

AAC FALLS CREEK INC

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2023

	<i>Note</i>	2023 \$	2022 \$
OPERATING STATEMENT			
Accommodation Booking Income		207,958	258,621
Members' Subscriptions		90,120	90,516
Non Refundable Joining Fee		10,359	14,682
Interest		-	-
Other Fees and Income		7,797	3,565
Government Grant		-	-
TOTAL INCOME		\$316,234	\$367,384
<u>LESS EXPENDITURE</u>			
AAC Capitation		-	-
Accommodation Booking Commission		21,176	25,700
Accounting & Audit		2,700	2,650
Administration Expenses	2	30,643	26,716
Doubtful Debts		3,416	(3,000)
Lodge Depreciation		46,913	46,710
Lodge Operating Expenses	3	178,973	179,705
Racing		3,000	-
TOTAL EXPENSES		\$286,821	\$278,481
OPERATING SURPLUS (DEFICIT)		\$29,413	\$88,903

These statements should be read in conjunction with the accompanying notes.

AAC FALLS CREEK INC

BALANCE SHEET AS AT 31ST DECEMBER, 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash in Operating Account		297,871	306,017
Cash in Cash Management Accounts		-	-
Members' Subscriptions Overdue		9,898	3,419
- Less Provision for Doubtful Debts	5	(3,416)	-
Bendigo Visa		450	375
Prepayments		22,529	-
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TOTAL CURRENT ASSETS		\$327,332	\$309,811
NON-CURRENT ASSETS			
Lodge Building		1,556,889	1,556,889
Less Accumulated Depreciation		(791,067)	(755,220)
		<hr/>	<hr/>
Lodge Building		\$765,822	\$801,669
Lodge Furniture & Fittings		32,899	32,899
Less Accumulated Depreciation		(22,327)	(19,976)
		<hr/>	<hr/>
Lodge & Furniture Fittings		\$10,572	\$12,923
Lodge Plant & Equipment at Cost		86,739	78,640
Less Accumulated Depreciation		(59,294)	(54,841)
		<hr/>	<hr/>
Lodge Plant & Equipment		\$27,445	\$23,799
Kitchen Upgrade at Cost		123,726	123,726
Less Accumulated Depreciation		(52,956)	(49,863)
		<hr/>	<hr/>
Kitchen Upgrade		\$70,770	\$73,863
Capital Works		46,734	-
Less Accumulated Depreciation		(1,168)	-
		<hr/>	<hr/>
		\$45,566	-
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		\$920,175	\$912,254
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TOTAL ASSETS		\$1,247,507	\$1,222,065
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These statements should be read in conjunction with the accompanying notes.

AAC FALLS CREEK INC

BALANCE SHEET AS AT 31ST DECEMBER, 2023

	Note	2023 \$	2022 \$
LESS CURRENT LIABILITIES			
Trade Creditors		10,523	11,159
GST Liability		(5,591)	(689)
Unearned Income - Subscriptions		19,908	27,296
Unearned – Accomodation		-	-
TOTAL CURRENT LIABILITIES		<u>\$24,840</u>	<u>\$37,766</u>
NON CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>\$24,840</u>	<u>\$37,766</u>
NET ASSETS		<u>\$1,222,667</u>	<u>\$1,184,299</u>
MEMBERS' EQUITY – OPENING BALANCE		1,184,299	1,084,576
Debenture Movement			
Debenture Inflow		19,680	22,040
Debenture Outflow		(6,000)	(5,220)
Net Debenture Flow		<u>13,680</u>	<u>16,820</u>
Capital Raising Inflow		(4,725)	(6,000)
Net Surplus/(Deficit)		<u>29,413</u>	<u>88,903</u>
MEMBERS' EQUITY – CLOSING BALANCE	4	<u>\$1,226,667</u>	<u>\$1,184,299</u>

These statements should be read in conjunction with the accompanying notes.

AAC FALLS CREEK INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

NOTE 1: MATERIAL ACCOUNTING POLICIES INFORMATION

The financial statements are a special purpose financial report that have been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements and the requirements of the *Associations Incorporation Reform Act 2012*. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by AAC Falls Creek Inc. in the preparation of the financial statements.

a) Income Tax

The Club is not liable for income tax because its income is exempt under section 23(g) of the Income Tax Assessment Act 1936 (Clth), and as a member income is excluded under the principal of mutuality.

b) Inventories

Inventories consist of sundry general stocks and are measured at the lower of cost and net realisable value.

c) Fixed Assets and Depreciation

The Club's building is brought to account at cost.

The depreciable amount of all fixed assets is depreciated over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements over the shorter of either the unexpired period of the lease, or the estimated useful lives of the improvements.

Depreciation has been applied on the following basis:

Lodge Building & Extensions	2.5%	Prime Cost
Floor Coverings	15%	Diminishing Value
Fixtures & Fittings	15%	Diminishing Value
Plant & Equipment	15%	Diminishing Value
Computer & Equipment & Kitchen Utensils	100%	Prime Cost

The carrying amount of fixed assets is reviewed regularly by the Committee, to ensure it is not in excess of the recoverable amount of those assets.

d) Leases

The Club's lease payments to the Alpine Resorts Commission are charged as an operating lease expense in the periods in which they are incurred. All leasehold improvements amortised over their estimated useful lives or the remaining unexpired lease term, whichever is the shorter.

AAC FALLS CREEK INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

NOTE 1: MATERIAL ACCOUNTING POLICIES INFORMATION (Cont'd)

e) Employee Entitlements

Provision is made for the Club's liability for employee entitlements arising from services rendered by employees arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. There are no employee entitlements payable later than one year.

Contributions are made by the Club to an employee superannuation fund are charged as expenses when incurred.

f) Income Recognition

Annual subscriptions are recognised as income when invoices are due and payable. Booking fees are recognised as income when a booking is paid for. Instalments of joining fees are recognised as a receivable when past due, and debentures are only issued when joining fees are paid in full.

NOTE 2: ADMINISTRATION EXPENSES

	2023	2022
	\$	\$
Bank Charges	2,336	2,821
Secretarial	18,389	17,951
Licence Fees	1,316	2,598
Printing, Postage & Stationery	978	694
Meeting Expenses	1,580	2,652
Booking System	6,044	-
	\$30,643	\$26,716
TOTAL ADMINISTRATION EXPENSES	\$30,643	\$26,716

NOTE 3: LODGE OPERATING EXPENSES

FCRM Service Fee	18,536	37,333
FCRM Site Rent	4,830	6,723
Electricity	6,434	7,818
Advertising	520	391
Fire Levy	1,043	1,072
Freight	440	3
Gas	15,679	21,652
Insurances*	40,175	47,322
Lodge Management Fee	30,640	29,352
Repairs & Maintenance	30,655	9,828
Supplies	28,361	16,797
Apps & Subscriptions	86	-
Telephone & Internet	1,574	1,201
Travel Expenses	-	213
	\$178,973	\$179,705
TOTAL LODGE OPERATING EXPENSES	\$178,973	\$179,705

*For 2023 the insurance was not expensed fully, instead this was amortised on a pro-rata basis, therefore only 9 months have been expensed. The 2022 comparative shows the insurance expense for 12 months.

AAC FALLS CREEK INC

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

NOTE 4: MEMBERS EQUITY

The Association's members' equity comprises monies received for debentures plus retained surpluses (accumulated deficit) and as such the accounts do not show an individual split up of members' equity.

NOTE 5: PROVISIONS

The 2023 Financial Statements include a provision for Doubtful Debts, in the Balance Sheet totalling \$3,416.

NOTE 6: SEGMENT REPORTING

The Club operates in the sporting sector, providing ski accommodation facilities to members, reciprocal members and their guests, at the Falls Creek Alpine Resort in Australia.

NOTE 7: NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of cash flows, cash includes on hand and in the banks, at call deposits and investments in money marketing instruments, net of bank overdrafts.

Cash at the end of the year is shown in the balance sheet as:

	2023	2022
Cash at Bank – Operating Account	297,871	306,017
Cash at Bank – Cash Management Account	-	-
Bendigo – Visa	450	375
	\$298,321	\$306,392

(b) Reconciliation of Cash Flow from Operating Activities with Operating Surplus

Operating excess of income after expenditure	29,413	88,903
Non Cash Flows in Operating Surplus:		
Depreciation	46,913	46,710
Provision for Doubtful Debts	3,416	(3,000)
Changes in Assets & Liabilities:		
Decrease (Increase) in Debtors	(6,479)	1,125
Decrease (Increase) in Prepayments	(22,529)	-
Increase (Decrease) in Creditors & Accruals	(5,538)	4,869
Increase (Decrease) in Unearned Income	(7,388)	(17,657)
	\$37,808	\$120,950

AAC FALLS CREEK INC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st DECEMBER 2023**

	2023	2022
Cash Flows from Operating Activities		
Receipts from Members & Operations <i>(Including multi members)</i>	302,367	332,605
Interest		-
Payment to Suppliers and Clubs	(264,559)	(211,655)
Net Cash (Used In) Provided by Operating Activities 7(b)	<u>\$37,808</u>	<u>\$120,950</u>
Cash Flows from Investing Activities:		
Purchase of Fixed Assets	(54,833)	0
Cash Flows from Financing Activities:		
Debenture Movements & Capital Raising	8,955	10,820
Net Increase (Decrease) in Cash Held	(8,070)	131,769
Cash at 1 st January	<u>306,391</u>	<u>174,622</u>
Cash at 31 st December 7(a)	<u>\$298,321</u>	<u>\$306,392</u>

**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND
PERFORMANCE OF INCORPORATED ASSOCIATION**

We, Justin Checcucci and Will Zacharin , being members of the Committee of AAC Falls Creek Inc, certify that -

The Statements attached to this Certificate give a true and fair view of the financial position and performance of AAC Falls Creek Inc during and at the end of the financial year of the Association ending on 31st December, 2023.

Signed at Melbourne this 21st day of May 2024.



Justin Checcucci
Chairman



Will Zacharin
Treasurer

LEAD AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the *Associations Incorporation Reform Act 2012 (Vic)*, I am pleased to provide the following declaration of independence to the committee members of AAC Falls Creek Inc.

As lead audit partner for the audit of the financial statements of AAC Falls Creek Inc for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements as set out in the *Associations Incorporation Reform Act 2012 (Vic)* in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.

E. F. McPHAIL & PARTNERS

NARIN MOM
Head of Audit

21 May 2024
Melbourne

Independent Auditor's Report To the Members of AAC Falls Creek Inc

Opinion

We have audited the special purpose financial report of AAC Falls Creek Inc (the "Association"), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information and other explanatory information, and the annual statement by Committee.

In our opinion, the accompanying financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012 (Vic)*, including:

- (a) giving a true and fair view of the Association's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Associations Incorporation Reform Act 2012 (Vic)*.

Basis for Opinion

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

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee's financial reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The Committee is responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the members and the *Associations Incorporation Reform Act 2012 (Vic)*, and for such internal control as the Committee determines is necessary to enable the preparation of the 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 Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

We communicate with the Committee 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 the audit.

E. F. McPHAIL & PARTNERS

NARIN MOM
Head of Audit

21 May 2024
Melbourne

Submission of financial statements to annual general meeting

Associations Incorporation Reform Act 2012
Approved form Sections 94(3), 97(3), 100(3), 102(4)(a)&(b)

This form is required to be provided to the Registrar with the association's accounts.

I, Will Zacharin, being a member of the Committee of Australian Alpine Club Falls Creek Inc., certify that:
I attended the Annual General Meeting of Australian Alpine Club Falls Creek Inc. on 21st, May 2024 and
the financial statements of the association for the financial year ending on 31 December, 2023 were
submitted to the members of the association at that annual general meeting.

Signed:



Dated: 21st May, 2024