



Porsche Club

Victoria



PORSCHE CLUB OF VICTORIA INCORPORATED

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

**ANNUAL REPORT
30 June 2021**

**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 2021.

Committee

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

Tony Carolan – President	Appointed 7 th June 2011
Mark Horton Andrews – Vice President	Appointed 20 th October 2015
Neville Sampson – Secretary	Appointed 18 th October 2011
David Mallinson - Treasurer	Appointed 20 th October 2015
Ron Widdison	Appointed 4 th August 2009
Garry Saber	Appointed 15 th October 2013
Cameron Goodyear	Appointed 16 th October 2016 Resigned 7 th April 2021
Melanie Treloar	Appointed 5 th July 2017
Clyde White	Appointed 9 th October 2018
Linley Baxter	Appointed 13 th August 2019
Paul Sbrissa	Appointed 21 st November 2019
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 2020 - 21 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 profit of the Club for the year ending 30th June 2021 was a profit of \$34,446 compared to a loss of (\$21,823) in FY20, this result reflects the impact of Covid-19 including reduced social events and Government Covid funding initiatives (JobKeeper and various Government grants) totalling \$34,500. Despite the lack of events during Covid-19 we have seen Memberships increase to record numbers, which together with the Covid funding initiatives has contributed to the Club delivering a profit in FY21.

Events subsequent to Balance Date

Outside Covid-19, which largely seems to be controlled, no other 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. Noting the Budget for FY22 has a loss of (\$17,895) due to the Committee agreeing to commit some of the surplus from FY21 towards increased Club activities in FY22, to compensate the impact Covid-19 restrictions had on FY21. The Club has sufficient reserves to cover the budgeted FY22 loss.

Likely Developments

The Committee is of the opinion that there are no likely developments, including Covid-19 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 2021.

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



.....
(Signed)
Tony Carolan
President



.....
(Signed)
David Mallinson
Treasurer

Dated this 11 August 2021.

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Financial Performance
For the year ended 30 June 2021

	<i>Note</i>	2021	2020
		\$	\$
Revenues from ordinary activities		692,003	525,396
Depreciation and amortisation expenses		(3,915)	(5,010)
Other expenses from ordinary activities		(653,642)	(542,209)
Profit from ordinary activities before income tax		34,446	(21,823)
Income tax expense relating to ordinary activities		-	-
Net profit of the association		34,446	(21,823)
Total changes in equity of the association		34,446	(21,823)
Opening accumulated surplus		351,748	373,571
Net profit attributable of the association		34,446	(21,823)
Closing accumulated surplus		386,194	351,748

PORSCHE CLUB OF VICTORIA INCORPORATED
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Detailed Statement of Financial Position
As at 30 June 2021

	<i>Note</i>	2021	2020
		\$	\$
Current Assets			
Cash Assets			
Cash at Bank	3	403,376	250,494
Cash on Deposit	3	200,000	200,000
		603,376	450,494
Receivables and Prepayments			
Receivables		19,236	11,221
Event, advertising & social deposits in advance	5	(194,726)	(63,332)
		(175,490)	(52,111)
Inventories			
Inventories		4,072	1,620
		4,072	1,620
Total Current Assets		431,958	400,003
Non-Current Assets			
Property, Plant and Equipment			
Plant & equipment – at cost		52,234	50,857
Less: Accumulated depreciation		(41,787)	(38,937)
Motor vehicles – at cost		36,607	36,607
Less: Accumulated depreciation		(32,349)	(31,284)
		14,705	17,243
Total Non-Current Assets		14,705	17,243
Total Assets		446,663	417,246

PORSCHE CLUB OF VICTORIA INCORPORATED
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Detailed Statement of Financial Position
As at 30 June 2021

	<i>Note</i>	2021	2020
		\$	\$
Current Liabilities			
Payables			
- Creditors and accruals		22,526	10,576
- GST Payable		11,699	2,577
- Subscriptions in advance			28,319
- Event, advertising & social revenue in advance			
		34,225	41,472
Other			
- Provisions - Long Service Leave		14,704	12,486
Total Current Liabilities		48,929	53,958
Total Liabilities		48,929	53,958
Net Assets		397,734	363,288
Member's Funds			
Member's Capital		11,540	11,540
Total Member's Equity		11,540	11,540
Retained Earnings		351,748	373,571
Current Year Earnings		34,446	(21,823)
Total Members' Funds		397,734	363,288

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Cash Flows
For the year ended 30 June 2021

	<i>Note</i>	2021	2020
		\$	\$
Cash Flow from Operating Activities			
Receipts from customers		644,070	585,288
Payments to suppliers and employees		(491,017)	(631,967)
Interest received		1,205	2,248
Income tax paid		-	-
Net cash provided by / (used in) operating activities	2	154,258	(44,431)
Cash Flow From Investing Activities			
Payment for:			
Payments for property, plant and equipment		(1,377)	(1,608)
Net cash provided by (used in) investing activities		-	-
Net increase in cash held		154,258	(44,431)
Cash at beginning of the year		450,494	496,534
Cash at the end of year	3	603,376	450,494

**PORSCHE CLUB OF VICTORIA INCORPORATED
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

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.

**PORSCHE CLUB OF VICTORIA INCORPORATED
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

(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 2021

(continued)

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

	2021	2020
	\$	\$
Operating profit after tax	34,446	(21,823)
Depreciation	3,915	5,010
Increase/(decrease) in provision for income tax	-	-
(Increase) decrease in receivables & prepayments	(46,728)	62,140
(Increase) decrease in inventories	(2,452)	467
Increase (decrease) in trade creditors and accruals	21,072	(9,204)
Increase (decrease) in other creditors	144,005	(81,021)
Net cash provided by operating activities	<u>154,258</u>	<u>(44,431)</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021

(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:

	2021	2020
	\$	\$
Cash at Bank	403,376	250,495
Cash on Deposit	200,000	200,000
	<u>603,376</u>	<u>450,495</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.

**PORSCHE CLUB OF VICTORIA INCORPORATED
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

(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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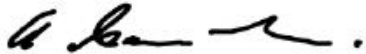
**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2021**

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 2021 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)
Tony Carolan
President



.....
(Signed)
David Mallinson
Treasurer

Dated this 11 August 2021.

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of the Porsche Club of Victoria Incorporated.

We have reviewed the accompanying annual financial report of the Porsche Club of Victoria Inc., which comprises the balance sheet as at 30th June 2021, and the income statement, statement of changes in equity and cash flow statement for the 12 month period ended on that date, a description of accounting, other selected explanatory notes, and the statement by members of the committee being those charged with governance.

The Members of the Committees Responsibility for the Annual Financial Report

The members of the committee of the Porsche Club of Victoria Inc. are responsible for the preparation and fair presentation of the annual financial report in accordance with the Australian Accounting Standards and the Associations Incorporation Reform Act 2012 and for such internal control as the committee determine is necessary to enable the preparation and fair presentation of the annual financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the annual financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the Australian Accounting Standards and the Associations Incorporation Reform Act 2012. As the auditor of the Porsche Club of Victoria Inc., ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an annual 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 accounting bodies.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the annual financial report of the Porsche Club of Victoria Inc. does not present fairly, in all material respects, or give a true and fair view of the financial position of the club as at 30th June 2021, and of its financial performance and its cash flows for the 12 months ended on that date, in accordance with the Australian Accounting Standards and the Associations Incorporation Reform Act 2012.

Signed

Dated:


.....

14.09.2021
.....

Colin Helwig, CPA
C J Helwig and Associates
Cottage Medical Centre,
222 Torquay Road,
Grovedale

PORSCHE CLUB OF VICTORIA INCORPORATED
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Trading Account
For the year ended 30 June 2021

	2021	2020
	\$	\$
Trading Income		
Gross receipts - competition events	178,460	200,061
Gross receipts - social events	221,697	30,912
Gross receipts - merchandise sales	5,773	4,830
Gross receipts - magazine advertising	55,118	44,646
Gross receipts - annual dinner	264	33,170
Gross receipts - register events	10,690	17,396
Total Trading Income	472,002	331,015
Trading Costs		
Competition costs	167,136	201,435
Social event costs	220,788	30,197
Merchandise costs	4,796	2,996
Magazine costs	74,277	62,003
Annual dinner costs	6,364	44,000
Register event costs	9,902	16,046
Total Trading Costs	483,263	356,676
Gross Profit / (Loss) from Trading	(11,261)	(25,661)

PORSCHE CLUB OF VICTORIA INCORPORATED
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Income & Expenditure Statement
For the year ended 30 June 2021

	2021	2020
	\$	\$
Income		
Trading Income	472,002	331,015
Dorian hire	2,986	3,068
Interest received	1,205	2,248
Membership subscriptions	171,760	166,293
Joining fees	8,441	6,636
Gross receipts - Covid-19 allowances	25,500	16,000
Other revenue	10,109	136
Total Income	692,003	525,396
Expenses		
Trading Costs	483,263	356,676
Audit fees, and Tax Services	1,400	1,396
Bank charges	175	185
Credit card charges/(recovered)	(944)	3,148
Club night costs	22,479	29,187
Computer development & expenses	7,656	9,743
Depreciation	3,915	5,010
Donations		
General expenses	6,839	10,685
Insurance	708	838
Insurance – Workcover	1,571	1,805
Motor vehicle expenses	2,025	2,039
Postage	5,624	4,221
Printing & stationery	14,193	6,243
Secretarial & administration	92,500	95,203
Subscriptions	1,155	1,155
Superannuation	8,579	7,919
Telephone	4,835	4,478
Trophies	955	6,265
Website expenses	629	1,023
Total Expenses	657,557	547,219
Profit / (Loss) from ordinary activities.	34,446	(21,823)

PORSCHE CLUB OF VICTORIA INCORPORATED
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Income & Expenditure Statement
For the year ended 30 June 2021

	2021	2020
	\$	\$
Profit / (loss) from ordinary activities before income tax	34,446	(21,823)
Income tax expense relating to ordinary activities	-	
Net profit / (loss) attributable to the association	34,446	(21,823)
Total change in equity of the association	34,446	(21,823)
Opening retained profits of the association	351,748	373,571
Net profit / (loss) attributable to the association	34,446	(21,823)
Closing retained profits to the association	386,194	351,748

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

Comparative Results

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Budget 2022
<u>Revenue</u>					
Membership					
Joining fees	7,045	6,863	6,636	8,441	4,545
Subscriptions	177,150	188,739	166,293	171,760	223,660
<u>Total membership income</u>	184,195	195,602	172,929	180,201	228,205
Net Competition surplus / (loss)	17,056	10,278	(10,970)	7,845	10,000
Merchandise profits / (loss)	655	831	1,754	838	650
Interest received	4,994	4,783	2,248	1,205	4,200
Social Events surplus / (loss)	(18,407)	(21,892)	(10,115)	(5,191)	(11,500)
Register events surplus	2,653	2,220	1,350	788	2,500
Other revenue (incl minor advertising)	382	273	16,136	35,609	200
<u>Net revenue</u>	191,529	192,094	173,332	221,294	234,255
<u>Less Costs</u>					
Secretariat per summary	87,095	88,970	104,927	102,650	107,644
Administration per summary	37,558	33,129	43,685	42,560	44,934
Club nights expenses	28,152	32,192	29,187	22,479	77,500
Porsche Parade net cost per summary	23,220	16,167	17,357	19,159	22,072
<u>Total expenses</u>	175,994	170,458	195,155	186,848	252,150
<u>Operating Profit / (Loss)</u>	15,504	21,637	(21,823)	34,446	(17,895)
<u>Less Income Tax Expense</u>					
<u>Net Profit / (Loss)</u>	15,504	21,637	(21,823)	34,446	(17,895)

PORSCHE CLUB OF VICTORIA INCORPORATED
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Comparative Results

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Budget 2022
<u>Competition Surplus</u>					
Event revenue net of expenses	33,629	29,614	1,568	13,992	29,560
Dorian & antenna sales	46	172	80	138	172
Dorian hire	3,395	4,459	3,068	2,986	4,459
<u>Net competition revenue</u>	37,070	34,246	4,717	17,116	34,191
<u>Less competition related expenses</u>					
Motorsport Aust. Affiliation fee (Subs)	1,109	1,136	1,155	1,155	1,636
Equipment Depreciation (Inc. Amenities)	382	1,109	1,956	1,404	1,394
<u>Motor vehicle expenses</u>					
Depreciation	2,079	1,664	1,330	1,065	851
Registration & insurance	1,284	1,385	1,442	1,484	1,635
Running costs	1,319	836	597	541	836
<u>Total vehicle costs</u>	4,682	3,884	3,369	3,090	3,322
Compliance testing & other expenses					
Quartermaster honorarium	6,825	9,113	2,942	2,668	9,113
Trophies	7,016	8,726	6,265	955	8,726
<u>Total competition related exps</u>	20,014	23,968	15,687	9,271	24,191
<u>Net competition surplus / (loss)</u>	17,056	10,278	(10,970)	7,845	10,000
<u>Merchandise profits</u>					
Badges	414	535	314	687	500
Binders	242	296	260	150	150
Other			1,180		
<u>Total merchandise profits</u>	655	831	1,754	838	650
<u>Social Events</u>					
Dinner Dance surplus / (subsidy)	(21,632)	(20,459)	(10,830)	(6,100)	(12,000)
Social events surplus /(loss)	3,225	(1,660)	715	909	500
<u>Net social profit / (loss)</u>	(18,407)	(21,892)	(10,115)	(5,191)	(11,500)

PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974

Comparative Results

	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Budget 2022
<u>Administration</u>					
Audit fee	1,404	1,400	1,396	1,400	1,404
Bank fees	250	175	185	175	200
Computer expenses	6,529	1,588	2,958	1,824	926
Computer reprogramming	5,818	1,389	6,785	5,832	5,776
Depreciation - office equipment	2,072	1,736	1,724	1,446	1,121
Donations		1,000			500
General expenses	4,956	3,793	8,813	1,795	4,006
Insurance	805	805	838	708	1,144
Consultancy					
Merchant commission	8,173	11,383	10,405	11,514	11,579
Merchant recovery	(10,232)	(8,917)	(7,257)	(12,458)	(8,000)
Postage	3,363	3,957	4,221	5,624	5,730
Printing & stationery	8,636	8,127	6,243	14,193	12,831
Storage	1,599	1,800	1,872	5,044	2,107
Telephone	3,555	4,405	4,478	4,835	5,001
Web site	629	489	1,023	629	609
<u>Total Administration</u>	37,558	33,129	43,685	42,560	44,934
Register Events					
Profit from events	2,653	2,220	1,350	788	2,500
<u>Porsche Parade net cost</u>					
Magazine revenue	46,800	53,072	44,646	55,118	59,528
Less bad debts					
<u>Net revenue</u>	46,800	53,072	44,646	55,118	59,528
Magazine costs					
Production costs	59,920	62,720	52,820	65,210	69,600
Postage	10,100	6,519	9,183	9,068	12,000
<u>Total costs</u>	70,020	69,239	62,003	74,278	81,600
<u>Net magazine cost</u>	23,220	16,167	17,357	19,159	22,072
<u>Secretariat</u>					
Secretarial salaries	78,414	79,192	95,203	92,500	96,582
Superannuation	7,345	8,215	7,919	8,579	9,515
Work cover	1,336	1,564	1,805	1,571	1,547
<u>Total Secretariat</u>	87,095	88,970	104,927	102,650	107,644