



Porsche Club

Victoria



PORSCHE CLUB OF VICTORIA INCORPORATED

**Registered Number A0038755M
ABN 23 229 091 974**

**ANNUAL REPORT
30 June 2023**

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

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PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

REPORT OF THE COMMITTEE

Your Committee presents the Financial Report of the Club for the year ended 30 June 2023.

Committee

The names of Committee persons in office throughout the year and at the date of this report are:

Mark Horton Andrews – President	Appointed 20 th October 2015
Melanie Treloar – Vice President	Appointed 5 th July 2017
Neville Sampson – Secretary	Appointed 18 th October 2011
Flavio Lacota - Treasurer	Appointed 10 th August 2022
Ron Widdison	Appointed 4 th August 2009
Garry Saber	Appointed 15 th October 2013
David Mallinson	Appointed 20 th October 2015
Clyde White	Appointed 9 th October 2018
Paul Sbrissa	Appointed 21 st November 2019
Cameron Goodyear	Appointed 20 th October 2020
Russell Sturzaker	Appointed 20 th October 2020
Andrew Smith	Appointed 7 th April 2021

The appointment date records the date of joining the Committee. Committee members are elected each year at the club's AGM. Casual vacancies may be filled during the year.

Principal Activities

The principal activities of the Club during 2022 - 23 have been the conduct of Competition events, supported by Social events related to the common interest of the members of the Club.

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

PORSCHE CLUB OF VICTORIA INCORPORATED
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REPORT OF THE COMMITTEE

(continued)

Operating Results

The net operating result of the Club for the year ending 30th June 2023 was a loss of (\$9,355) compared to a loss of (\$32,866) in FY22. Whilst a loss was posted in 2023, the result reflects the decision of the committee to pursue a trajectory to break-even in "normal" operating environments, following several years of covid volatility. Memberships in FY23 increased over the previous year and the budget for FY24 has estimated membership numbers to be similar to the FY23 year. With costs increasing and some economic conditions looking uncertain, the Committee is aiming to return to a balanced Budget in FY24. A modest increase in membership fees has been applied to support the record number of Competition, Social and Register Events. Increased secretariat costs have been budgeted to support these events and the club's administrative requirements. Expenditure on Club Nights is also forecast to increase.

The General Committee has decided to formalise our treatment of membership fees paid after 1 April. Under our rules, new membership subscriptions after 1 April each year pay the full annual subscription amount but receive membership until 30 June of the next year. Effective from these accounts, and in future years, all (new) membership subscription revenue received between 1 April and June 30 will be recognised in the subsequent financial year. In FY23 an amount of \$8,123 was received which will be recognised as revenue received in FY24.

Prepaid Membership subscriptions have been classified as a liability, rather than in Receivables and Prepayments.

Events subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial years.

Likely Developments

The Committee is of the opinion that there are no likely developments, that will significantly affect the operations of the Club or the expected results in the financial years subsequent to the financial year ended 30th June 2023.

**For and on behalf of the
Committee of Porsche Club of Victoria Inc.**



(Signed)
Mark Horton Andrews
President



(Signed)
Flavio Lacota
Treasurer

Dated this 14th August 2023.

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Financial Performance
For the year ended 30 June 2023

	<i>Note</i>	2023	2022
		\$	\$
Revenues from ordinary activities		707,519	534,793
Depreciation and amortisation expenses		(2,266)	(3,366)
Other expenses from ordinary activities		(714,608)	(564,293)
Profit from ordinary activities before income tax		<u>(9,355)</u>	<u>(32,866)</u>
Income tax expense relating to ordinary activities		-	-
Net profit of the association		<u>(9,355)</u>	<u>(32,866)</u>
Total changes in equity of the association		(9,355)	(32,866)
Opening accumulated surplus		353,328	386,194
Net profit attributable of the association		(9,355)	(32,866)
Closing accumulated surplus		<u>343,973</u>	<u>353,328</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

Detailed Statement of Financial Position
As at 30 June 2023

	<i>Note</i>	2023 \$	2022 \$
Current Assets			
Cash Assets			
Cash at Bank	3	352,772	407,770
Cash on Deposit	3	200,000	200,000
		<u>552,772</u>	<u>607,770</u>
Receivables and Prepayments			
Receivables		8,746	9,421
Event, advertising & social deposits in advance	5	(3,415)	(42,723)
		<u>5,331</u>	<u>(33,302)</u>
Inventories			
Inventories		5,444	4,011
		<u>5,444</u>	<u>4,011</u>
Total Current Assets		<u>563,547</u>	<u>578,479</u>
Non-Current Assets			
Property, Plant and Equipment			
Plant & equipment – at cost		54,216	55,474
Less: Accumulated depreciation		(45,886)	(44,302)
Motor vehicles – at cost		36,607	36,607
Less: Accumulated depreciation		(33,882)	(33,200)
		<u>11,055</u>	<u>14,579</u>
Total Non-Current Assets		<u>11,055</u>	<u>14,579</u>
Total Assets		<u>574,602</u>	<u>593,058</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
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Detailed Statement of Financial Position
As at 30 June 2023

	<i>Note</i>	2023	2022
		\$	\$
Current Liabilities			
Payables			
- Creditors and accruals		6,707	31,525
- GST Payable		12,414	17,037
- Subscriptions in advance		182,058	162,529
- Event, advertising & social revenue in advance			
		<u>201,179</u>	<u>211,091</u>
Other			
- Provisions - Long Service Leave		17,908	17,099
Total Current Liabilities		<u>219,087</u>	<u>228,190</u>
Total Liabilities		<u>219,087</u>	<u>228,190</u>
Net Assets		<u>355,515</u>	<u>364,868</u>
Member's Funds			
Member's Capital		<u>11,540</u>	<u>11,540</u>
Total Member's Equity		11,540	11,540
Retained Earnings		353,328	386,194
Current Year Earnings		(9,355)	(32,866)
Total Members' Funds		<u>355,513</u>	<u>364,868</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Cash Flows
For the year ended 30 June 2023

	<i>Note</i>	2023 \$	2022 \$
Cash Flow from Operating Activities			
Receipts from customers		663,866	560,598
Payments to suppliers and employees		(725,553)	(553,394)
Interest received		5,430	432
Income tax paid		-	-
Net cash provided by / (used in) operating activities	2	(56,257)	7,636
Cash Flow From Investing Activities			
Payment for:			
Payments for property, plant and equipment		1,259	(3,242)
Net cash provided by (used in) investing activities		-	-
Net increase in cash held		(56,257)	7,636
Cash at beginning of the year		607,770	603,376
Cash at the end of year	3	552,772	607,770

PORSCHE CLUB OF VICTORIA INCORPORATED
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

1. STATEMENT OF ACCOUNTING POLICIES

Special Purpose Report

The Associations Incorporation Reform Act 2012, under which the Porsche Club of Victoria Inc. is incorporated, provides that the Club must maintain adequate and accurate accounting records (s.89). The Act also requires a club with our level of gross revenue to have a review of its financial statements by a qualified independent person (s.96). In accordance with the requirements of the Act the Club is a tier two association.

These financial statements are a special purpose report prepared on an accrual basis for the use of the Committee and Members of the Club. The Committee has determined that the Club is not a reporting entity. The Financial Statements have also been prepared on the basis of historical costs and do not take into account changing money value or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The statements have been prepared in accordance with the following Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the end of the Reporting Period
AASB 116	Property, Plant and Equipment
AASB 117	Leases
AASB 118	Revenue
AASB 124	Related Party Disclosures

The following is a summary of the significant accounting policies adopted in the preparation of the accounts.

a) **Property, Plant and Equipment**

Property, plant and equipment are brought to account to cost, less, where applicable, any accumulated depreciation or amortisation.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

(continued)

The depreciable amount of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal and is included in operating surplus of the company in the year of disposal.

b) Inventories

Inventories are measured at the lower of cost and net realisable value.

c) Income Tax

As a non-profit incorporated association, the Club's liability to income tax is governed by the common-law principle of mutuality, where the contributions and receipts from members for the services provided by the Club are excluded from the assessable income of the Club. As all Club functions and services are provided to members, the income and expenditure derived from such activities will not be, respectively, assessable nor deductible to the Club.

Additionally the club has sought professional advice and ascertained that the club currently qualifies for the Sporting Clubs Exemption. As a result, the committee has determined that the club is not liable for Income tax. This determination is reviewed annually on a self-assessment basis to ensure the clubs circumstances have not changed, and that the exemption remains valid.

The Club's Rules satisfy the requirements of the principle of mutuality as they prohibit the distribution of surplus to members.

PORSCHE CLUB OF VICTORIA INCORPORATED
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

(continued)

**2. RECONCILIATION OF NET CASH PROVIDED BY/USED IN
OPERATING ACTIVITIES TO NET PROFIT**

	2023	2022
	\$	\$
Operating profit after tax	(9,355)	(32,866)
Depreciation	2,266	3,366
Increase/(decrease) in provision for income tax	-	-
 (Increase) decrease in receivables & prepayments	 (38,223)	 26,237
(Increase) decrease in inventories	(1,433)	61
Increase (decrease) in trade creditors and accruals	(29,441)	14,337
Increase (decrease) in other creditors	19,929	(3,499)
Net cash provided by operating activities	<u>(56,257)</u>	<u>7,636</u>

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

(continued)

3. RECONCILIATION OF CASH AND CASH EQUIVALENTS

For the purposes 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 year as shown in the statement of cash flows, is reconciled to the related items in the balance sheet as follows:

	2023	2022
	\$	\$
Cash at Bank	352,772	407,770
Cash on Deposit	200,000	200,000
	<u>552,772</u>	<u>607,770</u>

4. RELATED PARTY TRANSACTIONS

It is advised that Ron Widdison, who was appointed as a Committee Member on 4th August 2009 has a substantial interest in Composite Colour Pty. Ltd., which company has printed the Porsche Parade magazine for many years as well as miscellaneous printing for Events and artwork from time to time. There are no other related party transactions.

5. EVENT REVENUE / EXPENSES RECEIVED / PAID IN ADVANCE AND SUBSCRIPTIONS RECEIVED IN ADVANCE

These items represent revenue/expenses which has a benefit/cost or relationship to the next accounting period. This revenue and these expenses will be brought to account in the period to which they relate.

6. CAPITAL AND LEASING COMMITMENTS

There are no capital or lease commitments.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

(continued)

7. CONTINGENT LIABILITIES

The Committee members have no knowledge of any contingent liabilities.

8. MORTGAGES, CHARGES AND SECURITIES

There were no mortgages, charges or securities affecting any of the property of the association at the end of its last financial year.

9. TRUSTS

- a)** The Club does not hold any assets as trustee of a trust.
- b)** There is no trust held on behalf of the Club by a person or body other than the Club, in which funds or assets of the Club are placed.

PORSCHE CLUB OF VICTORIA INCORPORATED
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STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2023


The Committee has determined that the Club is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Present fairly the financial position of the Porsche Club of Victoria Inc. as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

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


.....
(Signed)
Mark Horton Andrews
President


.....
(Signed)
Flavio Lacota
Treasurer

Dated this 14th August 2023.

PORSCHE CLUB OF VICTORIA INCORPORATED
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INDEPENDENT AUDITOR'S REVIEW REPORT



68 Powell's Avenue, East Bendigo VIC 3550
P 03 54 444 417 E info@asbendigo.com.au
WWW.AASBENDIGO.COM.AU

Porsche Club of Victoria Incorporated
Independent Auditor's Review Report

Report on the Financial Statements

Conclusion

We have reviewed the accompanying financial report of the Porsche Club of Victoria Incorporated (the Association) which comprises of the Statement of Financial Position as at 30 June 2023, the Statement of Financial Performance, and Statement of Cash Flows for the year then ended, Notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position of the Association.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying financial report of the Porsche Club of Victoria Incorporated does not present fairly, in all material respects, the financial position of the Porsche Club of Victoria Incorporated as at 30 June 2023, and its financial performance and its cash flows for the year ended on that date, in accordance with *Associations Incorporation Reform Act 2012*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Porsche Club of Victoria Incorporated 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Committee's Responsibility for the Financial Statements

The Committee of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act 2012*. The committee determines that internal controls are 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.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report does not present fairly, in all material respects, the financial position of the Porsche Club of Victoria Incorporated as at 30 June 2023 and of its financial performance and its cash flows for the year ended on that date, in accordance with *Associations Incorporation Reform Act 2012*.

PORSCHE CLUB OF VICTORIA INCORPORATED
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INDEPENDENT AUDITOR'S REVIEW REPORT *(continued)*

**ACCOUNTING & AUDIT
SOLUTIONS BENDIGO**

68 Powell Avenue, East Bendigo VIC 3550
P 03 54 444 417 E info@aabendigo.com.au
WWW.AASBENDIGO.COM.AU

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Independence

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

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Porsche Club of Victoria Incorporated to meet the requirements of the *Associations Incorporation Reform Act 2012*. As a result, the report may not be suitable for another purpose. Our report is intended solely for the Porsche Club of Victoria Incorporated and should not be distributed to or used by other parties.

Accounting & Audit Solutions Bendigo



Bradley Dowsey CA

Dated this 16th day of August, 2023.

PORSCHE CLUB OF VICTORIA INCORPORATED
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Trading Account
For the year ended 30 June 2023

	2023	2022
	\$	\$
Trading Income		
Gross receipts - competition events	249,034	145,873
Gross receipts - social events	86,774	50,064
Gross receipts - merchandise sales	2,731	3,554
Gross receipts - magazine advertising	68,606	59,127
Gross receipts - annual dinner	26,277	
Gross receipts - register events	28,602	26,971
Total Trading Income	462,024	285,589
Trading Costs		
Competition costs	231,219	139,106
Social event costs	92,514	50,188
Merchandise costs	2,235	2,950
Magazine costs	77,784	71,588
Annual dinner costs	54,834	
Register event costs	25,717	25,149
Total Trading Costs	484,303	288,981
Gross Profit / (Loss) from Trading	(22,279)	(3,392)

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Income & Expenditure Statement
For the year ended 30 June 2023

	2023	2022
	\$	\$
Income		
Trading Income	462,024	285,589
Dorian hire	6,491	3,382
Interest received	5,430	432
Membership subscriptions	226,183	232,626
Joining fees	6,955	7,300
Gross receipts - Covid-19 allowances		5,082
Other revenue	436	382
Total Income	707,519	534,793
Expenses		
Trading Costs	484,303	288,981
Audit fees, and Tax Services	1,596	1,393
Bank charges	168	168
Credit card charges/(recovered)	2,259	3,256
Club night costs	46,702	85,972
Computer development & expenses	9,872	8,349
Depreciation	2,266	3,366
General expenses	9,332	27,274
Insurance	938	902
Insurance – Workcover	2,113	1,640
Motor vehicle expenses	3,004	2,771
Postage	4,733	4,250
Printing & stationery	8,902	10,286
Secretarial & administration	111,691	102,951
Subscriptions	1,270	1,155
Superannuation	11,463	10,055
Telephone	4,648	5,432
Trophies & Quartermaster	10,820	8,971
Website expenses	794	487
Total Expenses	716,874	567,659
Profit / (Loss) from ordinary activities.	(9,355)	(32,866)

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

Income & Expenditure Statement
For the year ended 30 June 2023

	2023	2022
	\$	\$
Profit / (loss) from ordinary activities before income tax	(9,355)	(32,866)
Income tax expense relating to ordinary activities	-	
Net profit / (loss) attributable to the association	(9,355)	(32,866)
Total change in equity of the association	(9,355)	(32,866)
Opening retained profits of the association	353,328	386,194
Net profit / (loss) attributable to the association	(9,355)	(32,866)
Closing retained profits to the association	343,973	353,328

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

Comparative Results

	Actual 2021	Actual 2022	Actual 2023	Budget 2024
<u>Revenue</u>				
Membership				
Joining fees	8,441	7,300	6,955	4,545
Subscriptions	171,760	232,626	226,183	256,884
<u>Total membership income</u>	180,201	239,926	233,137	261,429
Net Competition surplus / (loss)	7,845	(4,911)	6,684	10,000
Merchandise profits / (loss)	838	524	439	650
Interest received	1,205	432	5,430	8,000
Social Events surplus / (loss)	(5,191)	(124)	(34,297)	(20,000)
Register events surplus	788	1,822	2,886	500
Other revenue (incl minor advertising)	35,609	5,518	436	200
<u>Net revenue</u>	221,294	243,186	214,715	260,779
<u>Less Costs</u>				
Secretariat per summary	102,650	114,646	125,267	146,154
Administration per summary	42,560	62,919	42,923	44,237
Club nights expenses	22,479	85,972	46,702	60,000
Porsche Parade net cost per summary	19,159	12,516	9,178	10,000
<u>Total expenses</u>	186,848	276,052	224,070	260,391
<u>Operating Profit / (Loss)</u>	34,446	(32,866)	(9,355)	388
<u>Less Income Tax Expense</u>				
<u>Net Profit / (Loss)</u>	34,446	(32,866)	(9,355)	388

PORSCHE CLUB OF VICTORIA INCORPORATED
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Comparative Results

	Actual 2021	Actual 2022	Actual 2023	Budget 2024
<u>Administration</u>				
Audit fee	1,400	1,393	1,596	1,600
Bank fees	175	168	168	168
Computer expenses	1,824	3,023	3,113	3,100
Computer reprogramming	5,832	5,325	6,304	6,300
Depreciation - office equipment	1,446	1,121	(318)	535
Donations				
General expenses	1,795	19,074	3,057	3,000
Insurance	708	902	938	1,000
Consultancy				
Merchant commission	11,514	10,575	13,516	13,516
Merchant recovery	(12,458)	(7,318)	(11,257)	(11,257)
Postage	5,624	4,250	4,733	4,800
Printing & stationery	14,193	10,286	8,902	9,200
Storage	5,044	8,201	6,275	6,275
Telephone	4,835	5,432	4,648	4,700
Web site	629	487	1,248	1,300
<u>Total Administration</u>	42,560	62,919	42,923	44,237
Register Events				
Profit from events	788	1,822	2,886	500
<u>Porsche Parade net cost</u>				
Magazine revenue	55,118	59,073	68,606	69,528
<u>Less bad debts</u>				
<u>Net revenue</u>	55,118	59,073	68,606	69,528
Magazine costs				
Production costs	65,210	61,122	67,205	69,528
Postage	9,068	10,466	10,580	10,000
<u>Total costs</u>	74,278	71,588	77,784	79,528
<u>Net magazine cost</u>	19,159	12,516	9,178	10,000
<u>Secretariat</u>				
Secretarial salaries	92,500	102,951	111,691	129,688
Superannuation	8,579	10,055	11,463	14,266
Work cover	1,571	1,640	2,113	2,200
<u>Total Secretariat</u>	102,650	114,646	125,267	146,154