Association's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Executive Committee, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 1 to the financial statements so as to present a view which is consistent with our understanding of the Association's financial position, and of its performance and cash flows.

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 Accounting Professional and Ethical Standards Board.



*Auditor's opinion*

In our opinion the financial report presents fairly, in all material respects, the financial position of Yachting Victoria Inc. as of 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

*Basis of accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Yachting Victoria Inc. to meet the requirements of the Associations Incorporations Reform Act 2012. As a result, the financial report may not be suitable for another purpose.

A handwritten version of the KPMG logo, with the letters 'KPMG' in a stylized, cursive-like font.

KPMG

A handwritten signature in black ink, appearing to read 'Chris Sargent'.

Chris Sargent  
*Partner*

Melbourne  
21 September 2015