



Porsche Club

V i c t o r i a



PORSCHE CLUB OF VICTORIA INCORPORATED

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

**ANNUAL REPORT
30 June 2011**

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 2011.

Committee

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

Ian Jenkins - President	Appointed 15 th October 2002 Resigned 19 th October 2010
Keith Ryding - President	Appointed 17 th October 2006
Peter Harrison - Vice President	Appointed 21 st October 2008
Jolanda Brezovec - Secretary	Appointed 5 th February 2008
Roger Randle - Treasurer	Appointed 17 th October 2006 Resigned 19 th October 2010
Michael O'Brien - Treasurer	Appointed 6 th March 2007
Jacqui Collihole	Appointed 17 th October 2006 Resigned 19 th October 2010
Grant Stephenson	Appointed 17 th October 2006 Resigned 19 th October 2010
Graham Lachlan	Appointed 5 th February 2008
Andrew Bonwick	Appointed 21 st October 2008
Ron Widdison	Appointed 4 th August 2009
Kerry Leonard	Appointed 2 nd March 2010 Resigned 3 rd May 2011
AnneMaree Fitzgerald	Appointed 19 th October 2010 Resigned 3 rd May 2011
Aaron Ireland	Appointed 19 th October 2010
Felix Rieniets	Appointed 19 th October 2010
Stephen Wood	Appointed 19 th October 2010
Tony Carolan	Appointed 7 th June 2011
Wayne St Baker	Appointed 7 th June 2011

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 2011 have been the conduct of both Competition and 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 surplus of the Club after providing for income tax and extraordinary items was \$31,427 (2010 \$5,834).

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 these 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 2011.

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



.....
(Signed)
Keith Ryding
President



.....
(Signed)
Michael O'Brien
Treasurer

Dated this 2nd day of August 2011

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Financial Performance
For the year ended 30 June 2011

	<i>Note</i>	2011	2010
		\$	\$
Revenues from ordinary activities		574,122	533,004
Depreciation and amortisation expenses	<i>1(a)</i>	(2,167)	(2,551)
Other expenses from ordinary activities		(534,726)	(520,609)
Profit from ordinary activities before income tax		<u>37,229</u>	<u>9,844</u>
Income tax expense relating to ordinary activities	<i>1(c)</i>	(5,802)	(4,010)
Net profit of the association		<u>31,427</u>	<u>5,834</u>
Total changes in equity of the association		31,427	5,834
Opening accumulated surplus		71,827	65,993
Net profit attributable of the association		31,427	5,834
Closing accumulated surplus		<u>103,254</u>	<u>71,827</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
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Detailed Statement of Financial Position
As at 30 June 2011

	<i>Note</i>	2011	2010
		\$	\$
Current Assets			
Cash Assets			
Cash at Bank		52,341	40,299
Cash on Deposit		276,241	260,705
		328,582	301,004
Receivables and Prepayments			
Receivables		7,945	8,780
Prepayments		-	1,680
GST Receivable		-	713
Event, advertising & social deposits in advance	5	15,315	695
		23,260	11,868
Inventories			
Inventories		2,469	1,811
		2,469	1,811
Total Current Assets		354,311	314,683
Non-Current Assets			
Property, Plant and Equipment			
Plant & equipment – at cost		25,448	21,861
Less: Accumulated depreciation		(18,537)	(17,728)
Motor vehicles – at cost		22,277	22,277
Less: Accumulated depreciation		(18,233)	(17,300)
		10,955	9,110
Total Non-Current Assets		10,955	9,110
Total Assets		365,266	323,793

PORSCHE CLUB OF VICTORIA INCORPORATED
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Detailed Statement of Financial Position
As at 30 June 2011

	<i>Note</i>	2011 \$	2010 \$
Current Liabilities			
Payables			
- Creditors and accruals		3,220	2,922
- GST Payable		2,440	-
- Subscriptions in advance		51,602	46,274
- Event, advertising & social revenue in advance	5	-	-
		57,262	49,196
Current Tax Liabilities			
Taxation		2,736	756
Total Current Liabilities		59,998	49,952
Total Liabilities		59,998	49,952
Net Assets		305,268	273,841
Members' Funds			
Reserves			
Members' Funds		202,014	202,014
Accumulated surplus		103,254	71,827
Total Members' Funds		305,268	273,841

PORSCHE CLUB OF VICTORIA INCORPORATED
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Statement of Cash Flows
For the year ended 30 June 2011

	<i>Note</i>	2011	2010
		\$	\$
Cash Flow from Operating Activities			
Receipts from customers		545,829	520,064
Payments to suppliers and employees		(529,759)	(521,339)
Interest received		19,341	13,369
Income tax paid		(3,822)	(3,634)
Net cash provided by (used in) operating activities	2	31,589	8,460
Cash Flow From Investing Activities			
Payment for:			
Payments for property, plant and equipment		(4,011)	-
Net cash provided by (used in) investing activities			
Net increase in cash held		31,589	8,460
Cash at beginning of the year		301,004	292,544
Cash at the end of year	3	328,582	301,004

PORSCHE CLUB OF VICTORIA INCORPORATED
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011

1. STATEMENT OF ACCOUNTING POLICIES

Special Purpose Report

The Associations Incorporations Act 1981, under which the Porsche Club of Victoria Inc. is incorporated, provides that the Club must maintain adequate and accurate accounting records (S30A). The Act also requires a club with our level of gross receipts and/or assets to have its accounts audited. In accordance with the requirements of the Act the Club is a Prescribed 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 <i>(replaces AASB 1018 Statement of Financial Performance, and AAS 36 Statement of Financial Position)</i>
AASB 116	Property, Plant and Equipment <i>(replaces AAS 4 Depreciation, and AASB 1041 Revaluation of Non-Current Assets)</i>
AASB 1031	Materiality <i>(replaces AAS 5 Materiality)</i>
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors <i>(replaces AAS 6 Accounting Policies)</i>
AASB 110	Events after the end of the Reporting Period <i>(replaces AAS 8 Events occurring after Reporting Date)</i>
AASB 118	Revenue <i>(replaces AAS 15 Revenue)</i>
AASB 117	Leases <i>(replaces AAS 17 Leases)</i>
AASB 107	Statement of Cash Flows <i>(replaces AAS 28 Statement of Cash Flows)</i>
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 2011

(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.

Accordingly, the Club is only assessable on the income received from non-member income such as bank interest, and the income tax return has been prepared on this basis. The deductions available to the Club are limited to those relating to its assessable income and will therefore include a portion of bank fees and charges, if any.

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

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

	2011	2010
	\$	\$
Operating profit after tax	31,427	5,834
Depreciation	2,167	2,551
Increase/(decrease) in provision for income tax	1,980	376
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in receivables & prepayments	(8,952)	(259)
(Increase) decrease in inventories	(659)	4,906
Increase (decrease) in trade creditors and accruals	298	(5,048)
Increase (decrease) in other creditors	5,328	100
Net cash provided by operating activities	<u>31,589</u>	<u>8,460</u>

PORSCHE CLUB OF VICTORIA INCORPORATED
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011

(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:

	2011	2010
	\$	\$
Cash at Bank	52,341	40,299
Cash on Deposit	276,241	260,705
	<u>328,582</u>	<u>301,004</u>

4. RELATED PARTY TRANSACTIONS

In accordance with the requirements of the *Associations Incorporations Act 1981*, 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 for many years. During the financial year ending 30th June 2011 printing costs amounting to \$63,162 were paid to Composite Colour Pty Ltd. (From the date of Ron's appointment until 30 June 2010 the amount paid was \$67,061). The charges by Composite Colour Pty Ltd are determined on a commercial basis and have not changed since the appointment of Ron to the Committee. Apart from the foregoing no other Committee Members have a substantial interest and/or are Directors of various companies who supply, in the ordinary course of business, goods or services to the Porsche Club of Victoria Incorporated.

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 2011**

(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.

**PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974**

**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2011**

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, 2011 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)
Keith Ryding
President


.....
(Signed)
Michael O'Brien
Treasurer

Dated this 2nd day of August 2011

**PORSCHE CLUB OF VICTORIA INCORPORATED
ABN 23 229 091 974**

Independent Auditor Report

Scope

We have audited the financial report, being the Statement by Committee members, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of Porsche Club of Victoria Inc for the financial year ended 30 June 2011. The associations committee are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the Club's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Audit opinion

In our opinion, the financial report of Porsche Club of Victoria Inc is in accordance with:

1. the Associations Incorporation Act 1981, including:
 - a) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the ended on that date; and
 - b) complying with Accounting Standards and the Corporations Regulations; and
2. other mandatory professional reporting requirements.

Signed

Dated:


.....

29 August 2011
.....

**Colin Helwig, CPA
C J Helwig and Associates
128 High Street Belmont Vic**

PORSCHE CLUB OF VICTORIA INCORPORATED
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Trading Account
For the year ended 30 June 2011

	2011	2010
	\$	\$
Trading Income		
Gross receipts - competition events (includes Bathurst 2010: \$106,435)	148,773	238,324
Gross receipts - social events (includes Hunter Valley 2011: \$120,973)	148,166	66,725
Gross receipts - merchandise sales	8,640	8,100
Gross receipts - magazine advertising (net of bad debts \$Nil - 2010 \$Nil)	53,382	51,000
Gross receipts - annual dinner	35,509	24,963
Gross receipts - register events	28,914	21,459
Total Trading Income	423,384	410,571
 Cost of Sales		
Competition costs (includes Bathurst 2010: \$106,118)	136,994	205,896
Social event costs (includes Hunter Valley 2011: \$120,940)	147,391	61,165
Merchandise costs	7,501	6,952
Magazine production and postage costs	62,636	65,745
Annual dinner costs	44,709	34,922
Register event costs	27,799	20,092
Total Cost of Sales	427,030	394,772
Gross Profit from Trading	(3,646)	15,799

PORSCHE CLUB OF VICTORIA INCORPORATED
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Income & Expenditure Statement
For the year ended 30 June 2011

	2011	2010
	\$	\$
Income		
Trading Profit	(3,646)	15,799
Dorian hire	2,455	2,118
Interest received	19,341	13,369
Membership subscriptions	120,697	101,937
Joining fees	5,318	4,682
Other revenue	2,927	327
Total Income	147,092	138,232
Expenses		
Audit fees	1,470	1,500
Bank charges	46	36
Credit card charges *	664	8,823
Club night costs	16,717	16,234
Computer development & expenses	1,581	11,040
Depreciation	2,167	2,551
Donations	600	-
General expenses	4,307	2,922
Insurance	2,201	3,518
Insurance – Workcover	502	416
Motor vehicle expenses	1,613	1,947
Postage	4,337	5,631
Printing & stationery	11,417	17,081
Secretarial & administration	48,219	41,821
Subscriptions	941	914
Superannuation	4,340	3,764
Telephone	3,438	2,601
Trophies	4,740	5,899
Website expenses	563	1,690
Total expenses	109,863	128,388
Profit from ordinary activities before income tax	37,229	9,844

* From 2011 merchant fees previously included in Credit card charges are now classified in the Cost of Sales of the particular event.

PORSCHE CLUB OF VICTORIA INCORPORATED
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Income & Expenditure Statement
For the year ended 30 June 2011

	2011	2010
	\$	\$
Profit from ordinary activities before income tax	37,227	9,844
Income tax expense relating to ordinary activities	(5,802)	(4,010)
Net profit attributable to the association	31,425	5,834
Total change in equity of the association	31,425	5,834
Opening retained profits of the association	71,827	65,993
Net profit attributable to the association	31,425	5,834
Closing retained profits to the association	103,252	71,827

PORSCHE CLUB OF VICTORIA INCORPORATED
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Comparative Management Results

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Budget 2012
<u>Revenue</u>					
Membership					
Joining fees	5,182	4,364	4,682	5,318	4,500
Subscriptions	99,746	101,761	101,937	120,697	116,402
<u>Total membership income</u>	104,928	106,125	106,619	126,015	120,902
Net Competition surplus ("-" loss) per summary	18,880	26,927	23,632	5,547	9,984
Regularity Runs surplus ("-"loss)	-	-	317	-	-
Merchandise profits ("-" loss) per summary	1,373	1,095	1,052	1,099	-
Interest received	14,176	14,187	13,369	19,341	19,142
Social Events surplus ("-" loss) per summary	3,952	3,740	(4,399)	(8,424)	(11,000)
Register events surplus	1,872	1,346	1,367	1,115	-
Other revenue (incl minor advertising)	818	1,036	211	2,927	-
<u>Net revenue</u>	145,999	154,456	142,168	147,622	139,027
<u>Less Costs</u>					
Secretariat per summary	37,200	40,807	46,001	53,061	55,112
Administration per summary	43,738	36,757	55,454	31,360	37,075
Club nights expenses	12,355	14,708	16,234	16,717	19,600
Porsche Parade net cost per summary	7,392	8,781	14,745	9,255	12,872
<u>Total expenses</u>	100,685	101,053	132,434	110,393	124,659
<u>Operating Profit ("-" Loss)</u>	45,314	53,403	9,734	37,228	14,369
<u>Less Income Tax Expense</u>	4,787	4,256	3,900	5,802	5,742
<u>Net Profit ("-" Loss)</u>	40,527	49,147	5,834	31,427	8,626

PORSCHE CLUB OF VICTORIA INCORPORATED
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Comparative Management Results

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Budget 2012
Competition Surplus					
Event revenue net of expenses	34,063	36,141	40,834	14,827	26,846
Dorian & antenna sales	166	(325)	96	41	-
Dorian hire	2,405	1,508	2,118	2,455	2,000
Net competition revenue	36,634	37,324	43,048	17,322	28,846
Less competition related expenses					
CAMS Affiliation fee (Subs)	871	871	914	941	1,000
Equipment Depreciation (Inc. Amenities)	4,027	1,031	784	498	818
Motor vehicle expenses					
Depreciation	1,739	1,414	1,149	933	4,129
Registration & insurance	1,007	1,072	818	857	1,025
Running costs	1,899	522	1,129	755	2,390
Total vehicle costs	4,645	3,008	3,096	2,546	7,544
Compliance testing & other expenses	3,236	1,244	8,723	3,051	2,000
Quartermaster honorarium	-	582	-	-	-
Trophies	4,975	4,243	5,899	4,740	7,500
Total competition related exps	17,754	10,397	19,416	11,775	18,862
Net competition surplus ("-" loss)	18,880	26,927	23,632	5,547	9,984
Merchandise profits					
Badges	929	857	697	785	-
Binders	491	238	355	314	-
Other	(47)	-	-	-	-
Total merchandise profits	1,373	1,095	1,052	1,099	-
Social Events					
Dinner Dance profit ("-" subsidy)	(85)	(8,264)	(9,959)	(9,200)	(11,000)
Social events profits ("-" losses)	5,909	12,004	5,560	776	-
Raffle surplus profit ("-" loss)	-	-	-	-	-
Net social profit ("-" loss)	5,824	3,740	(4,399)	(8,424)	(11,000)
Register Events					
Profit from events per summary	-	-	1,367	1,115	-

PORSCHE CLUB OF VICTORIA INCORPORATED
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Comparative Management Results

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Budget 2012
<u>Administration</u>					
Audit fee	1,600	1,300	1,500	1,470	1,536
Bank fees	27	36	36	46	48
Computer expenses	-	-	370	476	498
Computer reprogramming	-	-	10,670	1,105	1,255
Courier costs	26	-	-	-	-
Depreciation - office equipment	5,242	837	618	736	349
Donations	-	-	-	600	1,000
General expenses	6,057	3,790	2,420	3,786	4,218
Insurance	4,101	3,571	3,518	2,201	2,300
Legal fees	-	-	-	-	1,000
Merchant commission	6,291	8,231	8,823	664	3,259
Postage	3,761	4,167	5,631	4,337	4,532
Printing & stationery	12,979	11,277	17,081	11,417	11,930
Storage	482	518	495	521	544
Telephone	2,736	2,544	2,601	3,438	3,593
Web site	436	486	1,691	563	1,013
<u>Total Administration</u>	43,738	36,757	55,454	31,360	37,075
<u>Porsche Parade net cost</u>					
Magazine revenue	57,909	56,909	51,000	53,382	50,000
Less bad debts	-	(1,273)	-	-	-
<u>Net revenue</u>	57,909	55,636	51,000	53,382	50,000
<u>Magazine costs</u>					
Production costs	60,300	59,490	60,665	57,420	57,420
Postage	5,001	4,927	5,080	5,217	5,451
<u>Total costs</u>	65,301	64,417	65,745	62,637	62,871
<u>Net magazine cost</u>	7,392	8,781	14,745	9,255	12,872
<u>Secretariat</u>					
Secretarial salaries	33,891	37,107	41,821	48,219	50,080
Superannuation	3,050	3,340	3,764	4,340	4,507
Work cover	259	360	416	502	525
<u>Total Secretariat</u>	37,200	40,807	46,001	53,061	55,112