



Highlights:

2014 was another financially successful year for our club. Our financial outcomes have continued to achieve our objective of producing a break even result. With this objective we

preserve our reserves, and balance our total income, including membership fees, to our total expenses. The most difficult portfolio to manage is competition, and it is due to significant and innovative efforts from Tony Carolan especially in combining some of our events with other clubs, that our gross competition results continue profitably overall. This year's competition gross profit of \$4,286, was slightly lower to the \$4,596 last year, but was an excellent achievement even though competition receipts were down by (\$35,774).

During the year we undertook a taxation review of the clubs operations and tax returns. This resulted in identifying tax deductions in relation to superannuation payments which had not been previously claimed. Amended returns were lodged for the previous three years, and the club has received refunds amounting to \$2,932 in relation to those years.

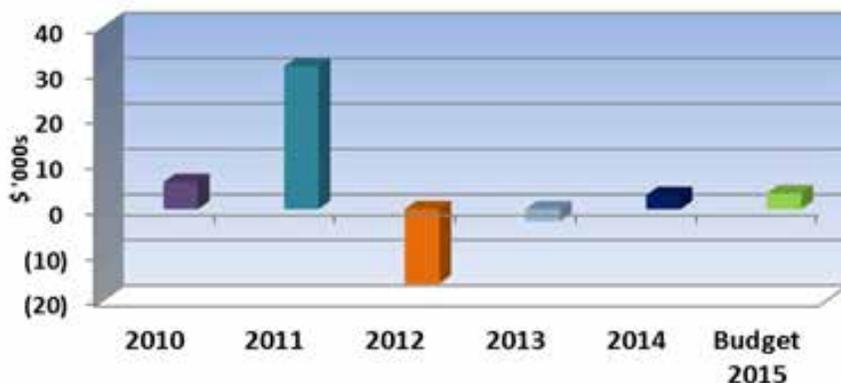
Importantly as part of this tax review of operations, and following advice of our tax agent, the committee has determined that for the 2014-15 tax year, the club qualifies as a Sporting Club, and will be claiming exemption from income tax. This qualification will be assessed annually by the committee, and may change if the character of the club alters significantly.

On the systems front during the year we upgraded our accounting software MYOB, to MYOB online. This provides benefits to us as we can now have multiple users of this system each accessing "live" data, making it much easier for Carly and I working together. Anybody receiving payments from the club will have noticed these are now made directly into bank accounts, largely replacing our need for cheques. The payments are system generated and then independently authorised by two signatories remotely and online. As well as vastly improved efficiency, this system will provide significant savings in postage.

Last Year's Financial Results:

For the twelve months to June 30, 2014 the club has reported a small financial profit of \$3,109, and holds members' funds (our net assets), of \$289,327 as at the end of the financial year. This compares to a small loss of (\$2,666) for the same period last year, with members' funds of \$286,218.

Annual Profit Result



To put this into perspective our profit \$3,109 resulted from total income of almost \$478,000 and total expenses of over \$475,000.

Of our member's funds of \$289,327; 91% is held as cash on deposit; 9% in fixed assets; 9% in stock and debtors; offset by 6% in creditors and unearned income; and 3% in provisions.

PCV is a Non-profit incorporated association:

There are two important features of our club's status as a non-profit incorporated association:

1. Contributions and receipts from members for the services provided by the Club are excluded from the assessable income of the Club, and
2. We are prohibited from making distributions of surpluses to members.

The committee takes these requirements into account when decisions are made about the fees we charge for subscriptions, and our events. Essentially any income we receive, we receive on the trust that we will spend on services provided to our members.

We do not collect revenue that builds reserves without reason, reserves cannot be returned to members.

Sufficient reserves are required to ensure that there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

How we manage your money:

Subscription Income:

Our subscription income enables us to operate our club; this income covers the Administration Costs, Club Night Costs, and the Net Cost of Porsche Parade. Any excess subscription income is applied to

the Annual Dinner, and other shortfalls that may arise from running events.

Net Competition Surplus or Loss: (fixed and variable costs)

Competition events are budgeted to cover all the costs of running a particular event. Competition Overheads (e.g. Van Costs, Compliance Testing, and Trophies), may be covered by the full years result, or may become a shortfall to be covered by accumulated reserves or any surplus subscription Revenue.

All other events, Social, Registers, Multi-club Hour Relay, are events that are managed to breakeven on their own accord.

We operate to a detailed budget, and financially report to the committee on a monthly basis. It is our objective to achieve as close as possible to a neutral financial result, with a preference for small profits.

Total Membership:

As at the end of June 2014 we had 1415 members, partners and children, a small net decrease of 13 on the previous year. Our annual renewal percentage continues at 86%, where it has averaged for the past nine years. Our primary membership, however increased by 18 to 842 and this has increased by 138 since 2006.

Please have a look through our Annual Accounts on the clubs website; these include our statutory requirements, but also comparative results for the previous four years, as well as the 2015 Budget. As always if there is anything that concerns you about the finances of the club, please do not hesitate to contact me or anybody on the committee and we will happily answer any query you may have.